

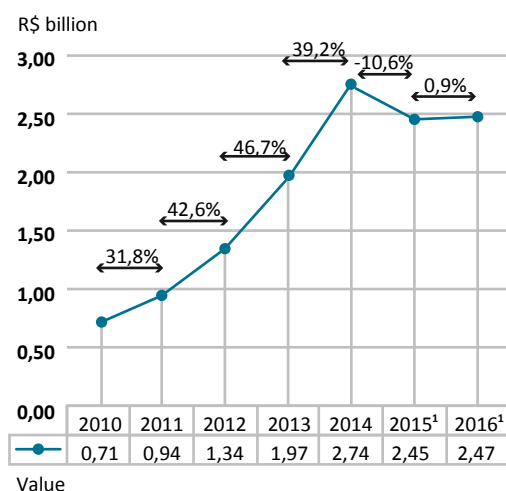
SURVEY ON NATIONAL SPORT SYSTEM

The survey was aimed to understand the operations of the Brazilian National Sports System (BNSS), highlighting the actions of the Brazilian Olympic Committee (BOC), the Brazilian Paralympic Committee (BPC), the Brazilian Clubs Confederation (BCC) and sports administration entities (confederations), and in this context, to know the amount of resources applied to the performance sports, sources of financing, the forms of application of these resources, and the controls and forms of assessment of the outcomes. Moreover, for its operations in the BNSS, the Brazilian Ministry of Sports (BMS) and the Brazilian Military Sports Commission (BMSC) were added to the scope of the work.

Main findings and records

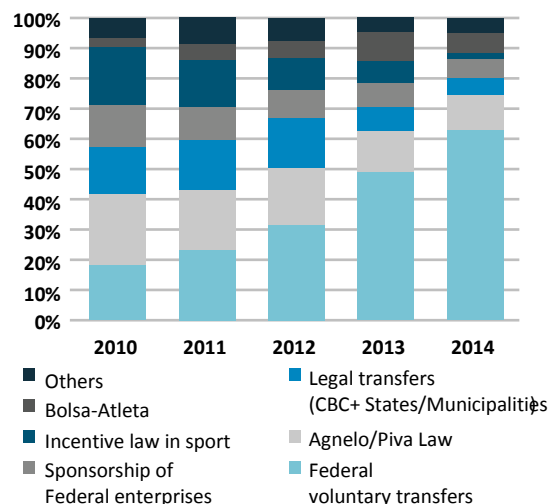
- The main risks identified by the TCU related to performance sports include:
 - risk of misappropriation of public funds intended for income sports, due to the weakness of controls on the application of these resources; and
 - risk that Brazil's results in the Olympic Games in 2016, including the goal of being ranked among the top ten countries classified, are not sustainable for the post-2016 period.
- Although developments were observed in the Brazilian National Sports System, especially in terms of legislation and amount of funds invested, there is still a long way to go to consolidate, indeed, a Brazilian sports system.
- Regardless of the BNSS being a private system, a dependence has been found on large amounts of public resources, including maintenance of the entities that compose it.
- On the financing of income sports, considered the scope of this surveillance, it could be seen the application of values of approximately R \$ 7.7 billion in the period 2010-2014, with an additional \$ 4.92 billion forecast for the period 2015-2016 (Figure 1). The division of resources by source is presented in Figure 2.

Figure 1: Resources for the performance sports per year in R\$ billions, in the period 2010-2016



Source: ME, COB, CPB, CBC, Confederação Brasileira do Desporto Escolar (CBDE), Confederação Brasileira do Desporto Universitário (CBDU), Olympic and Paralympic confederations and, federal state enterprises and TC 007.333 / 2014-5. ¹ predicted values.

Figure 2 - Main sources of funds for the income sports



Source: ME, COB, CPB, CBC, Confederação Brasileira do Desporto Escolar (CBDE), Confederação Brasileira do Desporto Universitário (CBDU), Olympic and Paralympic confederations and, federal state enterprises and TC 007.333 / 2014-5.

- Record shows that, of amount for the period of 2010 to 2014, only 1.63% corresponds to private sponsorship, a lower percentage than sponsorships from federal state enterprises. In addition, the credibility crisis of sports bodies scares off sponsors, in the face of widely reported cases of resource deviations.
- The leadership provided by the BMS in income sports policy is limited. The agency has a poor structure compared to all its tasks and therefore does not present operational capacity to act satisfactorily as coordinator of the actions of the sports system and as the responsible for control of a great part of the public funds invested in income sports.
- As for strategy, there isn't a Nacional Sports Plan (NSP), which directs the shares of BNSS members whose proposition is the BMS responsibility. Even the Ministry still has no strategic plan to guide its operations. In addition, the system lacks consistent interaction between its components, so that actions can be coordinated and convergent, with maximum use of available resources.
- The NSP may prove to be the instrument for sport to become state policy. The plan would guaranteed the continuity of long-term sports policy. In this regard, it is recorded that, in general, there was no planning for the post-2016 period, generating, in the opinion of entities linked to sport, concerns about the reduction of resources available to the sport after the event.
- The existence of the NSP is a mandatory condition for the signing of performance contracts between the BMS and the BNSS entities, since that plan will set the goals and results to be achieved. Despite the performance contracts being a condition for receiving federal funds and tax exemptions, the authorities have received public funds on an ongoing basis.
- The existing controls are insufficient to mitigate the observed risks, as the following evidence: the high passive accountability without analysis in the BSM; the existence of discrepancies between the amounts reported by the agencies/entities in the survey; the existence of inconsistencies in the procedure for verification of the requirements of arts. 18 e 18-A of Law 9.615/1998; and the receipt of public funds by entities that do not have the certificate of compliance with these requirements.
- A low level of transparency of information was observed relevant to resource management by BNSS entities, contrary to what has Law 9.615/1998, and subject to social control.

What the Court decided:

- Determine the Ministry of Sports to submit to TCU, within 90 days:
 - action plan containing a schedule of activities and its deadlines and who is responsible for presenting the National Plan for Sport and the signing of performance contracts;
 - strategic planning of the Ministry, including actions to increase the interaction between the activities of their secretariats, especially those related to school sports and performance sport.
 - audits of BNSS members.

TCU Deliberation

Case: 1785/2015-TCU-Plenary

Session date: 7/22/2015 - Ordinary

Rapporteur: Minister Augusto Nardes

TC 021.654/2014-0

Responsible unit: External Control Secretariat of Education, Culture and Sport (SecexEducação)

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