



Making the Olympic Games work for you





The Olympic Games is a platform for your City's long term ambitions

What do you want to achieve?

- Create jobs and develop valuable skills for your local workforce?
- Raise your profile as an international destination?
- Develop local business opportunities?
- Renovate your infrastructure?
- Increase participation in sports?





The Olympic Games
catalyse private
resources in...
Your City
Your Region
Your Country





How do you get there?

There are two categories of **budget related to hosting the Olympic and Paralympic Games**:

Budget for organising the Games	Budget to support and facilitate the organisation of the Games
Organising Committee (OCOG) Budget	Non-OCOG Budget
Operational areas, including: <ul style="list-style-type: none">- Sport and Ceremonies- Technology- Workforce- Operations and Services- Rental of existing venues- Paralympic Games	<ul style="list-style-type: none">- Capital Investments in Games venues (when there is a proven legacy value)- Government services, including security and medical



How do you get there?

In addition, **long-term projects** can be enabled by hosting the Olympic Games as part of the City's development plan. This category of investment is not directly related to the Games.

Investments to support your City's wider objectives
Budget not required to host the Games
<ul style="list-style-type: none">- Urban renewal projects- Enhanced infrastructure





OCOG Budget



SPORT & CEREMONIES



OPERATIONS & SERVICES



RENTAL OF EXISTING FACILITIES



TECHNOLOGY



WORKFORCE



PARALYMPIC GAMES

A primarily privately funded budget

- IOC contribution
- Sponsors
- Ticket sales / Licensing & Merchandising

Private investment brought to the host city/region by the Games

HOST	PRIVATE	PUBLIC*	TOTAL	% PRIVATE FUNDING
 vancouver 2010	1.9BN CAD	0.2BN CAD	2.1BN CAD	91%
	2.3BN GBP	0.1BN GBP	2.4BN GBP	96%
 sochi 2014	2.3BN USD	0.5BN USD	2.8BN USD	81%
 Rio2016	7.4BN BRL	0 BN BRL**	7.4BN BRL	100%

* Public subsidies mainly cover the Paralympic Games

**Estimate based on latest official figures from the Report for the Brazilian Parliament, May 2017.



Non-OCOG Budget



CAPITAL INVESTMENTS IN GAMES VENUES

When there is a proven legacy value.



GOVERNMENT SERVICES

Services include immigration, security, medical costs. They depend on the overall security context of the host country.

Capital Investment in Games venues

Public spending catalysed further private investment in hosts cities regions/countries.

HOST	PUBLIC SPENDING	→	CATALYSED PRIVATE SPENDING	TOTAL
 vancouver 2010	0.7BN CAD	→	0.8BN CAD	1.5BN CAD
	6.1BN GBP	→	2.6BN GBP	8.7BN GBP
 sochi 2014	4.6BN USD*	→	4.9BN USD	9.5BN USD
 Rio2016	2.9BN BRL	→	4.2BN BRL	7.1BN BRL

*Including 3bn USD from State-owned Enterprises



Investments to support wider City objectives

Long-term City projects can be enabled by hosting the Olympic Games. **However, this category of investment by public authorities is not required** to host the Games.

Investments vary considerably between cities, because they have different needs and objectives which they wish to achieve **as part of their long-term regional development plans.**



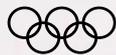
ENHANCED INFRASTRUCTURE



URBAN RENEWAL PROJECTS

CITY	INVESTMENTS	LONG TERM OBJECTIVES	MAIN INFRASTRUCTURE PROJECTS
	3.5BN CAD	Improving connections between the Vancouver area and the surrounding mountain resorts	<ul style="list-style-type: none"> Renovated highway between Vancouver and Whistler Metro line between Vancouver and Richmond (connected with airport)
	5.3BN GBP	Regenerating the Stratford area in East London	<ul style="list-style-type: none"> Olympic Park in Stratford Second Docklands Light Railway Line / New branch of East London Line
	28.9BN USD*	Creating a year round tourism cluster and a world-class destination for leisure, health, business and sports	<ul style="list-style-type: none"> Resort in Rosa Khutor Upgraded international airport Regional train and road system Sewage networks Energy & Telecommunication infrastructure
	15.6BN BRL	Improving urban mobility for Rio's residents and regenerating the Port area	<ul style="list-style-type: none"> Metro line Urbanisation of Port Area Road tunnels Sewage and drainage networks

*Including 4bn USD from State-owned Enterprises



**The
Olympic
Games
generates
economic
benefits**





The benefits for the host city/country

Public and private investment for the Games generates economic benefits in the host city/country even before the Games have begun.

An analysis conducted by an independent third party service provider (PricewaterhouseCoopers) shows a positive **impact on local GDP as well as benefits in employment and skills development** during the seven years leading up to the Games.

In addition, public spending on infrastructure created legacies in the years after the Games.



