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COMMENTARY

AI policy debates in Brazil: struggles over regulation, governance and labour

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This article explores Brazil's artificial intelligence (AI) policy landscape through the lens of regulation, development and governance, focusing on the complex power struggles shaping its direction. As Brazil positions itself as a leader in AI in Latin America, debates over regulation reveal conflicting interests between Big Tech, national industry, unions and civil society. Although government plans like the Brazilian Artificial Intelligence Plan 2024–2028 aim to foster innovation and digital sovereignty, labour issues and workers' rights remain marginalised. The article argues that AI governance in Brazil is a site of political dispute over who benefits from AI and under what terms. By unpacking these dynamics, the analysis highlights the urgent need for participatory AI governance models that foreground social justice and labour protections, particularly within the broader context of Latin American technological development. This article is part of the 'Artificial Intelligence Observatory for the World of Work (AIPOWW) Symposium'.

Keywords artificial intelligence • Brazil • governance • labour • regulation

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Introduction

In the past decade, countries around the world have been grappling with how to regulate, govern and develop artificial intelligence (AI). These debates, decisions and policies are entirely shaped by class struggles and transnational as well as domestic power relations. In other words, the capital-labour relationship is always present in the shaping of AI policies, even if rarely acknowledged explicitly. Most AI regulatory frameworks either overlook or inadequately address what protections should be afforded to workers amid accelerating AI-driven transformations. Moreover, much of the current global debate on AI policies continues to overlook the specific dynamics unfolding in Latin America, despite the region's growing significance in global AI value chains. Brazil, as the largest country in Latin America and a regional leader in technological and industrial development, offers a critical case for understanding how AI policies are negotiated among competing political, economic and social forces. This article contributes to global debates on AI governance by analysing the Brazilian case, highlighting the tensions and struggles over AI regulation, development and governance and reflecting on what is at stake for labour rights in the context of AI.

This article examines three key dimensions that offer a comprehensive overview of Brazil's initiatives concerning AI policies and their potential impacts on the world of work: regulation, development and governance. These policies involve complex negotiations and struggles among various policy makers, state institutions, financial actors and pressure from diverse stakeholders – including social movements and trade unions – to fight for a more democratic process in relation to AI policies.

The first dimension, regulation, is shaped by competing interests, particularly those of powerful economic sectors and their political representatives in the National Congress. Although progress in this area faces significant obstacles, there are promising prospects if broader social mobilisation continues to grow, with civil society organisations trying to bring their agendas to the rulemaking processes. The second dimension, development, encompasses the measures undertaken by both the state and private sector to support the development and implementation of AI technologies and train the workforce, with an emphasis on safeguarding social rights and fostering innovations that address Brazil's broader development needs. The third dimension, governance, involves political initiatives from public and private institutions, including unions and social movements, aiming to ensure participation, representation and the protection of rights and interests. Given the ongoing concentration of power and wealth, urgent and sustained social mobilisation is necessary to uphold democratic values and national sovereignty. The article then examines how these different dimensions generate specific consequences for the world of work, paying particular attention to the blind spots and omissions that leave workers' rights unaddressed in current AI policy frameworks.

Methodologically, this article is based on the analysis of 57 documents produced between January 2019 and July 2024. These materials include bill proposals under discussion in the Brazilian Congress, bills introduced in state and local legislative assemblies, court decisions, official programmes from the Brazilian Ministry of Science, Technology and Innovation, initiatives related to digital economy and AI development, regulatory sandbox proposals, as well as letters, manifestos and public statements issued by unions, workers' associations and social movements. The policy-making initiatives and debates were analysed until September 2024, therefore new

decisions after this time have not been captured. Together, these documents provide a comprehensive picture of the ongoing disputes, negotiations and blind spots that characterise AI policy making in Brazil. This article forms part of the ‘Artificial Intelligence Observatory for the World of Work (AIPOWW) Symposium’.

Brazilian context

Brazil holds a prominent position in Latin America across key sectors such as agriculture, industry, services – including culture – and scientific research, contributing significantly to the region’s economic development. In recent years, the country has sought to address the complex challenges arising from transformations in AI value chains, despite grappling with the adverse effects of regressive policies, particularly those undermining human rights, labour, health, science and education.

