

Sport Financing Systems in Austria and Poland: A Legal and Economic Perspective

Abstract

This paper presents a comparative analysis of the sports financing systems in Austria and Poland from legal and economic perspectives. Austria employs a centralised model of sports funding, primarily based on the Federal Sports Promotion Act of 2017, which mandates an annual contribution of at least €120 million from gambling revenues, administered by the Bundes-Sport-förderungsfonds. In contrast, Poland operates under a decentralised model, with local governments responsible for around 75% of public sports expenditure, supplemented by substantial support from state-owned enterprises. Both countries utilise public-private partnerships (PPPs), sponsorship and targeted tax incentives, albeit with varying degrees of institutionalisation. While Austria benefits from stable institutional funding, it risks stagnation in innovation and accountability. Meanwhile, Poland's dynamic but fragmented model leads to regional disparities and challenges in strategic coordination. Recommendations include introducing performance-based funding reforms in Austria and developing a national sports financing strategy in Poland.

KEYWORDS: sports financing, Austria, Poland, public policy, legal framework

ZBIGNIEW WAŚKIEWICZ – full professor, Academy of Physical Education in Katowice, ORCID – 0000000348856417, e-mail: z.waskiewicz@awf.katowice.pl

1 | Introduction

The financing of sport in the European Union (EU) is characterised by diverse legal traditions and economic models. Nonetheless, several dominant patterns emerge, including mixed public-private funding systems, the use of lottery revenues, direct state subsidies, and the growing influence of corporate sponsorship. Across EU member states, national and regional authorities are central in funding elite and grassroots sports, recognizing their social, health, and economic benefits. The White Paper on Sport^[1] emphasizes the integrative function of sport in society, highlighting the need for national strategies that support mass participation and elite performance.

Public expenditure on sports within the EU has reached over €50 billion annually in recent years, with local authorities often responsible for most of the spending.^[2] Additionally, the EU encourages member states to use national lotteries as instruments of sports financing. Austria exemplifies this model through the institutionalization of lottery funding in national legislation, notably via Article 20 of the Austrian Gambling Act^[3] and the Federal Sports Promotion Act,^[4] which guarantee public support for sport via earmarked gambling revenues.^[5]

Poland, in contrast, represents a decentralized approach. Although the 2010 Act on Sport gives the central government responsibility for elite sport and facility development, local governments carry the primary financial burden for grassroots and amateur sports.^[6] Poland's system has evolved

¹ 'White Paper on Sport (COM(2007) 391)', July 2007.

² Rene Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich* (Diplomarbeit, Karl-Franzens-Universität Graz, 2013); Artur Grabowski, 'Finansowanie Sportu Profesjonalnego w Polsce Przez Samorządy Terytorialne,' [in:] *Zarządzanie i innowacje u progu XXI wieku*, ed. Dominik Malinowski, Joanna Sośnicka (Łódź: Wydawnictwo Politechniki Łódzkiej, 2022), 140-149.

³ (Glücksspielgesetz (GSpG), 1989).

⁴ 'Bundesgesetz Betreffend Die Förderung Des Sports (Bundes-Sportförderungsgesetz 2017 – BSFG 2017)' (2017). <https://www.ris.bka.gv.at/geltendefassung.wxe?abfrage=bundesnormen&gesetzesnummer=10004611>.

⁵ BMKÖES Austria, 'Austrian Federal Ministry for Arts, Culture, Civil Service and Sport (BMKÖES). (2023). Sport – Federal Budget Overview', 2023. <https://www.bmkoes.gv.at/sport/ueber-uns.html>; Pamela Wicker, Bernd Frick, "Sustainable Financing of Elite Athlete Development: An Empirical Analysis of Winter Sports in Austria" *Sustainability*, No. 22 (2020): 9664.

⁶ Jakub Rzeszowski, 'Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów'

through sponsorship mechanisms involving state-owned enterprises and targeted tax policies to stimulate private sector engagement.^[7]

This paper compares the legal frameworks, financial mechanisms, and institutional arrangements governing sports in Austria and Poland. It also considers how each system aligns with broader EU policy objectives and assesses their effectiveness in achieving equitable access, performance development, and economic sustainability. The analysis focuses on verified legal documents, national reports and peer-reviewed studies to provide a grounded, evidence-based understanding of the two models. Subsequent sections examine each country in detail, followed by comparative legal and economic evaluations and policy recommendations.

This paper compares the legal frameworks, financial mechanisms, and institutional arrangements governing sports in Austria and Poland. It also considers how each system aligns with broader EU policy objectives and assesses its effectiveness in achieving equitable access, performance development, and economic sustainability. This analysis focuses on verified legal documents, national reports, and peer-reviewed studies to provide a grounded, evidence-based understanding of the two models.

