

PYEONGCHANG
PyeongChang



2010
PyeongChang

Candidate City



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NATIONAL, REGIONAL AND CANDIDATE CITY CHARACTERISTICS

■ Political Structure/Responsibility

The political structure of the Republic of Korea is organised under a presidential system with legislative, administrative and judicial branches that work in an integrated manner.

■ City

PyeongChang is one of 18 local administrative districts in Gangwon Province, with legal and financial rights. Gangwon Province is one of 16 regional governments and has a population of 1.56 million. PyeongChang City has a population of approximately 50,000. The population of each of the two other major venue cities (Gangneung and Wonju) is between 250,000 and 280,000.

■ National Economy

The Republic of Korea has the fourth largest foreign currency reserve in the world and is expected to have a good economic growth rate until 2010.

■ Support

The Central Government of Korea, the National Assembly, Gangwon Provincial Government, PyeongChang City Council and the authorities of each of the venue cities involved in the bid have all given their strong support. This support was reiterated to the Commission during its visit in meetings with the Prime Minister, the President-Elect and various government ministers. From a financial standpoint, the government has pledged to contribute financially to the construction of the sports facilities, as well as road and rail infrastructure. Gangwon Province guarantees to cover any potential shortfall in the Olympic Games budget.

A public opinion survey commissioned by the Bid Committee shows that 86.4% of the Korean population, 96.5% of Gangwon citizens and 93.9% of PyeongChang residents support the bid. The IOC poll shows 65% national support (32% with no opinion and 3% opposition) and 85% support in PyeongChang and the other venue cities (15% with no opinion and no opposition). The support of the public towards the bid was clearly evident to the Commission during its visit.

LEGAL ASPECTS AND GUARANTEES

The Commission is satisfied with the guarantees provided by the Bid Committee, which are in accordance with the Olympic Charter and the Host City Contract.

During the presentation to the Commission, it was clarified that:

- the OCOG will be a private entity, governed by the “Act on Private Contracts”. Despite its composition (largely staffed by public officials) the OCOG will not be subject to any administrative laws or regulations applicable to government ministries and agencies
- the English version of the Candidature File will prevail in the event of any discrepancy.

CUSTOMS AND IMMIGRATION FORMALITIES

■ Accreditation and Visas

Access to the Republic of Korea is guaranteed on the basis of the Olympic identity and accreditation card.

Customs, immigration and quarantine services will be provided at Seoul Incheon International Airport, as well as at Yangyang, Gangneung and Wonju airports.

■ Work Permits

The Korean Government guarantees the temporary entry and the issue of appropriate work permits for Olympic-related personnel required to work in Korea prior to, during and after the Games, for the length of time required for their task. Work permits will be issued within ten days of application.

■ Importation of Goods

Guarantees are provided concerning the importation of Olympic-related goods free of customs duties.

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ENVIRONMENTAL PROTECTION AND METEOROLOGY

■ Plans and Actions

The Bid Committee proposes an ambitious, yet well founded and comprehensive environmental programme based on regional sustainability and development.

Details are elaborated in the “Green Plan”, which has been drawn up for the Games and adopted by the regional authorities. Key areas of activity include: efforts to increase the use of renewable energy resources; creation of 56 eco-parks for biodiversity protection; and “Gangwon Agenda 21”, an environmental management system for the Games.

Green building principles will be applied to all Games-related constructions. Priority in procurement and purchasing will be given to environmentally approved products.

Initial environmental impact assessments have been carried out for each venue and have identified significant mitigation projects to be carried out, including extensive landscaping, erosion control measures and revegetation. A total of USD 239 million is allocated to environmental projects.

■ Air and Water Quality

Air quality in the region is good and within World Health Organization (WHO) standards. The quality and availability of water is also good and drinking water meets WHO standards. There is sufficient water supply for artificial snowmaking.

■ Meteorology

The Olympic region should offer stable winter conditions and sufficient snow, with no specific

problems expected during the Games period. Mild weather periods might occur, up to four days in a row. Heavy snowfall is extremely rare and lasts one to two days.

■ Specific Comments

The environmental impact of road widening and extensions, particularly to the Dragon Valley area (alpine skiing) and the Jungbong downhill course, has not been addressed in detail. Further environmental impact studies may also be required for the ski jumping site in Peace Valley. The scale of environmental rehabilitation from major road and rail construction projects may be underestimated.

The opinion of the local and regional non-governmental organisations (NGOs) is positive.