The country also possesses notable comparative advantages in the field of AI. These include abundant natural resources – such as minerals, water and clean energy – as well as comprehensive satellite coverage and long-standing expertise in telecommunications. The country is home to an extensive network of public universities and high-level research centres, alongside a large, highly adaptable population with broad access to the internet. Together, these assets position Brazil as a key player in ongoing debates over AI development in the Majority World.

Despite its history of structural underdevelopment, Brazil now faces emerging geopolitical challenges. The country must position itself within the international competitive landscape with the capacity to participate in global AI markets on sovereign terms, engaging with commercial partners on the basis of shared interests. However, international multilateral organisations have largely failed to balance the interests of powerful countries and corporations with the need to safeguard local, sovereign development – particularly in regions such as Latin America and Africa. This failure is exacerbated by ongoing processes of market deregulation and the unregulated AI and data flows, driven by powerful transnational technology conglomerates. In this context, for Brazil to advance policies that improve living and working conditions within the evolving AI value chain, the establishment of a favourable global AI governance framework is essential.

The Brazilian government, under President Lula’s leadership, has taken important steps in this direction. By chairing and hosting the G20 Leaders’ Summit in November 2024, Brazil took on the challenge of reshaping the Brazilian Strategy for Artificial Intelligence (EBIA). This effort includes commitments to invest in research, workforce training and support for companies, while signalling the need to regulate both the development and use of AI technologies. These initiatives reflect Brazil’s broader attempt, within a new cycle of technological and productive restructuring, to overcome its structural disadvantages and to pursue social progress grounded in respect for rights, sustainability and the protection of life and nature.

Regulation

Brazil’s regulatory framework for AI is still in a formative stage, with several key bills under discussion. As of September 2024, no comprehensive national AI regulation had been enacted. The only AI-specific regulation currently in force exists at the subnational level, in the state of Ceará. Nationally, there are fifteen AI-related bills

under consideration in the Federal Senate (Upper House) and nine in the Chamber of Deputies (Lower House). These legislative efforts build on the General Data Protection Law (*Lei Geral de Proteção de Dados*, LGPD), in effect since 16 August 2020. Designed to unify and modernise the country's fragmented data protection regime – previously comprising more than 40 laws – the LGPD aligns Brazilian data governance with the realities of a digital society. Modelled on the European General Data Protection Regulation (GDPR), the LGPD establishes core principles, including respect for privacy, freedom of expression and the protection of human rights, which continue to shape the debates on AI regulation in Brazil.

Among ongoing regulatory initiatives, Bill 21/2020 stands out as the most comprehensive and advanced in terms of legislative progress. Introduced in the Chamber of Deputies on 3 February 2020, and approved by that body on 29 September 2021, this bill was subsequently incorporated into Bill 2338/2023, which has become the central focus of AI regulatory discussions. The Temporary Inner Commission on Artificial Intelligence in Brazil, established by the Federal Senate, is currently responsible for evaluating and refining Bill 2338/2023, with the aim of drafting a national AI law. If approved, this legislation is expected to serve as the foundational regulatory framework for AI in Brazil, addressing critical issues such as the protection of fundamental rights and the prevention of abusive practices.

Bill 2338/2023, commonly referred to as the 'AI Bill', marks a significant step towards establishing a comprehensive framework for the regulation of AI in Brazil. Its primary aim is to consolidate various earlier legislative proposals into a unified law. Originating from the Brazilian Strategy for Artificial Intelligence (EBIA), the bill sets out broad general principles, including references to the relationship between AI and work. However, it remains largely generic and lacks detailed provisions, particularly concerning labour rights and protections. To address these gaps, the Federal Senate created a commission of legal experts tasked with refining the draft, with an emphasis on enabling specific sectors – such as healthcare and telecommunications – to develop tailored AI regulations. This process remains ongoing, with efforts to incorporate both public and international contributions. Nonetheless, discussions related to labour rights in the context of AI have thus far been limited.

The AI Bill contains 16 articles, which define its scope, introduce technical definitions and outline general principles, rights and obligations pertaining to AI. While the initial articles address broad foundational issues, subsequent sections introduce more operational content, including alignment with the LGPD and directives for governmental roles in AI development and oversight. Importantly, the bill emphasises public investment in AI research, proposes measures for labour market restructuring and calls for transparency and ethical guidelines for AI deployment in public administration. Furthermore, it underscores the state's constitutional obligation to ensure education, with particular attention to training citizens for the responsible use of AI, highlighting the critical need for capacity building in this rapidly evolving technological field.