ENHANCED GDP



POST GAMES LEGACIES



JOBS CREATION & SKILLS DEVELOPMENT

The net economic benefits for the host city/country



Investments for the Games boosts local GDP in the seven years leading up to the Games

HOST	BOOSTED GDP: Share of the GDP directly attributable to hosting the Games
 vancouver 2010	3.4BN CAD (2003-2010)
 London	13.8BN GBP (2004-2014)
 sochi 2014	9.5BN USD (2007-2014)
 Rio2016	37.1BN BRL (2009-2016)

Who's benefitting ?

- Stimulated **construction sector and service industry** related to delivering the Games
- Stimulated **tourism industry and visitor economy**



The economic benefits for the host city/country

The Olympic Games also bring broader economic benefits, such as **creating jobs and developing valuable skills for the local workforce.**



- **59M CAD** in Olympic-related procurement contracts awarded to aboriginal-owned businesses. **2,000 jobs** created for aboriginal people
- **8,500 jobs** created in tourism
- **500 training opportunities** and **42.5M CAD** in procurement opportunities for inner-city businesses



- **39% of OCOG employees were unemployed prior** to their recruitment
- **1,580 jobs** directly created via the “Jobs Skills Future Brokerage” programme
- **27,000 people** benefitted from skills improvement initiatives in the delivery of the Games



- **690,000 jobs** created in Krasnodar region between 2007 and 2014
- **1,500 people** trained in hospitality, languages and other professional competencies in the lead up to the Games



- **Per Capita income rose by 30%** in Rio between 2009-2016 (vs. 20% in rest of Brazil)
- **69,000 jobs** created in accommodation and food sectors (2013-2016)
- **2,220 Micro and Small local businesses** were direct suppliers of the Games

Investment in infrastructure has generated long-term benefits



The following are some examples of the legacy of infrastructure projects enabled by the Games in previous host cities/countries.

 Legacy 	
	<ul style="list-style-type: none"> • Provincial tourism revenue has increased by 30% and employment by 11% since 2010 • 27% increase in international overnight visitors in 2017 compared to 2013
	<ul style="list-style-type: none"> • 110,000 extra jobs created in East London since 2010 partly driven by companies established in Olympic Park • 2,818 homes, including 1,379 affordable social housing, available for sale or rent
	<ul style="list-style-type: none"> • 77% of hotel occupation in 2015-16 • 26.5% increase in tourism flow from 2013 to 2015 • Health resort industry accounts for 13.5% of Sochi economy since 2014 (vs. 6% before Games) • International and local events attracted 1 million people to Sochi in 2016 • Rosa Khutor now largest ski resort in Russia
	<ul style="list-style-type: none"> • Improved commute for 1.2 million additional passengers per day • Tourism boost in the port area with the “Museum of Tomorrow” becoming the most visited museum in Brazil



Moving forward together



- Extensive assistance from the IOC
- Simpler and cheaper delivery
- Flexibility to adapt to cities & regions long-term plans



Olympic Agenda 2020/The New Norm

The Olympic Games are in a period of fundamental change

The New Norm, an ambitious set of 118 reforms adopted by the IOC, represents the tangible implementation of Olympic Agenda 2020. It reviews the whole lifecycle of the Olympic Games – from candidature, to delivery and legacy.

The 118 measures are bringing increased flexibility for host cities to plan the Games in line with their long-term development objectives, helping them to **enhance their value proposition without compromising on the uniqueness of the event.**





Maximum cost saving opportunities with the New Norm

Combined, the adoption of all 118 measures can lead to **maximum savings of:**

\$1 BILLION
for the Olympic
Games

**\$500
MILLION**
for the Olympic
Winter Games



Cost saving opportunities with the New Norm



Examples of measures impacting the OCOG Budget
Streamlined staffing model with reduced workforce in first 3 years ("3+4 year planning framework") and transfer of certain aspects of planning to International Federations and National Olympic Committees
Adaptation of level of services based on actual consumption (transport, accredited seating, food & beverage, etc.)
Shorter rental periods of venues and tailored test events
Reduced scale and complexity of technology with advanced IT solutions and better integration of TOP technology partners
Turnkey Solutions (Olympic Information Services, Ticketing Service Providers, etc.)
Objective
Balanced OCOG Budget without public subsidies Already the case for LA 2028

Examples of measures impacting the Non-OCOG Budget
Flexibility in using existing venues outside the host city/region . Build only what is needed by the communities
Venue sharing opportunities through an optimised competition programme
Elimination of minimum venue capacities
Greater flexibility in the type of IBC/MPC facilities (multi-sites, temporary or demountable solutions)
Adapting capacity of the Olympic Villages to ensure no over-capacity
Objective
Reduction of capital investment in facilities by public authorities

New Norm: Same Games, greater benefits



- **2.2BN USD saving on venue budget** through major changes in the master plan to maximise the use of existing infrastructure. Review of the master plan was facilitated by the establishment of a Joint Steering Forum including IOC, OCOG and public authorities



- Paris 2024 **to utilise its world-renowned existing transit system**, drastically reducing costs.
- The Olympic Village to accelerate regional development in Seine-Saint-Denis, in particular via the construction of **4,500 housing units**



- Use of **100%** existing and temporary venues to help reduce costs and enable OCOG to **focus on building legacies** for communities through sport engagement programmes