

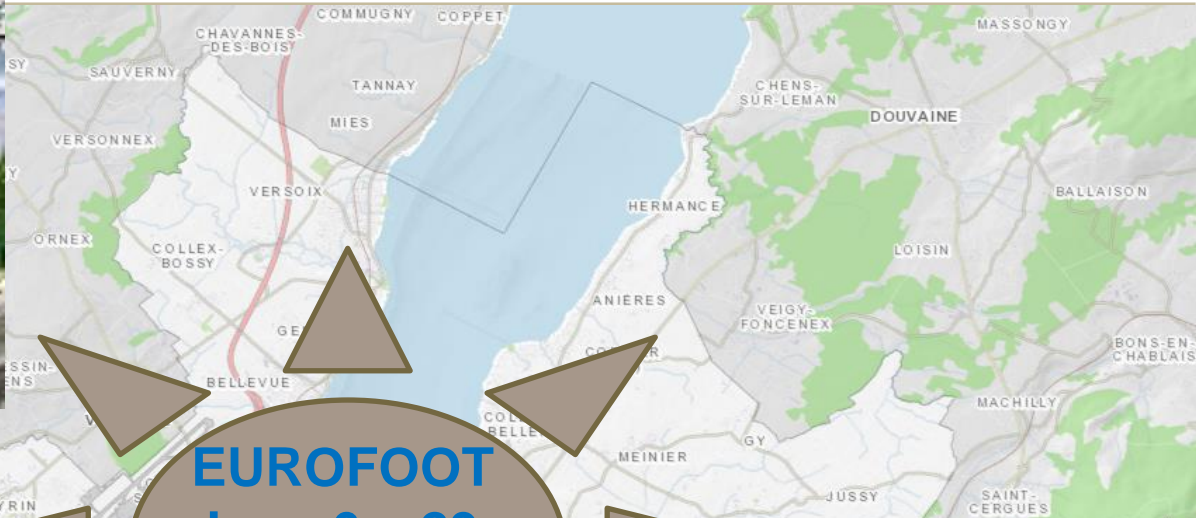
EURORAI – AUDIT OF PUBLIC INVESTMENT IN SPORT

EUROFOOT 2008 IN GENEVA : LESSONS LEARNED, AN AUDIT PERSPECTIVE

KAZAN – MAY 23<sup>RD</sup>, 2017



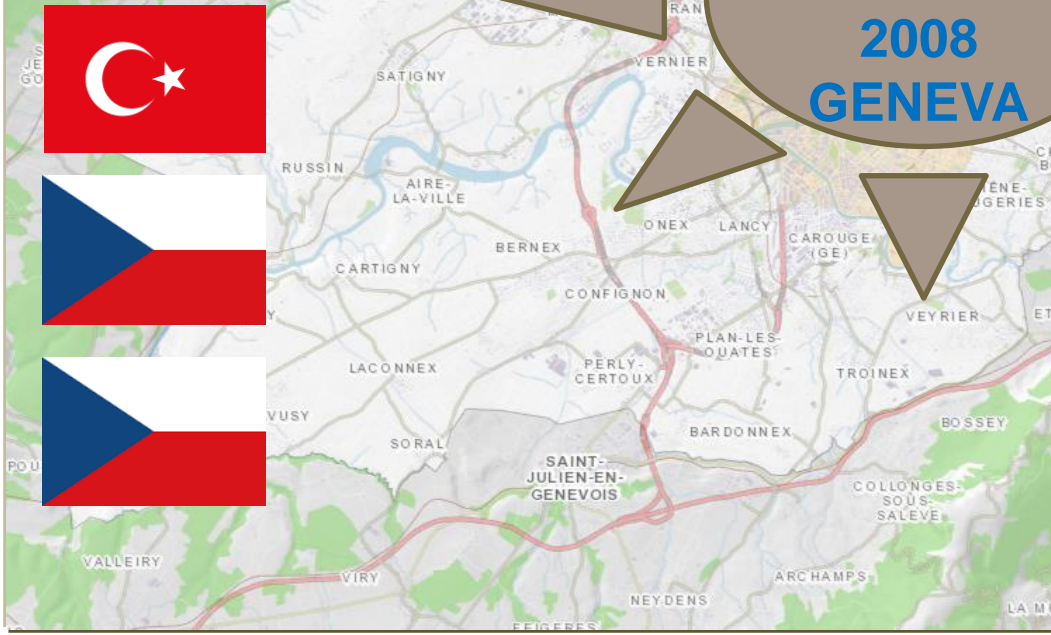
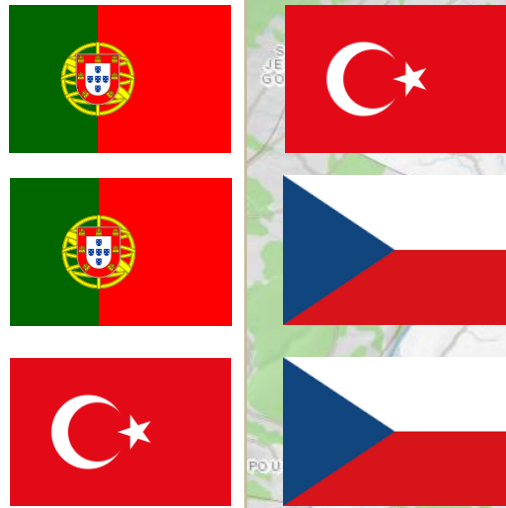