Austria and Poland are particularly worthy of comparison due to their contrasting yet complementary approaches to sports financing and governance within the EU context. Austria has a long-standing tradition of integrating sport with public health and tourism, and operates a legally entrenched, centrally coordinated system. Conversely, Poland exemplifies a dynamic, post-transition state where decentralization and mixed financing models are still evolving. While Austria relies on institutional stability through statutory lottery allocations, Poland leverages local government initiatives and increases corporate involvement. Both countries are middle-sized EU member states with active Olympic participation. Still, they differ in their administrative legacies, fiscal capacities, and strategic priorities – making their juxtaposition highly instructive for understanding broader European trends in sports financing.

Prawo Budżetowe Państwa i Samorządu, No. 2 (2017): 45; Robert Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej* (Sofia: Bulgarian Academy of Sciences, 2023).

⁷ Joanna Jedel, “The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?” *Baltic Journal of Health and Physical Activity* Supplement, No. 1 (2019): 41-53; Mateusz Drózdź, “Legal Aspects of Sponsoring Sports by State-Owned Companies” *Journal of Physical Education and Sport*, No. 2 (2021).

2 | Comparison of Sports Financing Models: Austria vs. Poland

2.1. Austria's Sports Financing System

Austria's sports financing system is grounded in a centralized legal and institutional structure, with federal authorities and national sports bodies playing leading roles. The Federal Sports Promotion Act 2017 and Article 20 of the Austrian Gambling Act are the cornerstones of public funding. These acts legally guarantee a minimum of €120 million annually from gambling revenues to be allocated directly to sport, making Austria one of the few countries in Europe with such a fixed statutory mechanism.^[8]

These funds are administered by the Bundes-Sportförderungsfonds (BSFF) and distributed to organizations such as Sport Austria, ASKÖ, ASVÖ, Sportunion, the Austrian Football Association, and the Austrian Olympic Committee. Austria's centralized model ensures stable and predictable support for elite and grassroots sports.

Beyond the federal system, provinces (Länder) and municipalities provide additional support, though with more significant variation. While local governments are constitutionally competent in sports matters under Article 15 of the Austrian Constitution, the bulk of structured funding still comes from federal lottery revenue.^[9]

Private sponsorship plays a complementary role, primarily supporting high-profile sports like skiing and football. Key sponsors in elite sports include Austrian companies such as Red Bull. However, sponsorship is not a structural requirement for the survival of grassroots sports organizations, which receive steady public subsidies.^[10]

⁸ Bundesgesetz betreffend die Förderung des Sports (Bundes-Sportförderungsgesetz 2017 – BSFG 2017); 'Calls Sportförderungen 2023 – Gleichstellung. Integration. Inklusion.', 2023, <https://www.bmkoes.gv.at/sport/sportfoerderungen/calls/calls2023.html>; Christoph Breuer et al., 'Socio-Economic Patterns of Sport Demand and Ageing', *European Review of Aging and Physical Activity* 7, no. 2 (2010): 61–70, doi:10.1007/s11556-010-0066-5.

⁹ Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich*.

¹⁰ Jedel, "The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?".

2.2. Poland's Sports Financing System

In contrast, Poland's financing system is built on a decentralized legal model, defined by the Act on Sport (2010).^[11] It places significant responsibility on local governments (gminas, powiats, and voivodeships), which account for approximately 75% of all public expenditure on sport.^[12] The Ministry of Sport and Tourism focuses on elite sport, Olympic preparation, and infrastructure co-financing through programs like Sportowa Polska and the Fund for the Development of Physical Culture, financed through gambling revenues^[13]. However, unlike Austria, there is no fixed statutory minimum for lottery contributions. The state-owned Totalizator Sportowy contributes variable amounts yearly, depending on profits and political will.^[14]

Polish municipalities have broad legal authority under Articles 27 and 28 of the Act on Sport to subsidize clubs and build sports infrastructure.^[15] Many municipalities co-finance local clubs, often providing direct operational grants, infrastructure access, or marketing contracts. However, this model leads to regional disparities depending on local fiscal capacity.^[16]

Poland has also actively encouraged private sector involvement, primarily through state-owned enterprises such as PKN Orlen and Grupa Azoty, which sponsor national teams and clubs. A 2021 legal reform introduced 50% tax relief for companies sponsoring sports, further incentivizing

¹¹ Ustawa z dnia 25 czerwca 2010 r. o sporcie [Act on Sport] (2010). <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20101270857>.

¹² Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*; Grabowski, „Finansowanie Sportu Profesjonalnego w Polsce Przez Samorządy Terytorialne”.

¹³ Ministry of Sport and Tourism, *Finansowanie Zadań Ministerstwa Sportu i Turystyki w 2023 r.*, 2023, <https://www.gov.pl/web/ministry-of-sports-and-tourism/good-year-of-polish-sport>.

