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ARTIGO

AN ANALYSIS OF RISK MANAGEMENT IN THE BRAZILIAN FEDERAL MINISTRIES

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An analysis of risk management in the Brazilian Federal Ministries

Abstract: This paper describes in a comparative manner the current stage of the development of the ministries' risk management systems, considering the demands and orientations given by the Joint Normative Instruction MP/CGU n. 01/2016 and the Governance Decree (Decree n. 9,203/2017, altered by the Decree n. 9,901/2019). With the intention of identifying how each ministry has been managing the risks that aim at ensuring the strengthening of their own governance structures and that public policies goals will be met, we formulated indicators that allow cases to be compared, based on the recommendations of national and international standards of governance and risk management. According to the mixed method research techniques, the data collected was analyzed quantitatively and qualitatively, and transversely compared. The results show that risk management in a ministerial context is still incipient, due to the fragile institutionalization associated with political-administrative instability.

Keywords: Risk Management. Public Governance. Public Management. Performance.

Introduction

Entities of the public administration's scope have delivering value to society as their mission. In that way, they must meet the demands of several interested parts in the solving of public issues. The management's performance in public agencies is evaluated, directed and monitored by the public governance structure, in order to ensure the conduction of public policies and the provision of public services aligned with society's interests (BRASIL, 2018, p. 15). The meeting of those objectives must be ensured through legislation, as well as the implementing of suitable mechanisms of direction and management control (FORTINI; SHERMAM, 2017, p. 31-33). In 2016 and 2017, the Normative Instruction n. 01, of the Ministry of Planning, Development and Management alongside the Comptroller General of the Union, and the Public Governance Decree, of the Presidency of the Republic, were respectively published, both directed at federal executive agencies. These normative acts determine the implementation of mechanisms to improve public governance, determining the establishment of risk management systems in public agencies of the federal public administration. Those system must allow public agencies to create and preserve value by controlling risks that might interfere in society's interests, compromising the use of public resources and the trust in public institutions (BRASIL, 2016; BRASIL, 2017).

In this context of renovation of the ministerial governance structures, the risk management systems of the ministries that make up the Federal Government, according to the ministerial configuration that began in January 2019, were analyzed. In order to do so, we created 22 indicators, following the COSO standard recommendations, besides the IFAC and the Federal Court of Accounts (TCU) recommendations, which consider that risk management systems must operate within a wider governance structure. This design allowed us to describe the ministries' risk management systems, and to identify and compare their main characteristics, according to good practices. That way, this paper explains the recent evolution experienced through the edition of these new normative limits, revises the main literature on risk

management and its relationship with governance structures, and formulates and applies its own indicators to compare ministerial risk management systems that allows for their characterization and for making conclusions on the incipient stage of their development.

Risk Management

Risk management is a set of activities driven towards identifying, analyzing, evaluating, and treating risks (ABNT, 2009, p. 2). It is a continuous process that aims at offering a reasonable guarantee of reaching organizational goals, and generating and preserving value to organizations, within a wider scope of governance that is applicable to the public or corporate sector. This process starts by establishing the culture that the organization aims at, based on ethical principles and on the understanding of risks. The governance and management of an organization are strengthened when risk management is integrated to the planning and the execution of its strategies, as it enables the alignment of strategies and performance with its mission. Process revision and communication sustain this alignment (COSO, 2017, p. 5-6).

According to Holton (2004, p. 22), there are risks when we are exposed to uncertainties. Risks are the effects of uncertainty in the goals established by the organizations (ABNT, 2009, p. 1). Thus, as all organizations are exposed to uncertainty and its effects can interfere in the reaching of their goals, the need for risk management emerges. To this end, strategies that seek reducing negative effects (risks) and seizing positive effects (opportunities) from uncertainty to the creation and preservation of value are developed (COSO, 2007, p. 14). Risk management acts preemptively, balancing risks and opportunities within organizations (HILL; DINSDALE, 2003, p. 17). The strategies required for the organizations to obtain a reasonable guarantee of reaching their goals can be found in the risk management process components (COSO, 2007, p. 41). Aiming at promoting good practices in risk management, several institutions began to disseminate their risk management standards, contributing to consolidate guidelines for implementing this process, such as Orange Book (2004); and COSO (2007, 2017) and ISO 31000 (2009), considered the main international standards.