As of August 2024, 145 amendments had been proposed, covering a wide array of topics, including the protection of workers from algorithmic management, the role of AI in electoral processes and other pressing concerns. These amendments remain under debate in the Federal Senate, indicating that the final shape of the AI Bill is still being actively negotiated.

In parallel with the AI Bill, several more sector-specific legislative proposals have recently been introduced and are under discussion in both the Chamber of Deputies and the Federal Senate. Notable examples include Bill 266/2024, introduced in the Federal Senate, which aims to regulate the use of AI systems to assist the work of medical doctors, lawyers and judges. Another important proposal is Bill 536/2024, from the Chamber of Deputies, which seeks to establish a legal framework for the profession of ‘Autonomous Driver of Urban Mobility Services’. Additionally, Bill 4869/2023, also presented in the Chamber of Deputies, prohibits the dismissal or reduction of working hours for voice professionals and Brazilian Sign Language interpreters due to the use of AI tools in the production of audiovisual content. These latter two bills are currently under review in the Chamber of Deputies.

Beyond federal-level initiatives, AI-related legislation has also been proposed in state-level legislative assemblies across Brazil. As of 2024, four such initiatives were under consideration in the states of Rio de Janeiro, Minas Gerais, Ceará and the Federal District. Among these, Ceará remains the only state to have enacted specific AI legislation, through Law 17.611, dated 11 August 2021. Comprising four articles, this pioneering law mandates that AI systems must be developed ethically, safely and in compliance with Brazilian law. It also provides a legal definition of AI within Ceará’s jurisdiction and sets out operational guidelines for companies engaged in AI system development.

Key directives established by Ceará’s AI law include ensuring the security and privacy of user data, granting users control over their personal information and maintaining human oversight over AI systems. The law also mandates that AI systems must respect human dignity and avoid discrimination, while explicitly prohibiting the incitement of hatred or violence. Furthermore, it holds companies operating in Ceará liable for any damages caused by their AI systems. However, despite these important provisions, the law does not require the implementation of preventive strategies or mechanisms to detect potential system failures in advance, which constitutes a significant gap in its regulatory framework.

The ongoing development of AI legislation in Brazil reflects a growing national commitment to addressing both the challenges and opportunities posed by AI as a rapidly evolving technology. As debates unfold at both federal and state levels, Brazil is gradually moving towards a comprehensive regulatory framework that seeks to balance technological innovation with the protection of fundamental rights. The wide array of bills under discussion – including Bill 2338/2023 – underscores the pressing need for sector-specific regulations that address the diverse implications of AI. As amendments are considered and subnational initiatives such as Ceará’s pioneering law are implemented, Brazil is attempting to lay the foundation for a responsible and adaptable AI governance model capable of responding to future technological and societal developments.

Development

In recent years, Brazil’s AI sector has experienced moderate growth. In terms of intellectual property, 550 AI-related patent applications were filed in Brazil in 2019, a significant increase compared to 150 in 2010 (Machado and Winter, 2023). However, despite this progress, the number remains low in comparison to Europe (10,500) and the US (43,000) for the same year (Organisation for Economic Co-operation and Development [OECD], 2024). Furthermore, among the 20 companies that filed the

most AI-related patent applications in Brazil, the majority were foreign-owned – 12 from the US, three from Europe, three from Japan, one from India and one from China. These figures suggest that Brazilian companies remain marginal players in AI innovation and intellectual property development.

In terms of AI funding and adoption, funding has increased in recent years, accompanied by a gradual expansion of AI systems across businesses, though at a slower pace compared to the Global North. In 2023, 13 per cent of Brazilian companies reported implementing AI technologies, though adoption rates were considerably higher among large enterprises (250 employees or more), reaching 41 per cent. Sectoral differences in AI adoption are also evident, with the highest implementation rates observed in information and communication (40 per cent), professional, real estate, scientific and technical activities (18 per cent) and transportation, storage and postal services (14 per cent) (Cetic, 2023).

A 2022 survey identified 702 AI-focused companies operating in Brazil, of which 223 were multisectoral, while 479 specialised in specific industries. The most prominent sectors included AI as a Service (76 per cent), Business Intelligence and Analytics (69 per cent), Health and Biotech (60 per cent), Human Resources (48 per cent), and Industry 4.0 (46 per cent) (ABStartups, & Google for Startups, 2022). These figures imply that, while Brazil's AI ecosystem is expanding, its growth remains concentrated in specific industries, with considerable room for further development and innovation.