¹⁴ Dróżdż, “Legal Aspects of Sponsoring Sports by State-Owned Companies”; Radosław Niwiński, “Public Financing of Sport Infrastructure versus State Aid” *Białostockie Studia Prawnicze*, No. 1 (2020): 129-140.

¹⁵ Rzeszowski, „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów”.

¹⁶ Karolina Nessel, „Balancing Mass Sports Participation and Elite Sports Performance: Heterogeneity of the EU Countries” *Journal of Physical Education and Sport*, No. 2 (2021): 1156-1164; Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*.

private contributions.^[17] Yet, this also increases financial volatility during economic downturns.

Table 1. Core Characteristics of Sport Financing Models in Austria and Poland

Category	Austria	Poland
Legal Basis	Federal Sports Promotion Act 2017; Gambling Act	Act on Sport (2010); Local Government Acts
Main Public Source	Federally guaranteed lottery revenue (≥ €120M/year)	Local government budgets (approx. 75% of public funding)
Federal Ministry Role	Strategic oversight and fund distribution via Bundes-Sport GmbH	Oversees elite sport, Olympic prep, and infrastructure development
Local Government Role	Supplemental (infrastructure, club support varies by region)	Principal funder of clubs, facilities, youth sport; wide legal autonomy
Private Sponsorship	Complementary (focused on elite disciplines like skiing, football)	Crucial (often sustaining top-level clubs; driven by state-owned sponsors and tax incentives)
Public-Private Partnerships	Selective; used mainly for major infrastructure tied to tourism or elite sport	Common; used for stadiums, swimming pools, often co-funded by municipalities and companies
Statutory Lottery Contribution	Yes – fixed minimum in law (Article 20, Glücksspielgesetz)	No – variable contributions from Totalizator Sportowy
Equity Concerns	Relatively low – centralized structure ensures broad access	High – regional disparities due to uneven municipal budgets and sponsor reach

3 | Legal and Institutional Framework for Sports Financing in Austria and Poland

3.1. Austria: Centralization with Legal Guarantees

Austria’s legal architecture for sport financing is highly centralized and codified. The Federal Sports Promotion Act 2017 (Bundes-Sportförderungsgesetz 2017) forms the primary statutory basis, defining the types

¹⁷ Jedel, “The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?”.

of support, eligible organizations, and allocation mechanisms.^[18] This act is tightly linked with the Gambling Act (Glücksspielgesetz), particularly Article 20, which mandates that a fixed share of federal gambling revenues—no less than €120 million annually—is allocated to sport.^[19] These funds are managed by the Bundes-Sportförderungsfonds (BSFF) and distributed via the Bundes-Sport GmbH (BSG), a state-owned agency. The BSG evaluates applications, administers subsidies, and performs compliance. The transparency clause (§ 39 BSFG 2017) obliges the agency to publish annual funding data.^[20]

Sport Austria, the umbrella organization for Austrian sports federations, which includes the three federal associations ASKÖ, ASVÖ, and Sportunion, provides further governance. These organizations receive earmarked funding and participate in governance through formal representation on the BSG supervisory board.

Austria's sports governance is also anchored in Article 15 of the Federal Constitutional Law, which leaves general sports competence to the federal states (*Länder*), except where federal law explicitly applies. However, due to the federal government's pivotal role in financing, the states mostly play a complementary role, funding regional federations, facilities, and localised programmes.^[21]

3.2. Poland: Decentralized Model with Multilevel Responsibilities

In Poland, the legal framework rests primarily on the Act of 25 June 2010 on Sport, which outlines the roles of national and local government units in supporting sport. According to Article 27, creating conditions favorable to sports development is a self-government responsibility. This provision is reinforced by other acts, such as:

¹⁸ Bundesgesetz betreffend die Förderung des Sports (Bundes-Sportförderungsgesetz 2017 – BSFG 2017).

¹⁹ Österreichische Lotterien, 'Funding and Promotion of Sports', 2023. <https://www.lotterien.at/en/company/sustainability/80-million-for-sports>.

²⁰ Bundesgesetz betreffend die Förderung des Sports (Bundes-Sportförderungsgesetz 2017 – BSFG 2017).

²¹ Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich*.