For a good communication and conduction of the risk management process, the essential roles and responsibilities of the people and groups in the organizations must be clearly defined. For that, there is the “three lines of defense” framework, which presents: (1) the roles that manage and have priority on risks, (2) the roles that supervise the risks, and (3) the roles that provide independent evaluation. In the first line, risk management takes place through operational managers in their daily activities of management risks. In the second line, the high administration supervises the procedures done by the first line, to ensure that they take place

and that they are appropriate. In the third line, there is the assurance through the internal audit, which evaluates how the previous lines reached the risk management goals (IIA, 2013, p. 2-6).

Risk management can turn into a competitive advantage for corporations (COIMBRA, 2004). In the public sphere there is not the same competitiveness; however, the reaching of results and goals, the creation and preservation of value are purposes common to all organizations. Besides that, the current emphasis on the improvement of public governance, modifying the manner of governing the Estate, has contributed to the diffusion of risk management in public organizations (OLIVEIRA, 2016, p. 37; VIEIRA; BARRETO, 2019, p. 11-14).

Risk Management in Brazilian Public Administration

In the last few years, the governmental agencies' initiatives for reaching good practices of governance in Brazilian public institutions have increased, highlighting the need for implementing an adequate risk management process as an essential part of the efforts that aim to improve the delivery and the preservation of public value to society (VIEIRA, 2019). In 2016, the Ministry of Planning (MP) and the Comptroller General of the Union (CGU) published the Joint Normative Instruction n. 01, directed at the Federal Public Administration's agencies in the scope of the Executive power, establishing measures to systematize internal controls, risk management and governance practices. In the third chapter of this normative instruction, the structure for the risk management model to be implemented in entities is presented, noting the COSO standard's components (BRASIL, 2016).

According to this general orientation, the risk management policies of these institutions must specify their organizational principles and objectives and specify guidelines on: (a) how risk management will be integrated to the organizations' strategical planning, processes and policies; (b) how, and how often, the risks will be managed and monitored; (c) how the performance of risk management will be measured; (d) how the instances responsible for risk management will be integrated; (e) the use of methodology and tools to support risk management; (f) the continuous training of public agents in risk management. The public entities' committees of governance and risks have the responsibility to implement these policies, and the procedures implemented by them will be periodically evaluated by the CGU, which is responsible by their assurance (BRASIL, 2016).

The following year, guided by the orientations of the Federal Court of Accounts (TCU) in the judgment n. 1,273/15, the Presidency of the Republic edited the Governance Decree (Decree n. 9,203/17, altered by Decree n. 9,901/19), which institutes the governance policies of the federal public administration. The Governance Decree specifies the principles and

guidelines that constitute the public governance and the mechanisms necessary for its practice (BRASIL, 2017). This normative act determines that agencies and entities institute internal governance committees to aid in the implementation and maintenance of processes, structures and mechanisms required for the execution of the governance principles and guidelines. Thus, the committees must contribute to the operation of the risk management system and internal controls to be run and monitored by the high administration (BRASIL, 2017). In 2018, carrying on with the initiatives for the improvement of public institutions, the TCU disclosed the Risk Management Framework (Referencial Básico de Gestão de Riscos), with guidelines to assist managers to implement the public governance policies. In the same year, it disclosed the Risk Management Maturity Assessment Roadmap (Roteiro de Avaliação de Maturidade da Gestão de Riscos), directed at the auditors of the public sector and recommended to the public managers as a tool of evaluation to perfect risk management practices in the institutions where they act.