If awarded the Games, the commitments made will provide a strengthening of governmental policy on environmental development and sustainability.

FINANCE

■ OCOG Budget Income and Expenditure

The Candidature File specifies an OCOG budget of USD 702 million. Revenue projections in this budget were significantly lower than previous experience would indicate. Estimates were deemed quite conservative and certainly achievable, with sound guarantees to underwrite certain elements.

Following the publication of its Candidature File, the Bid Committee discovered certain cost elements that had been overlooked or underestimated, primarily in the areas of broadcasting and technology, and increased its estimates by USD 150 million to USD 852 million. The Bid Committee provided revised budget papers during the Commission's visit and the Commission's evaluation reflects these revised budget estimates.

The revised revenue projections reflect an increased potential for domestic sponsorship and suppliers (by USD 95 million to USD 190 million) and ticketing (by USD 30 million to USD 98 million). These are deemed reasonable and achievable.

On the expenditure side, the most significant change reflects an increase of USD 80 million for information technology. A new provision of USD 72 million for the Olympic Broadcast Organisation (OBO) is due to a misunderstanding concerning the role and structure of the new OBO, which had not been included previously. The revised estimates also include USD 46.5 million in contingency – a low, but manageable provision.

Cost provisions are derived through broadly based estimates, rather than detailed design specifications, resulting in an expenditure budget

that is at risk of being underestimated, particularly for temporary facilities (overlay) and event operations.

Although the budget appears to be on the low side and is likely to increase as estimates become better defined, the shortfall guarantee provided by Gangwon Province, as well as the fact that the government will provide cash flow to the OCOG in advance of Olympic revenues becoming available, provide the Commission with confidence in the budget.

■ Non-OCOG Budget

No OCOG-financed capital investments are contemplated in the budget. All venues are financed by public or private entities.

The non-OCOG budget is USD 3.4 billion, the vast majority of which is dedicated to road and rail improvements. Whilst these projects are not Games dependent, the Commission deems that these improvements are necessary to successfully host the 2010 Olympic Winter Games. The national, provincial and local governments provide guarantees to perform the work.

Several of the permanent venue construction budgets appear to be underestimated, especially ski jumping and alpine skiing events. Other allowances may be overly sufficient and the Bid Committee anticipates having the flexibility to manage the budget across projects.

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MARKETING

■ Joint Marketing Programme

The Joint Marketing Programme Agreement has been accepted.

■ Billboards and Outdoor Advertising

Public and private owners of advertising spaces on billboards, public transport and at airports have guaranteed to provide binding options for the OCOG to acquire the spaces. Costs for the acquisition and content of the spaces will be the responsibility of the parties using them.

■ Rights Protection

A special Act in support of the 2010 PyeongChang Olympic Winter Games will be enacted that will include specific provisions to control ambush marketing. The protection is deemed adequate.

■ Ticketing

Revised revenue projections of USD 98 million are based on 81% sales (as opposed to 74% mentioned in the Candidature File). The Commission believes that the revised figure is reasonable and achievable.

■ Sponsor Hospitality

The three proposed hospitality villages are deemed costly and logistically challenging for sponsors. The Bid Committee expressed willingness to review its plans in this respect.

SPORTS

Travel times and kilometres reflect 2010 figures and are contingent on the completion of the relevant transport infrastructure. The travel times stated in the Candidature File appear to be achievable.

■ Overall Concept

Due to topographic constraints and legacy considerations, the general concept is a rather spread out one, with three main areas (PyeongChang, Gangneung and Wonju) each served by an Olympic Village.

The majority of venues are to be constructed as part of a well thought-out development plan for winter sports in Korea. Olympic sports venues will, in general, provide a good legacy for sports in Gangwon Province and for winter sports in Korea in general, as well as for alpine skiing speed events in Asia.

■ Distances

With the exception of the ice hockey venues in Wonju (70 minutes from PyeongChang), all venues are less than a one-hour drive from PyeongChang and the main Olympic Village.

PyeongChang:

The biathlon, Nordic ski events, curling, alpine technical events, International Broadcast Centre (IBC)/Main Press Centre (MPC) and stadium for the Opening and Closing Ceremonies will all be a short distance from the main Olympic Village.

Wonju:

The site for men's and women's ice hockey is 98km (70 minutes) from PyeongChang. The Wonju village is situated ten minutes from the competition and training venues.

Gangneung:

The site for skating is 38km (28 minutes) from PyeongChang. The Gangneung village will be five minutes by bus from the competition and training venues.

