

Table 1
Brazilian Legislation in force

Legal Device	description
Art. 37, Federal Constitution, 1988	Principle of Administrative Purpose.
Art. 2 of Federal Law No. 9,784/1999	It deals with the administrative process within the Federal Public Administration and provides for the principle of Consensuality.
Art. 5., § 6 of Federal Law No. 7,347/1985	(Law of Public Civil Action), which determines that legitimate public agencies may make the commitment of interested parties to adjust their conduct to legal requirements through combinations, which will have the effectiveness of extrajudicial enforcement (Included by Law No. 8,078/1990).

The current investigation is limited to Brazil. Other countries and legal devices may differ in their applications. Finally, the study is upheld by Goffman's dramaturgical theory (1959, 1961). In the next section, the contract negotiation case is presented and ultimately discussed.

ROLE PLAY SIMULATION: BASIC SANITATION SERVICES CONTRACT NEGOTIATION: -

The role-play simulation starts with the director of the private company, hereafter Sanitation Inc. (the real name withheld for compliance purposes), a primary sanitation services provider. Five years ago, Sanitation Inc.'s board of directors signed a basic sanitation services contract with the local government for 30 years.

On the other hand, the Regulatory Agency oversees the Concession Agreement to provide water supply and sewage services to the Municipality population. The contract has quality and investment targets set for each concession year. At the end of the fiscal year¹, the Regulatory Agency analyses the data and applies the appropriate contractual fines if there is non-compliance with the proposed targets. Sanitation Inc. has been fined annually and wants to renegotiate the terms with the Regulatory Agency. Therefore, the role-play simulation involves two parties: (i) the Sanitation Inc. Director, representing the private company (Concessionaire), and (ii) the Regulatory Agency Superintendent, representing the Regulatory Agency. The fines imposed by the Regulatory Agency in the last five years are illustrated in Table 2, as follows:

Table 2
Value of contractual fees collected by the Regulatory Agency in the last five years

YEAR OF CONCESSION	UPDATED FINE (BRL)
YEAR 1	171.803,68
YEAR 2	379.882,95
YEAR 3	424.801,86
YEAR 4	184.584,52
YEAR 5	137.513,16
total	1.298.586,17

¹ In Brazil, the fiscal year starts on January 1st and ends on December 31st.