Governance Structure for Risk Management

According to Bhatta (2003, p. 4-5), governance corresponds to the obtainment and distribution of power in society, while corporate governance is the way through which organizations are governed and managed. An organization's governance comprises its structure, culture, policies, strategies, and the way it relates to its stakeholders (BARRETT, 2002, p. 2). It is through this system that the institutional objectives and the means to reach them and to monitor the organization's performance are established. In governmental entities, public governance comprises leadership, strategy and control mechanisms put into practice to evaluate, direct and monitor the management with the goal of conducting public policies and service provisions of society's interest (TCU, 2014, p. 26; BRASIL, 2018, p. 15). Governance in the public sector consists of the protection of the inter-relationship between management, control and supervision that occurs in governmental institutions, aiming at the efficient achievement of political objectives, as well as the accountability for the benefit of society (MELLO, 2006, p. 12). The accountability occurs through governmental agencies that are part of the governance structure of public entities (VIEIRA; BARRETO, 2019, p. 45).

Public governance constitutes accountability systems directed at the Ministers and the parliament. On that level, management objectives and guidelines for public offices are established (BARRETT, 2002, p. 4). With the objective of properly tending to society's interests, the public offices must integrate good practices in their governance structures through their agencies to conciliate their mechanisms of performance and conformity (VIEIRA; BARRETO, 2019, p. 37). The International Federation of Accountants – IFAC recommended

best practices in their framework of good governance in public offices for improving codes of conduct, organizational structures and processes, external reporting (IFAC, 2001, p. 15-19).

Good governance requires that the notion of risk be integrated in the organization's culture, with all its members aware of risk management as a continuous and essential process for the accomplishment of their activities (IFAC, 2013, p. 27). According to Sobel and Reding (2004, p. 30), the governance structure for risk management consists of stakeholders, the highest governance body, risk management and assurance. In that structure, the highest governance body is responsible for supervising and directing risk management policies. The primary responsibility for risk management rests with the senior management, who delegates authority to risk owners, specifies risk tolerance limits and reports risk management strategies and results to the highest agency. The risk owners give other employees the authority to manage specific risks and report the results to the senior management. Finally, internal and external audits provide assurance on the process effectiveness (SOBEL; REDING, 2004, p. 31).

The highest governance body is responsible for overseeing strategic decisions, financial reporting, auditing practices, risk management and internal control activities to protect and promote stakeholders' interests. To do that, it tends to delegate roles of supervision to committees fit for the themes, keeping the accountability through these delegated roles (REZAEI, 2010, p. 243). As for the governance structure for risk management, the senior management can be supervised by a risk committee (SOBEL; REDING, 2004, p. 32). The opening of a risk committee is a good governance practice, as it prevents the concentration of power and responsibilities to the highest body. The risk committee must include independent members and members experienced in risk management practices. This structure is fundamental for the direction of risk management systems (OECD, 2015, p. 52; TCU, 2014, p. 48).

Methodology

This research is oriented by the quasi-experimental, comparative cross-sectional analysis (GERRING, 2007). The techniques for collecting and analyzing data combine quantitative and qualitative (mixed method) approaches (CRESWELL; CLARK, 2006). The data collection is based on qualitative analysis of documents (legal and managerial), including the meetings minutes of the ministerial committees of governance, combined with the information verification through phone contact, when necessary. Later, part of this data was transformed into a database that allowed for the quantification of information. We analyzed 22 indicators, built from the analysis of theoretical references discussed in the previous chapter (Chart 1). The first half of the indicators was codified into 0 (the point is absent) and 1 (the

point is present). This codification allowed for the later quantitative data analysis, through descriptive statistics techniques. The last half of the indicators was qualitatively analyzed.

Twenty-two ministries were analyzed, according to the ministerial configuration that began in January 2019. The cases analyzed were the Chief of Staff Office; Comptroller General of the Union; Secretary of Government; the Secretary-General to the President Office; the General Attorney of the Union Office; Central Bank of Brazil; Institutional Security Office; and the Ministries of Justice and Public Security; of Economy; of Citizenship; of Regional Development; of Environment; of Women, Family and Human Rights; of Science, Technology, Innovation and Communication; of Education; of Defense; of Tourism; of Health; of Infrastructure; of Mines and Energy; and of Foreign Affairs.