Bokwang Phoenix Park:

The freestyle skiing athletes competing here will be accommodated in the PyeongChang Village, 42km (26 minutes) away. Additional on-site accommodation is available, if required.

Jungbong:

The site for alpine skiing speed events is located 46km (35 minutes) from the PyeongChang Olympic Village. Plans for road renovation are guaranteed and on-site athlete accommodation is planned.

Sungwoo Resort:

The site for bobsleigh, skeleton, luge and snowboarding is situated 63km (41 minutes) from PyeongChang. Athletes in these sports will be accommodated at the Wonju village, 55km (38 minutes) away. On-site athlete accommodation is possible.

■ Sports Experience

Korea has extensive experience in organising multi-sports international events (the 1988 Olympic Games, the 1999 Winter Asian Games, the 2002 Busan Asian Games and the 2002 FIFA World Cup) and good experience in staging alpine skiing technical events and skating events. Experience in staging the other winter sports disciplines will be required.

■ Sports Issues

Giant slalom and slalom - Dragon Valley

The stadium, currently used for FIS World Cup events, provides an excellent view of the course and is situated in an attractive, natural bowl. Road access to the finish area is a challenge, and team parking spaces and spectator access require review. Spectator areas along the course are limited.

Ski jumping/cross country skiing and biathlon – Peace Valley

Concern about possible wind gusts may necessitate the installation of a wind screen at the ski jump. The concept of also utilising the ski jumping stadium for the Opening and Closing Ceremonies is good, but further development will be required to ensure better integration of the two events, particularly regarding the transition from ceremonies to competition use. A combined venue for cross country skiing and biathlon may be more appropriate to resolve potential spectator flow at this cluster.

Downhill and Super G - Jungbong

The venue for men's and women's alpine speed events will be a new development which will meet FIS technical requirements. FIS experts have approved the plans.

Substantial resources will be required to build the finish area, the full venue, the access road and the lift, as well as for landscaping. In addition, much earthwork removal will be needed to create the stadium at the finish line.

Plans for all other sports and disciplines seem to be good.

SPORTS VENUES

■ Guarantees of Use

Guarantees are provided by current or future owners for use of and commercial rights for all venues.

Venue use is guaranteed for the mandatory test events prior to the Olympic Winter Games and for the Paralympic Winter Games.

■ Venues/Construction

There is a total of 13 competition venues, eight outdoor and five indoor. Of the outdoor venues, four will have to be built and the remaining four will need expansion or renovation. For the indoor venues, four will have to be built and one will be renovated.

There is a total of four indoor training venues of which two will have to be built as part of their same sport competition venues and two are existing. The existing training venues will require some upgrades to the permanent works.

The land required for construction or renovation of venues is controlled by a combination of public and private entities. The right to construct or renovate has been included in the guarantees.

Design and construction of the venues (including permanent works and temporary facilities [overlay]) are to be carried out by a combination of provincial governments, municipalities and private entities. Funding for permanent works and overlay is provided by a combination of the central government, the regional government, local municipalities and private resort owners. All funding for venue design and construction is from non-OCOG sources and is guaranteed.

Whilst the Commission feels that the total venue budget may be adequate, some venue costs may have been underestimated and some may be unnecessarily high. Overlay requirements have not been fully addressed and will need further development. The flexibility to adjust individual venue costs and re-allocate funds between projects will be essential. The Bid Committee confirmed that the OCOG would have authority to make decisions in this respect.

The OCOG will perform the overall programme management of venues to be built by public and private sector entities.

PARALYMPIC GAMES

■ Budget

Due to Korean legislation, the USD 57.4 million Paralympic budget cannot be incorporated into the OCOG budget, but 50% of the costs are guaranteed by the Korean Ministry of Health and Welfare. A subsidy of USD 11 million is provided by the OCOG and a shortfall guarantee is provided by Gangwon Province. USD 5.8 million is budgeted for pre-Paralympic events to promote participation and awareness of winter sports for the disabled in Korea and Asia.

■ Sport

All events will take place in PyeongChang, except for ice sledge hockey, to be held in Gangneung, and alpine speed events, to be held in Jungbong (five minutes and 35 minutes from the Olympic Village respectively).

Test events are planned in all sports.

Maximum consideration to the needs of the disabled will be given in the preparation of the venues, in accordance with the International Paralympic Committee (IPC) and the IF sports technical requirements. Accessibility at existing venues is currently quite poor but will be improved by 2010.

