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Brazilian Court of Audit (TCU) starts risk analysis

New kind of audit aims to avoid irregularities

by Edna Simão

Brasília – *Caixa Econômica Federal* (a state owned social bank), *Banco do Nordeste* (a regional state owned bank), *Companhia Hidroelétrica do São Francisco* (an electricity power company), *Companhia de Energia Elétrica de Manaus* (electricity supplier of the city of Manaus) and *Departamento de Polícia Federal* (Department of Federal Police) are in TCU’s target for audits for the coming six months. For the last 12 months, the Court carried out risk analysis in *Banco de Desenvolvimento Econômico e Social* (state investment bank), in *Empresa Brasileira de Infra-estrutura Aeroportuária* (Federal Airport Infrastructure Enterprise) and in *Agência Nacional de Vigilância Sanitária* (National Agency for Sanitary Surveillance). Even the “Zero Hunger” programme, the most prominent one of the Federal Government, underwent that audit.

The Court carries out periodic audits, but this one includes an especial ingredient: risk analysis of the operations. The idea was imported. A technician of the Court spent one year in Canada, from where the methodology was brought. The objective is to identify irregularities related to public money management even before they take place. The Court’s mottoes now are prevent, detect, correct and guide.

The Court will analyse the institutions’ projects to verify possible hindrances for the execution of the proposals. Based on that, it will make suggestions or determinations, in case irregularities are detected. The results will be closely monitored.

TCU technicians are analysing data from *Caixa Econômica*, and the final audit report will be presented on next 19 of September. Last week, the ministers approved the analysis report of “Zero Hunger” programme, an icon of the government of Luís Inácio Lula da Silva. However, they detected risk factors that may hinder the success of the programme.

The Court’s report suggests that The Department of Planning should identify, within the Multi-year Plan for the period of 2004 to 2007, the list of programmes and actions that contribute to the achievement of the goals of “Zero Hunger”. The performance of the Extraordinary Department for Nourishment Security and Hunger Combat (MESA) in co-ordinating many different bodies and entities was considered a risk factor.

The Court recommends MESA to provide wider publicity to the ‘Zero Hunger’ goals, in order to avoid misinterpretations by segments of society. It suggests as well that the specific public to be reached must be clearly identified.