- the Act on Public Finance (27 August 2009),^[22] regulates how municipalities can issue grants to non-profit clubs.
- the Act on Public Benefit and Volunteer Work (24 April 2003) enables non-governmental organisations (NGOs) and sports clubs to apply for subsidies based on public goals,^[23]
- Article 7 of the Local Government Act (8 March 1990) includes sports and recreation among the responsibilities of municipalities.^[24]

The Ministry of Sport and Tourism coordinates elite sports, distributes funds to national federations, and manages major national projects. However, local governments are the primary funders of grassroots and amateur sports, operating through competitive grant programs, infrastructure support, and direct subsidies.^[25] State-owned companies’ sponsorship role is not codified in the same way as Austria’s lottery law. Still, legal scholars have debated whether sponsorships by firms like PKN Orlen constitute state aid or CSR activities.^[26]

Table 2. Legal and Institutional Comparison

Aspect	Austria	Poland
Primary Law	Bundes-Sportförderungsgesetz 2017; Glücksspielgesetz	Act on Sport (2010); Public Finance Act (2009); Local Government Act (1990)
Federal Funding Mechanism	Statutory funding from gambling revenue; administered via BSFF and Bundes-Sport GmbH	Funding from national budget (e.g., Sportowa Polska, Olympic prep); no guaranteed lottery contribution

²² Ustawa z dnia 27 sierpnia 2009 r. o finansach publicznych [Public Finance Act] (2009). <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20091571240>.

²³ Ustawa z dnia 24 kwietnia 2003 r. o sześcioletnim okresie wolontariacie [Act on Public Benefit and Volunteer Work]. (Dz. U. z 2003 r., nr 96, poz. 873).’ (2003), <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20030960873>.

²⁴ Ustawa z dnia 8 marca 1990 r. o samorządzie gminnym [Act on Local Government]’ (1990). <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU19900160095>.

²⁵ Grabowski, „Finansowanie Sportu Profesjonalnego w Polsce Przez Samorządy Terytorialne”.

²⁶ Drózd, “Legal Aspects of Sponsoring Sports by State-Owned Companies”; Jedel, “The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?”.

Aspect	Austria	Poland
Oversight Body	Bundes-Sport GmbH; reports to Ministry and public (via § 39 BSFG 2017)	Ministry of Sport and Tourism at national level; local auditors and Supreme Audit Office (NIK)
Key Stakeholders	Sport Austria, ASKÖ, ASVÖ, Sportunion, ÖOC	National federations, Polish Olympic Committee, local governments, NGOs, state-owned companies
Local Government Role	Constitutionally competent but secondary in funding structure	Primary public funders of grassroots sport; issue grants, maintain facilities
Legal Basis for PPPs	Project-based, especially for elite/tourism-linked infrastructure	Actively used; regulated through public procurement and co-financing frameworks (Chojnacka, 2021)
Statutory Sponsorship Mandates	Yes – through lottery law (Article 20)	No – sponsorship by state firms is discretionary; some tax reliefs introduced

4 | Economic Impact of Sports Financing Models in Austria and Poland

4.1. Austria: Stable Public Commitment and Sectoral Integration

Austria's sports financing model, anchored in the guaranteed transfer of gambling revenues, provides a stable and predictable funding base for sports development. The €120 million annual allocation, enshrined in Article 20 of the Austrian Gambling Act, ensures consistency and long-term planning capacity for sports organizations. This stability fosters institutional confidence, enabling sports federations to invest in athlete development, event planning, and infrastructure without year-to-year uncertainty. Austria's approach yields economic multipliers, especially in winter sports and sports tourism. Austrian Institute of Economic Research (WIFO) studies emphasize that sport-related public investment enhances tourism income, regional development, and health system savings.^[27] The Wicker

²⁷ Oliver Fritz et al., "Ökonomische Recht-Fertigung Einer Öffent-Lichen Sport-förderung Öffentliche-Güter-Komponenten Und Positive Externe Effekte Des Sports", n.d., http://publikationen.wifo.ac.at/pls/wifosite/wifosite.wifo_search.get_abstract_type?p_language=1&pubid=2524.

and Frick^[28] sustainable financing survey further shows that Austrian citizens display a high willingness-to-pay for long-term athlete development, particularly in Olympic winter disciplines, indicating societal support for continued investment.

Moreover, integrating sport policy with Austria's National Health Targets and National Physical Activity Action Plan supports the broader social return on investment, including reduced healthcare costs and increased labor productivity due to improved physical fitness and well-being. Thus, Public sports funding is part of a cross-sectoral strategy for national development. Despite its strengths, the Austrian system has been critiqued for over-centralization and entrenchment of historical beneficiaries. A significant share of the federal budget goes to the "big three" sports umbrella organizations—ASKÖ, ASVÖ, and Sportunion—with limited performance-based criteria.^[29] This raises concerns about equity and innovation in smaller or emerging sports.

4.2 Poland: Dynamic Investment, Uneven Returns

Poland's sports financing model is characterized by decentralization, state-corporate partnerships, and programmatic spending, offering flexibility but also exposing the system to budgetary volatility and regional inequality. According to Krasowski^[30] and Rzeszowski,^[31] local governments finance most sports infrastructure and club operations—accounting for roughly 75% of public sports spending—with support from central programs such as Sportowa Polska and the Fund for the Development of Physical Culture.

