



Government
of Canada

Gouvernement
du Canada



FEDERAL POLICY FOR HOSTING INTERNATIONAL SPORT EVENTS

January 2008

Canada 

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THE FEDERAL POLICY FOR HOSTING INTERNATIONAL SPORT EVENTS

1. *EFFECTIVE DATE*

This Policy is in effect as of January 1, 2008.

2. *CONTEXT*

The Federal Policy for Hosting International Sport Events (the “Hosting Policy”) provides a framework for the delivery of Canadian Heritage (Sport Canada)’s Hosting Program. Recognizing the growing interest in hosting sport events – not only as a stimulus to sport development, but also as an economic and community development tool – Canadian Heritage worked with the provinces, territories and the sport community to examine a strategic approach to bidding for and hosting international sport events.

The *Physical Activity and Sport Act* (2003) confirms the important role of the Government of Canada in coordinating Canada’s approach to hosting sport events. The *Canadian Sport Policy* (2002) reinforces the benefits of hosting international sport events, but noted that Canada’s fragmented approach in determining which events to fund had created pressure on public and private funding sources, and resulted in disparities with respect to the benefits from hosting such events.

To assist in the implementation of the *Canadian Sport Policy*, Federal-Provincial/Territorial (F-P/T) governments created the *Federal-Provincial/Territorial Priorities for Collaborative Action 2002-2005*, which identified the need for a sport event hosting strategy to support priorities related to enhancing the capacity of the Canadian sport system.

The resultant *Strategic Framework for Hosting International Sport Events (Strategic Framework)*, endorsed by the F-P/T Ministers responsible for Sport, Recreation and Fitness in 2004, provides the basis for the Hosting Policy. The *Strategic Framework* provides a blueprint for governments and the sport community throughout Canada to work together to maximize the sport development, social, cultural, economic and community benefits derived from hosting international sport events. It provides governments with a planned and coordinated approach to the bidding and hosting process for international sport events.

As a domestic event, the Canada Games is not directly governed by this policy. The federal approach to the Canada Games shall be nonetheless coordinated with the Hosting Policy, given the significance of the Canada Games, its contributions to sport development and the realization of the benefits of hosting, and its important part in the Hosting Program.

The Hosting Policy provides the basis for the federal decision-making process with respect to the contributions made under the Hosting Program. It identifies the key conditions for federal funding, and the coordinating mechanisms which shall be implemented to realize the Government of Canada's strategic goals for hosting international sport events.¹

3. POLICY OBJECTIVES AND RESULTS

The objectives of the Hosting Policy are to:

- A. Provide a framework for a proactive and strategic approach to bidding for and hosting of international sport events, resulting in the identification of priorities and targets for hosting;
- B. Promote effective, timely and transparent decision-making with respect to bidding and hosting, coordinated with Provinces/Territories and the sport community;
- C. Target investment to those bidding and hosting projects which advance the Strategic Framework and contribute to the achievement of the Government of Canada's interests for hosting international sport events; and
- D. Manage the type and number of bidding and hosting projects supported by the Government of Canada to ensure sound program and fiscal management as well as the achievement of Hosting Program objectives.

The implementation of the Hosting Policy shall result in:

- A. Prioritization of bidding and hosting opportunities based on sport plans with a 10-25 year horizon, with consideration of international federation bidding and hosting requirements, strategic positioning of Canada as a leading sport nation, fit with long-term athlete development, and the probability of success in obtaining hosting rights for Canada;

¹ *Appendix A contains definitions for key terms used in this policy.*

- B. Coordinated bidding and hosting management processes overseen by the International Sport Events Coordination Group (ISECG)², with input from the sport community including review specialists, and provincial/territorial governments;
- C. Support of bidding and hosting projects with demonstrated capacity to realize the benefits of hosting, namely:
- ▶ Contribution to enhanced athlete excellence and to the development of sport programming and infrastructure legacies, particularly for targeted Olympic and Paralympic sports with the greatest potential for podium performance;
 - ▶ Increased capacity for high-performance sport through providing opportunities for Canadians to improve their skills and leadership;
 - ▶ Enhancement of Canada's role as a leading sport nation through the delivery of technically and ethically sound sport events reflecting Canadian culture and values;
 - ▶ Promotion of social, cultural and community benefits, including enhanced voluntarism, active citizenship and civic participation, cultural programs reflecting Canadian diversity, physical activity and healthy communities; and
 - ▶ Promotion of economic benefits for the community in which the event is hosted as well as for the province/territory and country;
- D. Government of Canada support, in accordance with the Hosting Program budget and/or necessary approvals, for the hosting of:
- ▶ Two (2) International Major Multisport Games every ten (10) years;
 - ▶ One (1) Large International Single Sport Event every two (2) years;
 - ▶ Thirty (30) or more Small International Single Sport events each year; and
 - ▶ International Multisport Games for Aboriginal Peoples and Persons with a Disability.