Another survey (Observatorio de Desarrollo Digital, 2024) identified 163 Brazilian companies focused specifically on AI development, confirming Brazil's position as the regional leader in Latin America. In comparison, Chile and Mexico – ranked second and third – had 42 and 36 AI companies, respectively. Nonetheless, despite leading within the region, Brazil remains far behind global AI powers, such as China and the US, which counted 861 and 5,068 AI companies, respectively. These figures highlight the asymmetry in global AI innovation and capacity, even as Brazil asserts its regional prominence (Digital Development Observatory, 2024).

The expansion of AI in Brazil has spurred a range of policy initiatives and institutional investments aimed at supporting AI development. One notable example is the creation of 11 Applied Research Centers in Artificial Intelligence, funded through collaborations between the Federal Government, the São Paulo State Government and private companies (Brandão, 2024). Another key initiative is the IA² MCTI programme (Ministry of Science, Technology and Innovation), which has supported 127 AI start-ups since 2022, fostering innovation and entrepreneurship in the field.

Brazil's AI development is also guided by a series of national strategies. The Brazilian Strategy for Digital Transformation, launched in 2018, identified AI as a central technology for the country's future development (Ministry of Science, Technology and Innovation, 2021). Later, the Brazilian Strategy for Artificial Intelligence (EBIA, in Portuguese), established in 2021, set forth general guidelines to orient AI research, development and application in Brazil.

Building on these earlier strategies, in July 2024, the Brazilian government launched its most comprehensive AI policy to date: the Brazilian Plan for Artificial Intelligence (PBIA, in Portuguese), covering the period from 2024 to 2028 (Ministry of Science, Technology and Innovation, 2024). The PBIA is structured around five overarching goals: to transform the lives of Brazilians through sustainable and inclusive AI-based innovations; to equip Brazil with advanced technological

infrastructure, including high-processing capacity powered by renewable energy; to develop advanced Portuguese-language AI models using national datasets that reflect the country's cultural, social and linguistic diversity, thereby strengthening AI sovereignty; to train and requalify a broad segment of the workforce in AI in order to value labour and meet the rising demand for qualified professionals; and to promote Brazil's global role in AI through national technological development and strategic international cooperation.

The general goals of the PBIA are to be achieved through a series of planned actions, organised along five strategic axes: infrastructure and development; dissemination, training and capacity building; improvement of public services; business innovation and support for regulation and governance. Among the initiatives envisioned are the creation of AI infrastructure programmes, the structuring of a robust data and AI software ecosystem, the acquisition of a supercomputer to advance cutting-edge AI research, the development of high-performance processors and the establishment of a national network of AI centres of excellence. The plan also includes policies aimed at supporting start-ups, strengthening national data centres and promoting AI adoption among micro and small-sized enterprises.

Total investments of R\$ 23 billion (approximately USD 4.25 billion) are projected, with R\$ 13.9 billion (USD 2.51 billion) allocated to business innovation, R\$ 5.8 billion (USD 1.04 billion) directed towards infrastructure and development and R\$ 1.15 billion (USD 200 million) designated for human resources training. More than half of these resources are expected to come from public funding and institutions, such as the National Economic and Social Development Bank and the Studies and Projects Funding Agency. Nearly 35 per cent of public funding is to be provided by the National Fund for Science and Technology and Brazil's annual federal budget, while contributions from private industry are expected to account for approximately 4 per cent of total resources.

Despite its broad scope, the PBIA addresses the world of work only marginally. When mentioned, labour issues are framed primarily in terms of training, qualification and requalification of workers to meet the growing demand for AI professionals. The most concrete initiative in this area is the development of a digital platform designed to match job vacancies with candidates registered in the national employment system. Aside from this, references to concepts such as 'valuing workers' and 'national sovereignty' remain vague and underdeveloped within the plan's framework.

In Brazil, the use of 'regulatory sandboxes' – mechanisms designed to allow greater flexibility in legal and regulatory obligations – has gained prominence in recent years. In 2023, the National Data Protection Authority (ANPD, in Portuguese) launched and opened for public consultation a regulatory sandbox programme focused on AI (ANPD, 2023b). According to the ANPD, this instrument offers several benefits for organisations and companies, including fostering innovation, supporting the development of new products and services and identifying best practices in data governance. For the authority itself, the programme would provide opportunities to observe AI innovations first-hand and to promote projects that align with data protection principles (ANPD, 2023a). However, at the time of writing, the ANPD had not yet officially launched the programme.