The absence of a guaranteed lottery-based funding model means that contributions from Totalizator Sportowy fluctuate annually. In 2020, the lottery transferred approximately PLN 827 million (€185 million) to sports, but this figure varies depending on state decisions and company

²⁸ Wicker, Frick, "Sustainable Financing of Elite Athlete Development: An Empirical Analysis of Winter Sports in Austria".

²⁹ Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich*.

³⁰ Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*.

³¹ Rzeszowski, „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów”.

performance^[32]. This introduces a layer of political discretion into a rule-based system in Austria. Poland's strategy leverages sponsorship from state-owned companies (e.g., PKN Orlen, Grupa Azoty), prominent sponsors of football, volleyball, and Olympic disciplines.^[33] This expands funding capacity but concentrates resources in high-visibility disciplines, leaving grassroots or niche sports underfunded. The 2021 tax reform introducing a 50% deductible relief for sponsoring firms aims to level the playing field, but its effectiveness is still being evaluated.^[34] From an economic perspective, Poland's sports sector contributes to regional economic development through infrastructure projects and local employment. Initiatives such as the Sportowa Polska program or the Moje Boisko-Orlik 2012 campaign provided nationwide investment in sports fields, gyms, and swimming pools.^[35] However, local spending is not always aligned with long-term strategy or performance goals, and audit reports have flagged cases of underutilization or maintenance deficits.^[36]

Despite increasing public spending on sports, Poland still trails EU averages in sports participation. Eurobarometer data shows that fewer than 30% of Poles engage in regular physical activity, far below Austria's participation rates. This reflects the limitations of fragmented local investments without a national-level participation strategy.^[37]

Table 3. Economic Characteristics and Outcomes

Dimension	Austria	Poland
Primary Public Funding	Lottery-based revenue (guaranteed annually by law)	Local government budgets; variable lottery funding via Totalizator Sportowy
Public Spending Stability	High – statutory guarantees ensure long-term planning	Moderate – varies with local budgets and political priorities

³² Jedel, "The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?"

³³ Drózdź, "Legal Aspects of Sponsoring Sports by State-Owned Companies".

³⁴ Jedel, "The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?"

³⁵ Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*.

³⁶ Niwiński, "Public Financing of Sport Infrastructure versus State Aid".

³⁷ Michał Marcin Kobierecki, 'Sport and Development in Poland: National Strategies and Their Implementation', in *Sport and Development in Emerging Nations* (London: Taylor and Francis, 2021), 125-140.

Dimension	Austria	Poland
Economic Contribution	~€2 billion/year from lottery alone; sport sector contributes ~4% to GDP (including tourism)	Public investment rising; sector estimated at ~2% of GDP; significant regional variation
Participation Rates	High; supported by infrastructure, school programs, and national health plans	Lower than EU average; regional gaps in access, especially in rural municipalities
Sponsorship & Private Sector	Complementary; mostly elite sport (e.g., Red Bull, Raiffeisen)	Crucial in elite sport (e.g., Orlen, KGHM); tax relief introduced to encourage broader corporate support
Infrastructure Development	Supported through state funds and selective PPPs	Broad PPP use; large national programs like Orlik, Sportowa Polska
Equity and Access	Strong federal redistribution; some criticism of entrenched beneficiaries	Unequal by region; participation and infrastructure depend on local fiscal capacity

5

Comparative Summary of Legal and Economic Aspects of Sports Financing in Austria and Poland

A comparison of Austria and Poland reveals two distinct models of sports financing, reflecting their different administrative traditions, fiscal capacities and institutional priorities. Although both countries recognise sport’s public interest role, their legal systems and economic approaches result in different balances between stability, flexibility, central oversight and local responsiveness.

5.1. Legal Frameworks: Centralization vs. Decentralization

Austria follows a centralized and legally codified approach to sports financing. The Bundes-Sportförderungsgesetz 2017 and the Austrian Gambling Act ensure a statutory guarantee of €120 million annually from gambling revenues dedicated to sport. The Bundes-Sport GmbH, created by this law, manages distribution and oversight, with funds allocated according to legally defined criteria (Struktur und Organisation des Sports in Österreich, 2023). This setup facilitates predictability and minimizes the influence of political fluctuations on sports financing.

Poland's legal structure is decentralized, rooted in the Act on Sport (2010) and complementary financial legislation. While the Ministry of Sport and Tourism handles elite sports and national strategy, local governments are empowered to fund and organize sports through Articles 27 and 28 of the Act on Sport and associated public finance and procurement laws. This gives municipalities autonomy to tailor their programs to local needs, but it also leads to regional disparities and inconsistent levels of legal implementation.

In Austria, lottery revenue allocations are mandated by law. In Poland, contributions from Totalizator Sportowy – while substantial – are not legally fixed, leaving them vulnerable to political discretion. This reflects a more profound asymmetry: Austria guarantees public support as a legal entitlement for sport, while Poland treats it as a political and administrative allocation.