■ Organising Committee

Although this will be a different legal entity, the Committee's planning and operations will be fully integrated, taking into consideration the best interests of disabled athletes by involving such athletes and Paralympic Games experts to ensure that knowledge and experience is available.

■ Logistics

During the Commission's visit, it was agreed that there would be one Paralympic Village, in PyeongChang (Dragon Valley Olympic Village condominiums). Although renovations will provide wheelchair accessible rooms, the accessibility of the building and its surroundings needs to be taken into consideration.

In addition to the procurement of 80 adapted buses equipped with wheelchair lifts, a further 200 buses with access for the disabled will be available.

■ Specific Comments

It was acknowledged that Korea has minimal experience in organising winter sports for the disabled and, as a result, there are plans to implement pre-Paralympic Games projects to ensure the development of competition operation skills.

Korea has significant experience with summer sports for the disabled from participating in and hosting international events. Paralympic Winter Games in PyeongChang will provide awareness, an understanding of special needs and improved conditions for the disabled in Korea.

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OLYMPIC VILLAGE

■ Location

The three Olympic Villages, Dragon Valley (PyeongChang), Wonju and Gangneung, are closely situated to most of the venues. The concept of three villages is good and certainly required given the spread of the venues.

There are some concerns as to whether the bobsleigh, skeleton, luge, snowboard, freestyle, Super G and downhill athletes will stay in the villages due to the distances to the venues. However, additional housing for the above-mentioned athletes is guaranteed on each site. This additional accommodation will be at the cost of the NOCs.

■ Village Development

A total of 4,334 beds are to be provided. There will be accommodation for 1,800 athletes and officials in the PyeongChang village, 1,500 in Wonju and 800 in Gangneung. Two villages (Gangneung and PyeongChang) will be located in existing condominiums, and an existing university campus will be used for the Wonju village.

Guarantees are provided for the renovation of accommodation in the Gangneung village.

The PyeongChang Olympic Village provides high standard athlete accommodation, and guarantees are provided for the construction of a new facility with 200 rooms.

University accommodation will be used for the Wonju Olympic Village. Gangwon Province has guaranteed the construction of a new dormitory facility with 300 rooms.

■ Village Organisation

The layout of all three villages is good, with the same level of services to be provided in each village.

MEDICAL/HEALTH SERVICES

■ Olympic Family Health Care

There are 20 hospitals with a total of 3,954 beds, located within 30 minutes of the competition venues in PyeongChang, Gangneung and Wonju. Four general hospitals (two in Wonju and two in Gangneung) will be designated as the Olympic Family hospitals. Existing dispensaries – one in Sungwoo, two in Bokwang Phoenix Park and one in Jungbong - will be upgraded to polyclinic level. In addition, each Olympic Village will have a polyclinic with identical medical services.

■ Doping Control

A temporary IOC-accredited anti-doping laboratory will be opened in the PyeongChang area.

SECURITY

■ Command/OCOG Security Department

The overall security plans will involve a variety of organisations with different responsibilities, all of which will be under the command of the Prime Minister. The coordination of daily operations and the unique command lie with the National Police Force Commissioner. Private security personnel will play auxiliary roles and operate under the control of the police in areas such as security checks, special area patrolling and maintenance of security systems.

■ Operations System/Personnel

The Olympic security units will comprise: the National Police Agency, the National Intelligence Service, the Ministry of National Defence, the Ministry of Justice, the Ministry of Health and Welfare and the Fire Administration Bureau, as well as private security contractors and civilian workers. The Commission feels that there is an adequate number of security personnel.

Korea has experience in the field of security and no international terrorism incidents have been recorded during major sports events.

■ Guarantees

The overall security costs have been guaranteed by the Korean Government, with in-venue security costs covered by the OCOG security budget.

The Commission feels that the plans put forward are well thought-out.

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ACCOMMODATION

■ Capacity

The current room availability is 28,546 rooms and the number of new rooms planned is 14,868. The Bid Committee plans to have more than 43,000 rooms available in Gangwon Province by 2010, including hotels, condominiums, guesthouses, lodges, youth hostels and dormitories. Further hotel accommodation and a wide-ranging choice of five-star hotel accommodation is available in Seoul (two-and-a-half hours away).

A large percentage of the rooms in Gangwon Province fall into the condominium category (time-share property). Services and standards vary from one condominium to another and many are Korean-style rooms. Condominiums in Korea are managed in a hotel-like style and will be upgraded for international use should PyeongChang be awarded the Games.