The number of bids for International Major Multisport Games and Large International Single Sport Events supported in any ten-year period may vary, as it may be necessary to bid multiple times in order to win the rights to host in these categories.

² Appendix B contains an overview of the International Sport Events Coordination Group (ISECG).

4. POLICY STATEMENT

The Government of Canada recognizes the sport development, social, cultural, economic and community benefits that are derived from hosting international sport events, and that a proactive, strategic and coordinated approach to bidding and hosting is required in order to realize and maximize the benefits for Canadians.

The Government of Canada recognizes the important role of bidding for and hosting of international sport events in further establishing Canada as a leading sport nation.

5. APPLICATION

The principles of the Hosting Policy shall apply to the federal organizations listed in schedules I, II and III of the *Financial Administration Act*. For those providing essential federal services, Memoranda of Understanding will be used to outline respective roles and responsibilities.

As the Hosting Program is the primary mechanism by which Canadian Heritage (Sport Canada) shall implement the Hosting Policy, contribution applicants and others contributing to the bidding and hosting processes should be familiar with the content of this policy.

6. POLICY REQUIREMENTS

In the implementation of the Hosting Policy, there are minimum requirements for the presentation, analysis, and delivery of bidding and hosting projects.

Notwithstanding all requirements of the Hosting Policy and/or eligibility and assessment criteria of the Hosting Program being met, the Government of Canada is not obligated to provide funding for a bidding or hosting project. Financial support is dependent upon available funding, Government of Canada priorities and necessary approvals, as applicable.

Specifically, projects must meet the following minimum requirements:

Respect of federal policies, including:

- ▶ The *Canadian Policy Against Doping in Sport*;
- ▶ Assessments in accordance with the *Environmental Assessment Act*;
- ▶ The *Federal Government Policy on Tobacco Sponsorship of National Sport Organizations*;
- ▶ Standards pursuant to the *Official Languages Act*; and

- ▶ The objects and mandate outlined in the *Physical Activity and Sport Act*, including provisions for alternative dispute resolution for sport.

Respect of bidding and hosting processes, as established by the International Sport Events Coordination Group (see Appendix B), including:

- ▶ Observing deadlines for provision of information as published;
- ▶ Fulfilling application requirements for the type and size of bidding or hosting project;
- ▶ Meeting provisions and requirements of the Contribution Agreement, Multi-Party Agreement and/or Memorandum of Understanding;
- ▶ Bidding and hosting projects will only be considered if these have been previously identified to the ISECG as part of a National Sport Organization's or Multisport Service Organization's bidding and hosting plan, and accepted by Federal-Provincial/Territorial Governments as desirable events; and
- ▶ Decisions of the Government of Canada with respect to hosting support for major multisport games will be communicated by the Government of Canada simultaneously to both the domestic and international franchise holders.

Sound use of federal funds, including:

- ▶ Contribution limits. For contributions over the threshold set, regularly reviewed, and adjusted as required by the ISECG (presently \$50,000), the Government of Canada will limit its contribution to a maximum of 35% of total event costs and will not exceed 50% of the total public sector contribution to the event. Calculations for determining federal financial support will include contributions towards the direct and indirect costs of the bidding or hosting project;
- ▶ Provision of legacies according to a Government of Canada-approved legacy plan. Franchise holders and host societies must invest directly in the associated sport programming legacies. The Government of Canada will not be the sole funding source of sport legacies;
- ▶ No deficit funding. At no time will the Government of Canada undertake to guarantee deficit funding of a bidding or hosting project;
- ▶ Demonstrated feasibility and sound management capacity. Applicants/recipients must demonstrate through their plans (i.e. business, operational) the capacity to responsibly and effectively manage public funds; and
- ▶ Sound fiscal and human resource management, including financial statements, annual reports, and other appropriate financial management mechanisms.

Demonstrated contribution to sport development, including:

- ▶ Links between the bidding/hosting project and the relevant sport(s) Long-Term Athlete Development, strategic and operational plans;
- ▶ Building capacity and increasing interaction for organizations eligible under the Sport Funding and Accountability Framework (SFAF), as the tool used to determine funding under the Sport Support Program; and
- ▶ Realization of the goals of Sport Excellence Strategy and/or policy objectives for designated under-represented groups as in the case of International Multisport Games for Aboriginal Peoples and Persons with a Disability.

Acknowledgement and access, including:

- ▶ Recognition of the Government of Canada's contribution to the bidding or hosting project (i.e. similar to recognition afforded to private/corporate sector support of similar degree); and
- ▶ Access to information related to the bidding or hosting project sufficient to meet the monitoring and due diligence requirements of the Contribution Agreement and Multi-Party Agreement (as applicable), and to allow assessment of the project's contribution to the realization of the benefits of hosting.