5.2. Economic Models: Fiscal Stability vs. Market Responsiveness

Austria's financing model offers stability and institutional continuity, enabling long-term planning and high participation rates. Integrating sport policy into public health, education, and tourism strategies enhances its cross-sectoral value. The sports sector contributes approximately 4% of GDP, partly driven by winter sports and related industries.^[38]

Poland emphasizes market responsiveness, relying on state-owned sponsorships, municipal flexibility, and programmatic investment schemes such as Sportowa Polska and Orlik 2012. These initiatives helped modernize infrastructure but have not fully resolved low participation levels and the lack of coordination between municipal and national strategies.

While both countries utilize public-private partnerships, Poland has done so more extensively, especially around mega-events like UEFA Euro 2012. However, concerns remain about such investments' post-event utilization and cost-efficiency.^[39]

³⁸ Wicker, Frick, "Sustainable Financing of Elite Athlete Development: An Empirical Analysis of Winter Sports in Austria".

³⁹ Ewa Chojnacka, 'Public-Private Partnership as a Source of Financing of Sport and Recreation Infrastructure in Poland', *Journal of Physical Education and Sport* 21, no. 2 (2021): 1046–1049.

5.3. Accountability and Oversight

Austria's accountability system is centralized. The Bundes-Sport GmbH manages applications, disbursements, and audits, ensuring legal compliance and transparency through annual reporting obligations. However, criticisms persist regarding institutional inertia and the dominance of legacy organizations.^[40]

Poland operates a multi-level oversight structure, with the Supreme Audit Office (NIK) monitoring central expenditures and local audit bodies evaluating municipal grants. This allows for flexibility but generates variation in enforcement quality, especially in under-resourced areas. Smaller municipalities may lack the personnel or expertise to apply consistent financial control, increasing the risk of inefficiencies.^[41]

5.4. Public-Private Partnerships and Strategic Alignment

Austria uses PPPs selectively, mainly for elite sport and tourism-driven projects, such as Olympic centers or ski resorts. Legal and fiscal caution limits their application to high-visibility initiatives.^[42] The lottery model reduces pressure to involve private investors at the grassroots level, which limits experimentation but ensures system stability. Poland has institutionalized PPPs more extensively, particularly for infrastructure modernization. Initiatives like Orlik 2012 and Sportowa Polska show that public investment, co-financed with local or corporate partners, can upgrade national sports infrastructure. However, strategic coherence remains weak, with many investments being reactive or symbolic rather than being embedded in long-term development plans.^[43]

⁴⁰ Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich*.

⁴¹ Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*; Rzeszowski, „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów”.

⁴² Freiburger, *Strukturen des Österreichischen Sports im internationalen Vergleich*.

⁴³ Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*; Niwiński, “Public Financing of Sport Infrastructure versus State Aid”.

5.5. Efficiency, Equity, and Strategic Orientation

Austria prioritizes equity, ensuring all federations and regions receive stable support, albeit sometimes at the cost of competitive pressure. The system’s reliance on fixed allocations and large umbrella organizations reduces bureaucratic waste but may hinder innovation and performance differentiation.^[44]

Poland leans toward efficiency and responsiveness, but often at the expense of equity. Clubs in wealthier municipalities or high-visibility disciplines benefit more, while smaller towns or minority sports face barriers to funding. Efforts to implement performance-based funding and tax incentives for sponsorship aim to address this imbalance, though the results are still emerging.^[45]

Table 4. Legal and Economic Systemic Comparison

Dimension	Austria	Poland
Governance Model	Centralized; dominated by federal law and umbrella organizations	Decentralized; shared between national and local governments
Legal Instruments	Bundes-Sportförderungsgesetz 2017; Gambling Act	Act on Sport (2010); Public Finance Act; Local Government Act
Lottery Funding	Fixed by law (€120M/year, Article 20, Glücksspielgesetz)	Variable; no statutory minimum from Totalizator Sportowy
Oversight Mechanisms	Bundes-Sport GmbH audits and publishes funding data	NIK (Supreme Audit Office) + local auditors; highly variable implementation
PPPs	Rare; used for Olympic-level projects	Common; used for stadiums, swimming pools, often co-financed by municipalities
Equity Outcomes	High; central distribution ensures access even for smaller federations	Low; local disparities, club funding often depends on regional wealth
Economic Model	Stable, tourism-integrated, cross-sectoral planning	Dynamic, investment-driven, reliant on sponsorship and political programming

⁴⁴ Wicker, Frick, “Sustainable Financing of Elite Athlete Development: An Empirical Analysis of Winter Sports in Austria”.

⁴⁵ Wojciech Drożdż, ‘The Development of Electromobility in Poland’ *Virtual Economics* , No. 2 (n.d.): 61–69, doi:10.34021/ve.2019.02.02(4); Jedel, “The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?”.