The concept of regulatory sandboxes is also incorporated into the AI Bill currently under discussion in the Federal Senate (Bill 2338/2023). The bill stipulates that competent authorities will define the rules for the implementation of regulatory

sandboxes, with priority access for micro and small-sized enterprises. Additionally, the bill mandates that governments should adopt measures to promote the development and innovation of AI systems within productive sectors, including funding development projects and encouraging the adoption of computing infrastructure.

Nevertheless, despite these provisions aimed at supporting private sector engagement with AI, the AI Bill was not brought to a vote in 2024. This delay was largely the result of intense lobbying by Big Tech companies and the National Industry Confederation (CNI in Portuguese), which placed considerable pressure on senators. The CNI argued that the proposed bill imposes excessive regulatory requirements that could undermine the competitiveness and innovation capacity of Brazil's productive sectors by introducing what it describes as a 'heavy regulatory apparatus' (CNI, 2024).

Governance

AI governance is not defined solely by states and corporations. Social movements, labour unions, business associations, NGOs and think tanks also actively engage in shaping the meaning and direction of AI governance through various forms of advocacy, negotiation and public action. These diverse stakeholders seek to influence AI governance to better reflect their specific interests and to promote fairer and more equitable outcomes.

In Brazil, this contestation is grounded in a strong tradition of civil society advocacy on digital rights issues, exemplified by the country's pioneering multi-stakeholder approach to internet governance. In the field of AI, several organisations from different sectors have authored public and collective letters directed at policy makers and government officials, expressing their positions on AI regulation and governance. An analysis of these letters indicates a lack of consensus between labour unions and business associations regarding the implications of AI for the world of work, highlighting the contested nature of AI governance.

The mobilisation of trade unions and workers' organisations has been particularly driven by the opening of legislative debates on AI regulation. In late 2023, the Central Unified Workers' Union (Central Única dos Trabalhadores, CUT), Brazil's largest trade union federation, issued a letter fully endorsing Bill 2338/2023. In the letter, CUT warns of the risks associated with AI-generated fake news and the misuse of databases but affirms that the bill's provisions offer an appropriate framework for regulatory risk assessment and algorithmic impact mitigation. Moreover, the letter emphasises the importance of global cooperation in AI governance and advocates that AI solutions should be subject to negotiation with workers' representatives, reinforcing the need for democratic engagement in shaping AI policies.

One sector that has raised significant concerns about the direction of AI regulation in Brazil is the cultural sector, particularly the film, audiovisual and music industries. These concerns likely reflect the global impact of the 2023 Hollywood strikes, especially by writers and actors, who protested against the use of generative AI in creative workspaces. In April 2024, the Union of Workers in the Film and Audiovisual Industry, representing seven Brazilian states, published a letter addressed to the President of the Federal Senate, emphasising the absence of public debate on the impact of AI on Brazil's audiovisual sector. The letter underscores the importance of this industry, which they consider one of the main drivers of Brazil's economy and cultural identity.

Also in April 2024, 26 professional associations from fields such as journalism and music issued a letter urging that Bill 2338/2023 include protections for workers in these creative industries. The letter calls for copyright holders' consent for the use of their work in AI training, as well as fair remuneration and greater transparency regarding AI's use of creative content. Further amplifying these demands, in July 2024, 24 additional associations, primarily representing cultural workers, released a similar letter raising concerns about copyright, intellectual property and fair compensation for creators. A key issue identified in these documents is the lack of transparency around the use of artists' work for AI training datasets, and the need for adequate remuneration and recognition of creative labour in an era of rapidly advancing AI technologies.

Voice actors have also mobilised to address the impact of generative AI on their work through the *Dublagem Viva* movement, which brings together professionals concerned about the future of their field. The movement published a manifesto, signed by several organisations and supported by United Voice Artists, emphasising the need to prevent AI from replacing human workers in voice acting. Furthermore, the manifesto argues that generative AI should be understood and regulated within Brazil's specific legal and cultural frameworks, warning that its unchecked use could result in the erosion of national and cultural identity.

At the same time, business associations have actively expressed their position on Brazil's AI governance process. In general, these associations argue that current regulatory proposals are among the most restrictive globally, posing a risk of inhibiting AI development and innovation in the country. Nevertheless, they have also advocated for a broad and inclusive debate, calling for the participation of diverse stakeholders – including academia and technical experts – in shaping Brazil's AI policy framework.