Chart 1 – Indicators

1. Governance structure for risk management	Theoretical framework
1.1. Does it involve the interested parts within the Ministry?	TCU: E2.1
1.2. Do the politics foresee the agents' training?	COSO GRC: item 5 TCU: L1.1
1.3. Is there a thematical committee for risk management?	TCU: L4.1 and L4.2
1.4. Is there a permanent Secretary?	COSO GRC: item 2
1.5. Are there external members in the council/committee?	IFAC: rules and responsibilities, item d TCU: L4.2
1.6. Are there objectives and goals for risk management?	COSO GRC: itens 6-9 TCU: E2.2
1.7. Are there performance indicators for risk management?	COSO GRC: item 16 IFAC: performance measurement TCU: L3.4
1.8. Is the remuneration policy specified?	COSO GRC: item 5 IFAC: rules and responsibilities, item f TCU: L1.4
1.9. Are there external reporting?	COSO GRC: item 20 IFAC: periodic reporting TCU: C3.2
1.10. Are the minutes of meetings/documents disclosed?	COSO GRC: items 19 and 20 TCU: C3.1
1.11. Does the risk management policy foresee management by processes?	COSO GRC: item 2 IFAC: rules and responsibilities, item b TCU: E2.1
1.12. Is there statutory responsibility?	COSO GRC: item 4 IFAC: rules and responsibilities, item c
1.13. Who holds the presidency?	IFAC: rules and responsibilities, item b TCU: L3.2
1.14. Who is the first line of defense?	COSO GRC: item 2 TCU: L4.1
1.15. Who is the second line of defense?	COSO GRC: item 2 TCU: L4.1
1.16. Who is the third line of defense?	COSO GRC: item 2 TCU: L4.1
1.17. Which risk management framework is applied?	COSO GRC: item 2 IFAC: internal control TCU: C1.1
1.18. What are the types of risks?	COSO GRC: item 10

	TCU: C1.1
1.19. Which components are applied?	COSO GRC: itens 10-14 TCU: C1.1
1.20. What is the audit's competence?	IFAC: internal audit
1.21. Did the council receive training?	COSO GRC: item 5 IFAC: rules and responsibilities, item b TCU: L1.1
1.22. Is there processes management?	IFAC: rules and responsibilities, item b TCU: E2.1

Source: Elaborated by the authors.

The references applied to determine the points above were the good practices of governance in public offices recommended by the IFAC (2001); the practices related to the components of the public sector governance mechanisms of the TCU (2014); and the twenty principles of risk management associated with the COSO's components (2017).

Results

We analyzed eleven indicators in a quantitative way after codifying a portion of the information collected from the ministries. The quantity and the respective percentage of these points' fulfillment in the ministries are displayed below (Table 1).

Table 1 – Quantity and Percentage of Fulfillment of the Points by the Ministries

Ministry	Qty.	%
Justice and Public Security (MJSP)	6	55
Economy (ME)	2	18
Citizenship (MCid)	2	18
Regional Development (MDR)	1	9
Environment (MMA)	5	45
Women, Family and Human Rights (MMFDH)	4	36
Agriculture, Livestock and Supply (MAPA)	2	18
Science, Technology, Innovation and Communication (MCTIC)	5	45
Education (MEC)	4	36
Defense (MD)	4	36
Tourism (MTur)	4	36
Health (MS)	4	36
Infrastructure (MInfra)	4	36
Foreign Affairs (MRE)	6	55
Mines and Energy (MME)	4	36
Comptroller General of the Union (CGU)	6	55
Secretary of Government (SeGov)	2	18
General Secretary to the President Office (SG/PR)	1	9
General Attorney of the Union Office (AGU)	4	36
Central Bank of Brazil (BCB)	5	45
Chief of Staff Office (CC/PR)	0	0
Institutional Security Office (GSI/PR)	5	45

Source: Elaborated by the authors.

The MJSP, MRE and CGU reached the highest number of quantitative points (55% adherence). The difference between them is in the MRE, which allows for the presence of

external members in its governance committee’s meetings; however, does not disclose their minutes and documents, unlike the other two ministries. The ministries that reached the lowest points were those that do not have risk management policies and committees, but only governance committees. The ordinance that institutes the MCid’s governance committee anticipates professional training for ministry’s agents and the possibility of participation of external members in its meetings. The MDR only specifies the remuneration policy. The CC/PR did not score, as no item was answered by the ordinance that institutes its committee. The quantity of ministries that answer each quantitative point and their corresponding percentages are displayed below (Table 2).