Dimension	Austria	Poland
GDP Share from Sport	~4% (including tourism and consumer spending)	~2% (public investment growing but fragmented)
Strategic Coordination	Strong national alignment through health, education, and sport ministries	Weaker coordination; overlapping policies at central and local levels

Austria’s strength lies in its financing framework’s predictability and legal entrenchment. The Federal Sports Promotion Act and the statutory allocation of lottery funds create a stable environment supporting grassroots and elite sports without heavy reliance on market fluctuations or political changes. Integrating sports financing into broader national strategies – such as public health and education – further enhances the long-term value and societal return on investment. However, the system faces criticism for reinforcing the status quo, with most funds flowing to historically dominant federations, limiting space for new or underrepresented disciplines.

Poland, meanwhile, showcases a dynamic but fragmented landscape where municipalities play a pivotal role in financing local sports clubs and infrastructure. While this model allows for responsiveness to regional needs and rapid development of modern facilities, it has also led to unequal access, variable audit standards, and an overreliance on discretionary funding. Poland’s sponsorship incentives and program-based investments (e.g., Sportowa Polska, Orlik 2012) have energized the sports sector. Still, these efforts sometimes lack cohesion and long-term sustainability without a unified national strategy.

Both countries highlight the tensions between equity and innovation, central planning, and local autonomy. Austria could benefit from a moderate increase in performance-based funding and broader regional engagement in decision-making. Poland would gain from a more integrated strategy linking central programs, municipal initiatives, and private sponsors to ensure equitable access and coordinated development. At the EU level, these two models reflect broader trends in public sport policy: Austria exemplifies rule-based governance and institutional solidarity. At the same time, Poland illustrates the flexibility and challenges of post-transition decentralization. Together, they offer valuable insights into how diverse legal and economic tools can be applied to strengthen sports systems, promote participation, and achieve national and international sporting success.

6 | Policy Recommendations for Improving Sports Financing Systems

6.1. Austria: Strengthening Strategic Innovation and Performance Accountability

6.1.1. Introduce Performance-Based and Socially Responsive Funding Models

Austria's current funding structure prioritizes institutional continuity, with a significant share of public funds allocated to long-established federations such as ASKÖ, ASVÖ, and Sportunion. While this guarantees stability, it can stifle innovation and limit resources for emerging sports or underrepresented communities. We therefore recommend introducing performance-based criteria for the allocation of federal sports funding on a gradual basis. These criteria should include: membership growth and retention; youth development outcomes; gender inclusion metrics; international competitive results

Such measures are consistent with the proposals set out in the Bundes-Sportförderungsgesetz 2017, mainly §§ 6–10 on elite sport funding, and reflect calls from oversight bodies like the Austrian Court of Audit to diversify allocations.

6.1.2. Expand Transparent Criteria for Grassroots Support and Regional Engagement

The central government should enhance transparency in grassroots funding (Breitensportförderung) by requiring the public documentation of how funds are distributed across regions, disciplines, and population groups. This aligns with § 39 of the BSFG on transparency obligations and could be strengthened through digital open-data platforms managed by Bundes-Sport GmbH and Sport Austria.

6.1.3. Carefully Expand PPPs Beyond Elite Infrastructure

Austria's PPP usage is mainly limited to Olympic or tourism-focused projects. Lessons from Poland's PPP-driven development suggest that Austria could cautiously expand PPP frameworks to community-level facilities, such as sports halls and fitness centers, especially in rural areas with low

participation rates. The Ministry for Sport should develop model agreements and risk-sharing templates to support municipal authorities.

6.2. Poland: Advancing Coordination, Equity, and Private Sector Sustainability

6.2.1. Develop a National Strategy for Sports Financing and Participation Equity

Despite a rich network of local programs and facilities, Poland lacks a unified national strategy linking public investment, sponsorship, and grassroots sports development. The Ministry of Sport and Tourism should lead a multi-stakeholder initiative to: define shared national goals for grassroots and elite sports; create baseline performance indicators (e.g., participation by gender, rural outreach); integrate monitoring tools for all publicly funded programs.

Several Polish authors and official planning documents emphasize that such a strategy would help synchronize local government efforts with national ambitions.^[46]

6.2.2. Expand and Target Fiscal Incentives for Private Sponsorship

Although the 50% tax deduction introduced under recent reforms is a step forward, it remains generic and is often used for high-visibility sports. Poland should introduce targeted sponsorship incentives for: women's and youth sports; grassroots clubs in underdeveloped regions; sports linked to health promotion (e.g., walking clubs, school leagues).

These adjustments would channel private capital toward long-term public goals and mirror best practices discussed in financial reviews^[47].

⁴⁶ Krasowski, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*; Rzeszowski, „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów”.

⁴⁷ Drożdż, “The Development of Electromobility in Poland”; Jedel, “The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?”.