7. MONITORING

Progress towards the achievement of Hosting Policy objectives shall be accomplished through ongoing performance measurement and program evaluation (including analysis of bidding and hosting projects). Findings shall be used by Sport Canada to make adjustments to the Hosting Program and ISECG processes as required. Reporting shall be regularly provided to central agencies, other federal departments, Provincial/Territorial Governments, as well as the sport community and other appropriate stakeholders. Where appropriate, such reporting shall be part of ongoing processes or tools, such as reporting on the Sport Canada Business Plan, program evaluations/audits, or updates for Federal/Provincial-Territorial Ministers meetings.

This policy, including each of its components, will be regularly reviewed by Sport Canada, typically in conjunction with the renewal of the Hosting Program. Any required changes would be duly recommended for approval.

8. ENQUIRIES

Enquiries about this policy or the Hosting Program should be directed to:

Major Games and Hosting Division
Sport Canada, Department of Canadian Heritage
15 Eddy, 16th Floor (15-16-G)
Gatineau, Quebec
K1A 0M5

Appendix A: Definitions

Types of Eligible Events for Bidding or Hosting Consideration

- **International Major Multisport Games.** These events are large multisport games, governed by an international sport franchise holder with links to sports' International Federations. There is a qualification process and entry restrictions. These events contribute to the *Sport Excellence Strategy*, and provide a focus for National Sport Organizations' high-performance plans and long-term athlete development. For example: the Summer and Winter Olympic and Paralympic Games, the Commonwealth Games and the Pan American Games.
- **International Single Sport Events.** These events are governed by a sport's International Federation (or the regional/continental counterpart), have a qualification process and entry restrictions (established nationally or internationally), and are identified as part of the National Sport Organization's high-performance and long-term athlete development plans for national team athletes. For example: World Championships, Olympic or Paralympic qualification events, World Cups. This category includes events which may range in size and complexity from Small to Large. The distinction is made in part based on the amount of the funding request to the federal and/or provincial/territorial government. Application and reporting requirements vary based on the size and complexity of the event, and the thresholds for each type shall be regularly reviewed by the International Sport Events Coordination Group. Currently events and commensurate requirements are grouped according to the requested amount and/or the contribution provided under the Hosting Program.
- **International Multisport Games for Aboriginal Peoples and Persons with a Disability.** These events are the Arctic Winter Games, the North American Indigenous Games, the Deaflympics and the Special Olympics World Games. These multisport games provide quality competition opportunities for designated under-represented groups which face systemic barriers to sport participation, and which form part of a Government of Canada strategy to decrease these barriers through National Sport Organization and Multisport Service Organization partnerships. These events may be awarded to Canada on a rotational basis (for example, the North American Indigenous Games and the Arctic Winter Games), or may require a bid (for example, the Special Olympics World Games, the Deaflympics). Those requiring a bid shall be counted as an International Major Multisport Event for the purposes of determining the number and type of events to be hosted in any given 10-year period.

- **Bidding Projects.** A project is considered a bid prior to the award of the right to host by the international federation. The activities of a bidding project are concluded after the right to host has been awarded, final reports prepared and project wind-up completed. Bidding projects may include extensive planning and guarantee requirements, and may be led by a National Sport Organization, Multisport Service Organization, or a separately incorporated bid society. The Government of Canada is interested in considering the support of the international phase of bidding projects for International Major Multisport Games and selected Large International Single Sport Events only.
- **Hosting Projects.** A project is considered a hosting project once the international federation has awarded the right to host, and include preparation for an event, delivery of the event, delivery of associated legacies and the provision of final reporting. Hosting projects may be led by a National Sport Organization, Multisport Service Organization, or a separately incorporated host society. The Government of Canada is interested in considering the support of hosting projects for International Major Multisport Games, International Single Sport Events and International Multisport Games for Aboriginal Peoples and Persons with a Disability.

Bidding and Hosting Management

- **The International Sport Events Coordination Group (ISECG)** is housed within the Major Games and Hosting Division of Sport Canada (Department of Canadian Heritage), and is comprised of Sport Canada staff as assigned. The ISECG is responsible for managing the bidding and hosting processes ("**ISECG Processes**") for all international sport events where federal funding or other support is being requested and/or has been approved. The ISECG is also responsible for the coordination of bidding and hosting information for international sport events, for analysis of bidding and hosting projects, for the provision and regular updating of related tools and processes, and for the creation and dissemination of reports. Appendix B provides an overview of the roles of the ISECG.
- **Essential Federal Services** are those services delivered by the Government of Canada which are required for the successful delivery of a hosting project (guarantees for Essential Federal Services are typically required during the bid stage) as either direct or indirect costs. These services are generally provided by both Canadian Heritage and other departments (the "**Federal Family**"). Canadian Heritage essential services include federal coordination and Official Languages. Federal family services are governed by **Memoranda of Understanding (MOU)** between Canadian Heritage and each respective department, which outline the agreed-upon scope of service to be provided, the incremental costs involved, and mechanism for transferring funds.