Table 2 – Quantity and Percentage of Ministries That Cater to the Points

Item	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	1.10	1.11
Qty.	12	17	16	1	6	0	2	7	0	4	15
%	55	77	73	5	27	0	9	32	0	18	68

Source: Elaborated by the authors.

The foreseen professional training for public agents in risk management and the presence of a committee or a sub-committee for risk management in the ministries were the points most considered by the ministries (77% and 73%, respectively). Next, 68% of the ministries predict risk management by processes, 55% allege the responsibility of all of their agents for risk management, 32% specify the remuneration policy of their collegiates’ members, 27% allow the presence of external members in their meetings, 18% disclose the minutes of their meetings and documents. The existence of performance indicators for risk management in the ministries scored 9%, only because the MJSP and BCB contain these items in their manuals and policies. The existence of a permanent Secretary for the risk management structure was predicted only by MEC. Finally, the establishing of objectives and goals for risk management and the external reporting on risk management are not practiced in any Ministry. The information that was not codified was analyzed in a qualitative way.

In most ministries, the statutory responsibility is attributed to the Minister’s Office, and those who hold the presidency of their governance committees are the ministers themselves. The MMFDH, MAPA, MInfra, MME and SeGov attribute their statutory responsibility to the Executive Secretary, and those who hold the presidency of their committees are the executive secretaries. The ME attributes the statutory responsibility to the Executive Secretary, and the MJSP attributes the responsibility for the risk management committee to the Special Internal Control Advisory Office (AECI); however, in both cases the presidency is held by the Minister. The MTur, SG/PR and CC/PR do not attribute statutory ties to the committees. In the BCB, the

statutory responsibility is tied to the Board of International Affairs and Risk Management (Direx), and the bank's President is the one who holds the presidency.

The first line of defense is defined by MMA, MTur, MRE, MME, MJSP, MInfra, SeGov and MMFDH as risk managers, processes managers or risk processes managers; meanwhile, MEC defines them simply as servants. In these ministries, the second line of defense is their risk committees. The other ministries define their first line as their risk committees and define the second line as the overlying instance. The third line of defense in the ministries is the CGU; however, the MD defines it as its Audit Office. At the BCB, the third line is its internal audit. The third line at CGU is the SG/PR Internal Control Secretariat (CISSET).

The risk management frameworks applied by MJSP, MAPA, MCTIC, MEC, CGU and GSI are COSO and ISO. The AGU applies COSO, ISO and Orange Book. The BCB uses only ISO, while the MS uses only COSO. The other ministries do not specify which frameworks they use or do have no analyzed policies. As for the types of risks listed by MJSP, MCTIC, MEC, MD, MTur, MRE, MME and CGU were only the typologies recommended by the Joint Normative Instruction: legal, operational, financial and reputational risks. MCTIC and CGU added risks to integrity. Only MAPA, BCB and AGU listed specific risks of their fields of work. The other ministries either do not cite in their policies which types of risks can be identified, or do not have established policies. Lastly, the members of governance and risk management collegiates did not receive training, even though 77% of the agencies' policies presume their agents' professional qualification. And, despite 68% of the ministries presuming risk management by processes, in fact none of them have management by processes fully integrated.

According to the Governance Decree, the ministries should institute their own internal governance committees. We analyzed those committees' minutes of meetings to verify the progress of the processes and decisions regarding the governance structure and risk management policy in those entities. After the change of government and the ministerial folders' reorganization in 2019, some ministries renewed their governance systems and/or instituted new governance committees, as well as renewed their risk management policies. In those ministries, we analyzed the documents generated that year. In other ministries, we analyzed the documents generated in the period 2017 to 2019. The most significant changes and/or ministerial situations are described below.