**3 matches in Geneva stadium  
(30'000 seats)**

**EUROFOOT  
June 6 – 29,  
2008  
GENEVA**

**3 « cultural zones » with  
music concerts and DJ's  
performance**



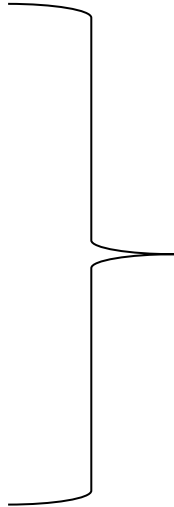
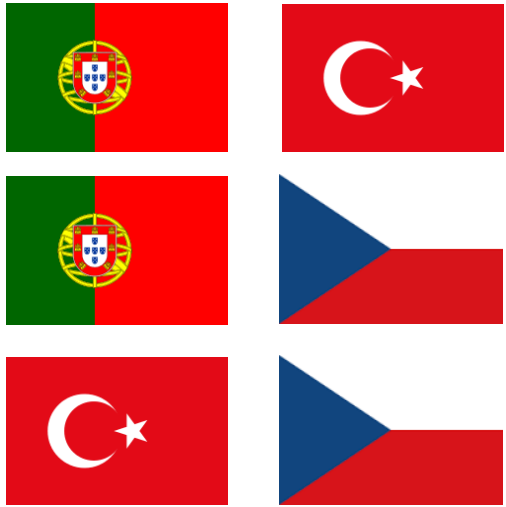
## ORGANISATION

- ▶ Dedicated project team
- ▶ Coordination of all operational aspects with all public and private partners incl. UEFA

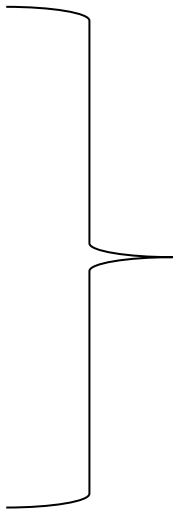

## FORECAST OF GENEVA PUBLIC SPENDINGS

- ▶ Capital investment : CHF 3 millions (stadium upgrade)
- ▶ Operational expenses : CHF 8 millions (logistics, security, ...)
- ▶ Estimated additional taxes from economic benefits of the event : CHF 2 to 3 millions (positive impact)









Stadium full  
Good atmosphere  
No security problem



Bad weather -> weak attendance  
Good atmosphere  
No security problem



## EFFECTIVE GENEVA PUBLIC SPENDINGS

- ▶ Capital investment : CHF 9 millions vs forecast of 3 millions 
- ▶ Operational expenses : CHF 21 millions vs forecast of 8 millions  
(with indirect expenses : CHF 29 millions) 
- ▶ Estimated additional taxes from economic benefits of the event  
arise at CHF 5 millions vs forecast of 2-3 millions 
- ▶ NB. UEFA net profit with EURO 2008 : CHF 412 millions



▶ **Coordination activities**

Uncomplete cost information and follow up; management without appropriate responsibility; uncomplete reporting

▶ **Organisational activities (cultural zones)**

Weak contracting and subcontracting with no possibility of profit sharing

▶ **Security**

Bad forecasts, oversight of costs, peculiar planning maximising overtime, double compensation not detected for night overtime

▶ **Revenues**

Weak contracting with UEFA (local sponsors gave up)

## COORDINATION : FULL VIEW IS NECESSARY

- ▶ The coordination team / projet manager should create a specific «analytic codification» in accounting softwares so that all expenses related to the event can be identified. He should have access to all information related to the event, and if necessary make sure investments / costs / expenses among the various entities have the same definition.



## SECURITY : WHICH PLANNING FOR WHICH COST ?

- ▶ If mobilisations for specific events is not frequent, make sure planning of resources is fully comprehensive and managed at less than 100% capacity. This would allow to absorb probable changes without directly impacting overtime (usually paid 125, 150 or 200%).

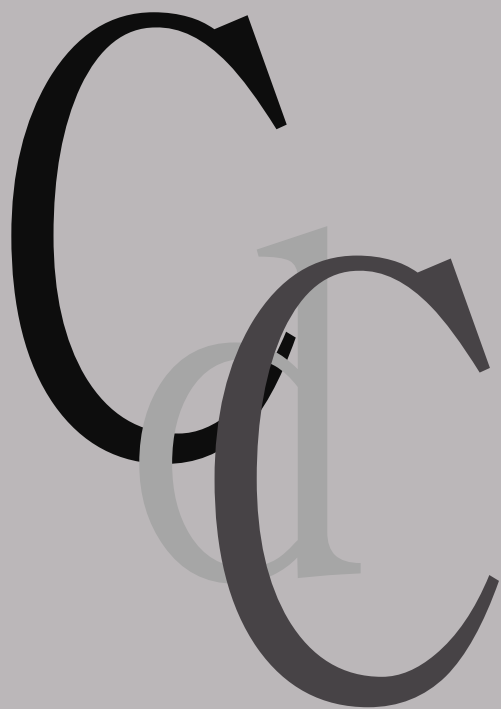




## CONTRACTING : WHO'S HOLDING THE UPPER HAND ?

- ▶ Contracts between the public entities and private partners (logistics, event management, music, food/drinks, etc.) should plan penalties e.g. in case financial documents are not provided. Profit sharing rules should be expected, even if the co-contractor subcontracts some activities.
- ▶ Contracts between the sport association and the public entities (requirements for the stadium, general/local sponsors rules) should be negotiated as far upstream as possible





Cour des comptes – 54 route de Chêne - 1208 Genève  
tél. 022 388 77 90  
<http://www.cdc-ge.ch>