6.2.3. Strengthen Oversight and Capacity at the Local Level

Many Polish municipalities operate without standardized procedures for monitoring grants and facilities. We recommend: creating a national audit toolkit for municipal sports expenditures; offering training and certification for sports administrators; mandating that significant municipal investments include life-cycle maintenance plans

This aligns with concerns raised by the Supreme Audit Office (NIK) and legal experts.^[48]

6.2.4. Improve Participation through Integrated Infrastructure and Health Policy

Relatively low sports participation rates in Poland, particularly in rural and economically disadvantaged areas, highlight the need for greater integration with the health and education sectors. Programmes such as Sportowa Polska could significantly expand sports access and address socioeconomic health inequalities if coordinated with schools, clinics, and community centres.^[49]

Bibliography

- Breuer Christoph, Kirstin Hallmann, Pamela Wicker, Svenja Feiler, "Socio-Economic Patterns of Sport Demand and Ageing" *European Review of Aging and Physical Activity*, No. 2 (2010): 61-70. <https://doi.org/10.1007/s11556-010-0066-5>.
- Calls Sportförderungen 2023 – Gleichstellung. Integration. Inklusion. 2023. <https://www.bmkoes.gv.at/sport/sportfoerderungen/calls/calls2023.html>.
- Chojnacka Ewa, "Public-Private Partnership as a Source of Financing of Sport and Recreation Infrastructure in Poland" *Journal of Physical Education and Sport*, No. 2 (2021): 1046–1049.

⁴⁸ Niwiński, "Public Financing of Sport Infrastructure versus State Aid"; „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów”.

⁴⁹ Kobierecki, "Sport and Development in Poland: National Strategies and Their Implementation”.

- Drożdż Wojciech, "The Development of Electromobility in Poland" *Virtual Economics*, No. 2 (n.d.): 61-69. [https://doi.org/10.34021/ve.2019.02.02\(4\)](https://doi.org/10.34021/ve.2019.02.02(4)).
- Dróżdż Mateusz, "Legal Aspects of Sponsoring Sports by State-Owned Companies" *Journal of Physical Education and Sport*, No. 2 (2021): 1070-1075.
- Freiberger Rene, *Strukturen des Österreichischen Sports im internationalen Vergleich*. Diplomarbeit, Karl-Franzens-Universität Graz, 2013.
- Fritz Oliver, Margit Schratzenstaller, Egon Smeral, Erich Thöni, "Ökonomische Recht-Fertigung Einer Öffent-Lichen Sportförderung Öffentliche-Güter-Komponenten Und Positive Externe Effekte Des Sports" n.d. http://publikationen.wifo.ac.at/pls/wifosite/wifosite.wifo_search.get_abstract_type?p_language=1&pubid=25247.
- Grabowski Artur, „Finansowanie Sportu Profesjonalnego w Polsce Przez Samorzady Terytorialne,” [in:] *Zarządzanie i innowacje u progu XXI wieku*, ed. Dominik Malinowski, Joanna Sośnicka. 140-149. Łódź: Wydawnictwo Politechniki Łódzkiej, 2022.
- Jedel Joanna, "The Funding of Professional Sports Entities by State-Owned Companies and Private Institutions. The Necessity or Philanthropy?" *Baltic Journal of Health and Physical Activity Supplement*, No. 1 (2019): 41-53. <https://doi.org/10.29359/BJHPA.2019.Suppl.1.04>.
- Kobierecki Michał Marcin, "Sport and Development in Poland: National Strategies and Their Implementation," [in:] *Sport and Development in Emerging Nations*. 125-140. London: Taylor and Francis, 2021. <https://doi.org/10.4324/9781003024002-9>.
- Krasowski Robert, *Finansowanie sportu przez organy władzy publicznej w Polsce i w wybranych krajach Unii Europejskiej*. Sofia: Bulgarian Academy of Sciences, 2023.
- Nessel Karolina, "Balancing Mass Sports Participation and Elite Sports Performance: Heterogeneity of the EU Countries" *Journal of Physical Education and Sport*, No. 2 (2021): 1156-1164.
- Niwiński Radosław, "Public Financing of Sport Infrastructure versus State Aid" *Białostockie Studia Prawnicze*, No. 1 (2020): 129-140. <https://doi.org/10.15290/bsp.2020.25.01.10>.
- Rzeszowski Jakub, „Finansowanie klubów sportowych z budżetu jednostek samorządu terytorialnego – sposoby wsparcia i studium interpretacji przepisów” *Prawo Budżetowe Państwa i Samorządu*, No. 2 (2017): 45-59. <https://doi.org/10.12775/PBPS.2017.009>.
- Wicker Pamela, Bernd Frick, "Sustainable Financing of Elite Athlete Development: An Empirical Analysis of Winter Sports in Austria" *Sustainability*, No. 22 (2020): 9664. <https://doi.org/10.3390/su12229664>.