In 2019, the **MJSP** updated its risk management policy and started implementing a pilot project on risk management in its units. The ordinance that instituted its Governance System, created the supervision instances and made the Risk Management and Internal Controls Committee responsible for the risk management. In the same year, the **ME**, created by the

merger of four ministries (Treasury; Planning; Industry, Commerce and Supplies; part of Labor), ended the old ministries' committees and instituted the Ministerial Governance Committee and the Risk Management, Transparency, Controls and Integrity Committee. According to the minutes of the meeting that took place in June 2019, the ministry's risk management policy was approved in a collegiate resolution, yet to be published in the late Ministry of Treasury's webpage. Due to that, it could not be analyzed.

The **MTur** renewed its governance committee at the first meeting of 2019, changing its name, bylaws and governance structure. Until the date of this research's conclusion, the Ministry would still renew its risk management policy for implementing. Before that, its agents would receive training on public governance and risk management. Still in 2019, the **MAPA** instituted the Governance, Risks and Controls Committee and ended the committee of the same name, which had held two meetings. In the last meeting in 2018, it decided to update the risk management policy instituted in 2017. The committee created in 2019 met once, but the minutes of the meeting were not registered. The **MCid**, created by the merger of four ministries (Social Development; Sports; Culture; part of Labor) and the **MDR**, created by the merger of two ministries (City Planning; National Integration) revoked the risk management policies of the late ministries and instituted Governance Committees, giving them the responsibilities for risk management. However, the ministries did not present new risk management policies.

In 2018, the **MMA** instituted the Governance, Risk Management and Controls Council, but the collegiate has not met since then. In 2019, its governance structure was put into revision due to Decree n. 9,759/19, which establishes limits for federal public administration's collegiates. Accordingly, there is no current continuation of the implementing of the risk management policy instituted in 2018. That same year, **CC/PR** created the Governance Committee, which the minutes of its meetings were not disclosed. The minutes made available were those from the meetings of the Interministerial Governance Committee (CIG), instituted through the Governance Decree and composed by the Minister of CC/PR, which coordinates it, and the Ministers of Economy and CGU. CIG's objective is to advise the Presidency of the Republic in the conducting of the federal public administration's governance policy. One of its competences is to secure recommendations to the ministries' thematic collegiates, so that their programs and governance policies are well-coordinated (BRASIL, 2019b). The minutes made available display those recommendations.

In 2017, **SG/PR** created its committee and approved its risk management policy. In 2019, it ended the risk committee and instituted the Institutional Governance Committee, which has never met. The risk management policy remained, but with the revocation of the chapters

regarding the operating structure for risk management. The responsibilities of promoting and keeping up with the execution of the risk management were given to the Committee of Governance. The **MInfra** stopped its risk management activities in order to comply with the Governance Decree but has not resumed them since then. In addition, the ministry had its regulatory and organizational structures modified through Decree n. 9,676/19. Still in 2017, the **MS** created the Strategic Management Committee for Integrity, Risks and Controls. In 2018, it created the Internal Governance Committee, but none of its collegiates met.

Analysis and Discussion on the Results

As it was addressed in Oliveira (2016, p. 33), administrative discontinuity caused by the turnover in political offices due to elections can bring changes or ruptures in policies and practices adopted by late governments. While analyzing the information collected from the ministries, we verified that in the period 2016 to 2018 most of the ministries had their risk management programs under development, to be later executed. With the change of government in 2019, some agencies kept the risk management policies that had been set up, while others updated or extinguished them. There are also others that extinguished their committees and others that recreated them. The extinction of committees has also been corroborated by the Decree n. 9,759/19, which establishes guidelines for the creation of collegiates and extinguishes those that were created before January 2019 and are not in agreement with the requirements stipulated by the Decree (BRASIL, 2019a).