In 2023, the Brazilian Association of Software Companies published an open letter criticising the limited engagement of policy makers and government with the software sector. The association outlined key demands for AI governance in Brazil, including incentives for AI development, legal certainty, regulation focused on AI's uses rather than the technology itself, risk-based regulation and clear allocation of duties and civil liability. The letter also stresses the need for effective governance and coordination by Brazilian authorities to ensure a regulatory environment that supports both innovation and legal clarity.

As of April 2024, 40 business associations had published an open letter calling for an AI regulation that both respects Brazil's regulatory history and protects fundamental rights, while also ensuring socioeconomic development, innovation and competitiveness. These associations argue that AI regulation should adopt an integrative approach, involving collaboration among different regulatory agencies, and should consider the multisectoral impacts of AI technologies. The letter also highlights the potential risks associated with dependency on foreign regulatory models, the exacerbation of social and economic inequalities and the migration of highly skilled AI professionals to other countries. In addition, the associations emphasise the urgent need for investments in workforce training and support for small and medium-sized enterprises (SMEs) as part of a broader strategy to foster AI development within the national context.

Nonetheless, there are divergent positions among key business associations regarding the AI Bill (Bill 2338/2023). In July 2024, the CNI publicly opposed the bill, arguing that it would hinder AI development in Brazil. According to CNI, although Brazil has competitive advantages and AI holds great potential to enhance industrial

productivity, the proposed legislation imposes excessive regulatory burdens that could negatively affect not only AI applications but also research and development activities. As stated by CNI, ‘Brazil has competitive advantages and artificial intelligence has great potential to boost productivity in industry. But the proposed regulation ignores the different uses and risks and imposes a heavy regulatory apparatus not only on AI applications, but also on research and development of the technology.’

Conversely, the Brazilian Federation of Banks (Febraban) – one of the country’s most influential business associations – expressed support for AI regulation, as articulated by one of its directors. Febraban pointed out that AI has been used in the banking sector for over a decade and that appropriate regulation, as currently proposed, will not hinder the operations of financial institutions. Instead, the federation has voiced its endorsement of the regulatory path under discussion, indicating that Brazil’s financial sector is prepared to operate within a regulated AI environment. These contrasting perspectives reflect the nuanced and sector-specific positions within Brazil’s business community concerning AI governance.

Among social movements, there have been mobilisations advocating for digital sovereignty grounded in a popular and democratic framework, though not always explicitly addressing AI. For example, the Homeless Workers’ Movement (Movimento dos Trabalhadores Sem Teto, MTST) has advanced claims for digital sovereignty as part of the broader struggles for social justice, even though AI-specific concerns are not yet fully incorporated into its agenda.

Within the NGO and civic space, the Coalition for Rights on the Internet (Coalizão Direitos na Rede) has taken a leading role in shaping civil society’s response to AI regulation. In July 2024, the Coalition coordinated a joint letter signed by 55 NGOs, political groups and other institutions, calling for AI regulation that promotes innovation while safeguarding human rights, transparency and inclusive economic development. The letter acknowledges that Bill 2338/2023 addresses many of these demands but recommends important amendments, particularly on issues such as facial recognition and credit scoring. Furthermore, the letter insists on greater civil society participation in AI governance and oversight mechanisms, emphasising the need for democratic accountability in AI policy making.

Additionally, researchers’ associations have launched initiatives focused on recognising and protecting data workers within AI regulatory frameworks. In July 2024, a collective letter was sent to Brazilian senators, urging that all individuals involved in data annotation for AI applications be included in risk assessment processes and human oversight requirements for AI-driven decision making. The letter also called for the inclusion of transparency obligations for companies regarding data workers in AI value chains, enabling oversight by labour authorities. Importantly, it demanded that data workers be guaranteed labour rights under Brazilian law, recognising their critical role in the AI development process and the need for protection against exploitation.

Concluding remarks: Consequences for the world of work

The preceding analysis illustrates how conflicting political and economic interests shape AI policy debates in Brazil, particularly in terms of regulation, development and governance. Although Bill 2338/2023 addresses important societal demands by defining technical concepts and principles, establishing rights and obligations related

to AI, promoting investment in AI research and encouraging transparency and ethical practices in public sector AI use, its omissions regarding labour are significant. Crucially, the bill does not engage with the specific rights of workers embedded in AI value chains, nor does it offer guidance on the regulation of AI in the workplace. This gap has direct consequences for the world of work, as it leaves unregulated critical issues such as algorithmic management, AI-driven surveillance and job displacement. The absence of labour protections within this framework suggests that workers are largely excluded from current AI governance debates, exposing them to unmitigated risks from AI deployment in employment settings.