- **Multi-Party Agreement (MPA).** This agreement complements the Contribution Agreement, and outlines the responsibilities and obligations of the major parties involved in large or complex bidding/hosting projects. The major parties typically include the bid/host society, the government funding partners (federal, provincial, municipal), and the domestic franchise holder (NSO or MSO) for the event in question. The MPA addresses a variety of areas including accreditation and visibility as well as strengthened support of contribution requirements (e.g. Official Languages).
- **Review Specialists** are content experts who are identified to assist the ISECG with specific components of the analysis of bidding/hosting projects (e.g. business plan review).
- **Total Event Costs** refer to the operating and capital costs of delivering a bidding or hosting project. These costs are clearly identified in the project budget, and are either direct or indirect in nature.
- **Direct Costs** are incurred in meeting International Federation standards, federal policy and/or legislation requirements related to the bidding or hosting project.
- **Indirect Costs** are incurred in meeting the identified commitments in the formal bid documents submitted by the Canadian bid society or in realizing the federally-approved legacy plan.
- **Designated Under-Represented Groups** are subsections of the Canadian population that continue to experience barriers to access and equity in sport. The Government of Canada has chosen to designate on a policy basis certain of these under-represented groups for supplemental and/or targeted programming in the Hosting Policy, namely, Aboriginal Peoples and Persons with a Disability.
- **Legacy** is the intentional extension of the benefits of bidding and hosting beyond the delivery of a specific project, in order to build sustainable capacity for the Canadian sport system and in other sectors of importance for the Government of Canada. Legacies are planned for, operationalized and measured; and may occur prior to, during, or following a bidding or hosting event. Legacies include programming for athletes, coaches, officials, leadership or community development, new/improved infrastructure (inclusive of ongoing operating and programming), distribution of physical assets/equipment, sharing of intellectual property or transfer of knowledge, and the establishment/management of trust funds. Legacy may be linked to a project's wind-up and/or surplus, or include contributions specifically for legacy activities.

Appendix B: Roles of the International Sport Events Coordination Group

The International Sport Events Coordination Group (ISECG) is housed within the Major Games and Hosting Division of Sport Canada, and is comprised of Sport Canada staff as assigned. The ISECG has five major roles in the implementation of the Hosting Policy, applicable to both the coordination of information and the administration of the Hosting Program, namely:

- Coordination and sharing of bidding and hosting information for international sport events;
- Oversight of the bidding and hosting management processes;
- Analysis and prioritization of opportunities/events according to the *Strategic Framework*, for consideration by F/P-T governments and others;
- Development of tools to support bidding and hosting processes; and
- Analysis of applications for funding and development of recommendations according to the Hosting Program, as well as monitoring of approved bidding and hosting projects.

Each of these roles comprises a number of important elements. These include:

Coordination: of hosting plans prepared by National Sport Organizations (NSOs) and Multisport Service Organizations (MSOs) which are franchise holders for international sport events; of schedules and parameters for bidding and hosting for each type of event (i.e. International Major Multisport Event); of intentions and commitments to bid and/or host; of exchange of information between the ISECG and Provincial/Territorial Government contacts; of review specialists (and their input); of the federal family according to the essential federal services required, mutual interests or according to the Multi-Party Agreement; of information resulting from the analysis and prioritization of bidding and hosting opportunities and proposals; and preparation of reports for F/P-T ministers as described in the *Strategic Framework*.

Oversight of processes: ensuring that the bidding and hosting management processes are implemented, and that adjustments are made as required to ensure the timely and effective treatment of information and decision-making. Includes the setting of timelines, and the identification of application requirements for each type of event (including the designation of thresholds for International Single Sport Events), and the development, application and monitoring of Contribution Agreements, Memoranda of Understanding, and Multi-Party Agreements.

Analysis according to the *Strategic Framework*: review of initial proposals to determine fit of each with the *Strategic Framework*, its relative priority according to its degree of contribution to the aims of the *Strategic Framework*, and its relationship (as applicable) to other priority events.

Development of Tools: to assist in the analysis processes (e.g, to assess the likelihood of success for bids); and to assist NSOs/MSOs, bid and/or host societies in the preparation of materials.

Analysis and Monitoring of Hosting Program Contributions: review of applications for federal funding, according to Hosting Policy objectives and requirements and the contribution guidelines, while taking into account the prioritization produced by the initial analysis based on the *Strategic Framework*; and the preparation of recommendations for approval of federal funding (and, where applicable, the securement of additional funds). Such analysis and monitoring shall include the four stages of Eligibility, Assessment, Funding and Accountability.