Regarding governance structure, most of the ministries define the roles and responsibilities of their agents for conducting the management programs. However, the collegiates members did not receive training. Generally speaking, the ministries present inadequate governance structures, because some of them extinguished their risks committees and some kept them but do not have independent members and/or sustain a great quantity of themes under their responsibility. The power and authority belong to the higher governance body when it does not delegate its functions to instances of support and when there is no independence. The recommendation for a governance system to be well-structured is to avoid the concentration of power. Besides, the critical decisions and activities must be taken or executed by a collegiate composed of competent and mutually independent members (HILL; DINSDALE, 2003, p. 39; IFAC, 2013, p. 24; TCU, 2014, p. 47-48)

As described in the previous section, half of the ministries specified in their policies the references to be used for the design and implementation of their risk management systems, as well as the types of risks to be identified. However, only MAPA, BCB and AGU specified the

inherent risks to their areas, whilst the others only listed the typologies of the Joint Normative Instruction. Adopting a consolidated reference for risk management is important to assist in the implementation of a well-structured system, while listing the types of risks which the entity is exposed to helps identifying them (HILL; DINSDALE, 2003, p. 20; IFAC, 2013, p. 27).

After requesting the meetings minutes of the ministries' governance and risk management committees, it was possible to identify that the collegiates of some of these agencies had never had a meeting, and others simply did not make their minutes public. The ministries that have not made the minutes of their collegiates' meetings public or did not disclose reports on their risk management systems to the external public, made their governance structures and the public openness fragile. The principle of openness is one of the fundamental principles of good governance, for it guarantees the trust in the actions of the public sector's entities and in their agents (BRASIL, 2017; IFAC, 2001, p. 9-12).

In the long term, risk management contributes for increasing the resilience of an organization in face of changes and uncertainties. That means that it is necessary to adopt a long-term vision and to be transparent in relation to the existing conflicts between the expected results and the short-term factors that can influence them, such as political cycles and other external issues. In the period when the normative acts on public governance and risk management were published, the ministries only catered to the legal requirements when instituting their collegiates and policies but did not effectively implement the predicted management programs. For that reason, it seems fundamental to us that public entities need to promote an increase in their resilience to cater to the public interest by properly managing the risks (COSO, 2017, p. 2; IFAC, 2013, p. 20).

Finally, the evidences of the merely formal accomplishment of the instances of risk management in the ministries corroborate the fact that in none of them there are objectives, goals and performance indicators for their risk management systems. The absence of these procedures prevents the ministries from monitoring and evaluating the performance of their systems, hindering its improvement (HILL; DINSDALE, 2003, p. 48; IFAC, 2013, p. 28; TCU, 2014, p. 52). Practically speaking, it can be acknowledged that despite there being a normative-legal orientation, there are no strong evidences that management procedures and their respective underlying cultural change, necessary for the creation of an effective risk management system, have been adopted in these public agencies.

Final Considerations

In the past few years, legal norms and orientative documents on governance and risk management have been edited, directed at agencies of the federal public administration that began to demand the implementation of systems of governance and risk management in the ministries. This initial movement aims at establishing a fundamental change in how direction and control take place in these agencies, emphasizing the need for generating and preserving public value, recognizing the uncertainty factor, and properly managing the risks that come from it. However, this reorientation towards a new public governance, based on risk management, can still be described as an incipient process in the ministries.

The results point out that despite the risk management systems being inserted in new structures of governance after the Joint Normative Instruction MP/CGU was put forth, in most cases the required activities for an effective implementation of these systems have been consistently interrupted. That took place not only for adequacy to the guidelines established by the Governance Decree; but also, for the ministerial reconfiguration in 2019, that started to completely revise the former structures of governance. In most entities, the programs that were in different phases of elaboration or implementation started to be completely redesigned. Nevertheless, it was possible to identify that there is a great variation between the ministerial systems. The MJSP, for example, has its risk management system currently under implementation. While on the other extreme there is the CC/PR, which despite its prominent role in the government coordinating the CIG, does not have its own risk policy or committee. For future studies, it is important to explore in greater depth the management practices adopted by the MJSP's servants that allow for the continuity of risk management systems implementation in this agency, and what are the difficulties faced by the servants of the other ministries that led to the pausing of their systems implementation activities.

The results made evident that the ministries' risk management systems are still incipient and that there are few adequacies in those entities to the principles of governance of the public sector. It was possible to note that there is still need for institutionalizing a culture of risk management and, mainly, adopting a long-term perspective in the organizations of the public sector, so that consistent risk management systems can be effectively implemented. This is how it will be possible to fulfill the goals of the public governance of reaching objectives that cater to the public interest, whilst keeping society's trust in public agencies.

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