In recognition of these gaps, the Brazilian Ministry of Labour established an internal working group on AI and work in August 2024, which reflects a growing institutional awareness of the intersection between AI and labour issues. The group's first meeting, which included researchers from the AI Policy Observatory for the World of Work, underscored the complexity of integrating worker protections into AI regulation. Nevertheless, this working group's initiative is a crucial first step towards addressing how AI reshapes labour relations, workplace practices and workers' rights, although concrete proposals remain pending. If successful, the group's future recommendations could play a pivotal role in ensuring that AI policies incorporate strong protections for workers, including safeguards against algorithmic discrimination and exclusion from decision-making processes.

At the governmental level, addressing these challenges requires clear political guidelines that not only foster AI development and innovation but also protect the civil and labour rights of the population. Although the PBIA includes ambitious goals for AI infrastructure, development, training, public service innovation and governance, it largely neglects the world of work. The plan's focus on infrastructure and productivity may foster technological growth and national competitiveness, but without explicit provisions for labour protections, AI-driven transformations in industry risk amplifying existing inequalities. As AI is integrated into Brazilian industrial sectors to enhance productivity, without robust regulation, workers may face increasing automation-related job losses, intensified algorithmic control and precarisation of labour conditions. Therefore, the AI Plan's current trajectory may benefit business innovation more than workers unless corrective labour-centred policies are adopted in parallel.

If the PBIA's guidelines are fully implemented, Brazil may consolidate its leadership in AI within Latin America, boosting its position in global AI value chains and enhancing national sovereignty over technological development. However, from a labour perspective, these achievements will be incomplete if AI development proceeds without adequate safeguards for workers. While advancing sovereignty and innovation is important, ignoring labour rights in AI policies may lead to a model of technological development that reproduces precarious work, undermines social protections and entrenches power asymmetries between workers and AI-driven corporations. Thus, the development of AI in Brazil raises crucial questions about who benefits from AI-driven growth and whether technological sovereignty will include workers' economic and social sovereignty within it.

Moreover, the issue of AI governance must be understood as inherently tied to labour struggles and broader power relations. Although governance is often framed in institutional and procedural terms, AI governance also reflects class struggles over control, access and distribution of technological benefits. Expanding the definition

of governance to include the demands and actions of social movements, unions and associations is crucial to making visible the labour dimension of AI politics. These groups have already proposed demands that would reshape AI governance in ways that prioritise workers, including AI literacy from a popular perspective, the inclusion of labour representatives in AI policy making and the regulation of digital platforms to protect workers' rights and the data they generate. These demands are essential for building a democratic and inclusive AI governance framework that recognises the role of workers in shaping technological futures.

Nevertheless, civil society mobilisation in Brazil regarding AI and work remains limited, often confined to institutional channels such as parliamentary hearings and formal letters to policy makers. While there are emerging forms of worker mobilisation, such as union interventions and cultural sector advocacy, collective action related to AI and work is still at an early stage. Although movements like those led by cultural workers offer important precedents for labour organising around AI, broader mobilisation – including worker-led initiatives, strikes and grassroots digital activism – remains underdeveloped. Additionally, discussions on alternative models such as workers' cooperatives within AI value chains are still nascent and would benefit from greater international collaboration and exchange. Without stronger and more organised labour movements, the risks of AI exacerbating inequalities in the workplace remain high, as corporations and the state may shape AI development without adequately considering workers' voices.

In sum, the current AI regulatory framework under discussion in Brazil – centred on Bill 2338/2023 – fails to adequately address critical labour and data rights issues. As AI systems are integrated into more aspects of production and service delivery, the absence of protections for workers not only endangers job security and fair treatment but also threatens to undermine broader social protections. Therefore, urgent action is needed from both national and international actors to push for AI policies that centre the world of work. Ensuring that AI contributes to social justice, decent work and inclusive technological development requires moving beyond narrowly framed innovation agendas to embrace AI governance that prioritises labour rights, collective bargaining and worker agency in the face of technological change.

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Conflict of interest

The authors declare that there is no conflict of interest.

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