



- Systemic report that includes the consolidation of audits carried out in the biennium 2017/2018, with the aim to identify the main obstacles caused by excessive government bureaucracy that affect the business environment and the competitiveness of productive organizations, hindering national development.
- The so-called **Brazil Cost** (Custo Brasil) is recognized by society as one of the serious problems faced by the country. Among the main components of this cost is excessive bureaucracy, represented, in large part, by the unnecessary complexity of the normative framework and by inefficient work processes in the scope of the public sector, affecting all citizens and businesses.
- Amidst a scenario of budget constraints and low investment, reducing the excess of public administration bureaucracy in order to favor the business environment and increase the productivity and efficiency of Brazilian companies becomes an inescapable topic in the country's political and economic agenda.
- For the delimitation of activities and sectors affected by government regulation, **TCU used as a paradigm the World Bank's "Doing Business" report,** which is prepared annually since 2003, and measures, analyzes and compares regulations applicable to companies in 190 world economies, as well as their compliance to these regulations.
- The work carried out by the TCU evaluated the **impacts of** government actions in the various stages of a company's life cycle. New scopes should be added and the idea is for biennial reports to be produced until 2030, enabling an alignment with the timeframe set for the UN's Sustainable Development Goals (SDG).
- The present work covers **seven audits** carried out by nine TCU departments, directly and indirectly involving more than ten Public Administration bodies.



THE COST OF **BUREAUCRACY IN BRAZIL** REPRESENTS BETWEEN

45% AND 2,76% OF THE GDP

Source: Fiesp

Ind OUT OF .40 COUNTRIES

IN THE GLOBAL COMPETITIVENESS INDEX [40th IN 2001]

Source: World Economic Forum



lore than .000.000

NORMS ISSUED SINCE 1988



OUT OF

190 COUNTRIES
IN THE RANKING THAT
MEASURES THE EASE
OF DOING BUSINESS

184th WHEN IT COMES TO PAYMENT OF TAXES

171st IN OBTAINING CONSTRUCTION PERMITS Source: World Bank

PER DAY

Source: Fiesp



AUDITS





Assessment on the degree of implementation of the National Network for the Simplification of Registration and Legalization of Companies and Businesses (Redesim)

OBTAINING CONSTRUCTION PERMITS



Audit on activities of control and inspection carried out by MAPA (The Ministry of Agriculture, Livestock, and Supply Environmental Licensing

OBTAINING ELECTRICITY



Monitoring of the Electricity Sector Granting Policy

PROPERTY REGISTRY



Analysis of trademark registration processes at INPI (National Institute of Industrial Property)

Evaluation of factors that restrict activities aimed at promoting innovation

OBTAINING CREDIT



Audits of credit concessions by public banks (FCO - Constitutional Financing Fund for the Midwest, and FNO – Constitutional Financing Fund of the North)

Operational Audit of the Suframa (Manaus Free Trade Zone Superintendence)

PROTECTION OF MINORITY SHAREHOLDERS



Audits of the taxation procedures

PAYMENT OF TAXES



INTERNATIONAL TRADE



Monitoring of the Portal Único (Unified Foreign Trade Portal) Efficiency of ports

CONTRACT EXECUTION



Processes in the Judiciary Branch

CROSSCUTTING ACTIONS



Agribusiness Audit

Industry Audit (Anvisa - Brazilian Health Regulatory Agency, and eSocial)

Actions taken by the Federal Government to promote measures to implement Decree 9.094/2017

Evaluation of the current Brazilian industrial policy and its possible impacts on economic development

- Audits that integrate the FOC (Centralized Orientation Audits)
- Audits in progress or planned

MAIN FINDINGS



1. Unreasonable requirements on the part of audited bodies

For example:

- Anvisa does not have an electronic petition system, requiring companies to forward all paper documentation, often by hiring the services of intermediaries. The Agency, in turn, needs to digitize the documentation again for internal use, representing rework and cost
- Requirements of the 'eSocial business' have created the need for extended working hours and hiring of new employees to meet the demands of the system
- Of the 52 requirements to obtain FCO credit, 35% can be considered improper, 30% require some type of improvement, 31% can be considered relevant and 4% have not been examined due to limitations

In addition to these, the following findings may be highlighted:

- 2. Lack of transparency, organization, and standardization of the requirements by the audited public administration bodies
- 3. Lack of control over deadlines for delivery of services
- 4. Failures in articulation and data sharing between bodies
- 5. Absence of standardization and well-defined criteria for inspection and concession of services and licenses
- 6. Fragilities in the handling of denunciations, complaints, defenses, and suggestions



FEATURED RECOMMENDATIONS

Recommendations for the main government departments linked to the Ministry of Economy, the General Secretariat of the Presidency of the Republic and the Civil Office of the Cabinet of the President of the Republic that are dealing with the matter to:

- bring into effect the analysis of regulatory impact before the norms are implemented or altered, measuring the costs and benefits that may result from the new standardization
- create pre-established dates for the entry into force of infra legal legislation that regulates or even alters the activity of economic agents
- promote studies to establish a permanent channel of communication between society and government, such as the Denmark Business Forum, which aims to reduce bureaucracy and administrative costs



Rapporteur: Minister Vital do Rêgo Judgment: 1.263/2019 – Full Court

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MISSION

To improve Public Administration for the benefit of society through government audit

VISION

To be a reference in promoting a more efficient, ethical, responsive and responsible Public Administration