■ Guarantees and Price

Some 2,400 hotel rooms and 8,665 condominium units (approximately 20,000 beds) are guaranteed for the Olympic Family and other constituent groups in Gangwon Province.

There is no minimum stay requirement for the Olympic Family and other constituent groups during the official duration of the Games.

Room rates include breakfast, and the 10% value added tax has been waived. The rates are per room and based on double occupancy.

Room rates for the Olympic Family start from a four-star room at USD 146, which is reasonable.

The Bid Committee guarantees the room rates as maximum rates. If there are any discrepancies, the OCOG budget will pay the difference.

For other constituent groups, room rates are calculated by applying a 20% discount on 2002 rates and then inflating them by 2.6% each year until 2010.

■ Media

Three media villages are planned: Bokwang Phoenix Condominium (partly existing), centrally located between the venues in that region with 1,187 units (2,000 rooms); planned apartments in Gangneung, located next to the venues with 1,000 units (3,000 rooms); and Peace Valley condominium, adjacent to the Main Media Centre (MMC) with 1,000 planned units (3,000 rooms).

■ Specific Comments

Accommodation may pose a challenge for PyeongChang in terms of capacity (low number of hotel rooms) and differing standards.

For sponsors, many rooms are in excess of 50km from the venues.

Currently, most of the tourism in Gangwon Province comes from within Korea. One of the aims of the bid is to create a winter sports area for Asia. Travel to the region is expected to increase significantly, hence the ambitious accommodation construction plans.

TRANSPORT

■ Infrastructure/Public Transport

PyeongChang is approximately a three-hour drive to the east from Seoul-Incheon International Airport, the main gateway to the PyeongChang region. The Seoul-Incheon International Airport is a modern facility capable of providing a high level of service for the Olympic Winter Games. Yangyang International Airport was recently opened and is approximately a one-hour drive to the northeast of PyeongChang. An air shuttle service between Seoul-Incheon and Yangyang is planned. However, the majority of travellers arriving at Seoul-Incheon Airport are expected to travel to PyeongChang by car, bus or rail.

A key feature of the existing transportation infrastructure is the high-speed, four-lane Youngdong Expressway, connecting the venue cities of Wonju, PyeongChang and Gangneung. Parallel and tangential to the Youngdong Expressway are several national roadways which will also provide spectator travel options. Up to 50% of spectators are expected to use the expressway and these national roadways.

There are specific plans to improve the transportation infrastructure in the Olympic area and these improvements will be necessary to host the Olympic and Paralympic Winter Games. In all, USD 2.8 billion will be spent between 2002 and 2009 on road and rail improvements that will directly benefit transportation for the Olympic Winter Games. Of the USD 2.8 billion, USD 2.2 billion are for a major double tracked rail line connecting the venue communities of Wonju in the west to Gangneung in the east (approximately

130km). It is anticipated that the rail system will carry up to 30% of spectators during the Games. The national, provincial and local governments have provided guarantees of funding for these projects.

■ Management

Olympic transportation will be directed by the OCOG through a "Transport Committee" which will be formed upon the election of the Host City. The Transport Committee will include all respective parties.

■ General Comments

Transport infrastructure improvements, dedicated lanes and priority access routes will be necessary to provide the service levels required for the transportation of athletes, the media and the Olympic Family. With the planned road and rail improvements, the proposed transportation network should be capable of supporting safe and efficient transportation services for all Olympic user groups.

The overall transportation plan outlined by the Bid Committee is logical and well thought-out, and the plan should provide a basis for a high level of service and successful transportation operations.

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COMMUNICATIONS AND MEDIA SERVICES

■ Concept

The concept of the PyeongChang 2010 Olympic Winter Games is to host the “Games of Purity and Peace for All”.

The communication strategy is based upon an athlete-focused and environmentally friendly Games.

Olympic Winter Games in PyeongChang could have a major, positive impact on the inter-Korean relationship.

■ IBC/MPC

The planned location for the PyeongChang MMC, including the MPC, IBC and a common services area, is good as it is close to venues, accommodation and highways in PyeongChang. This will be a temporary construction.

■ Experience

Korea has experience in broadcasting major sports events. However, broadcast production staff will require further international training and experience.

OLYMPISM AND CULTURE

■ Ceremonies

The Opening and Closing Ceremonies will take place at the ski jumping stadium, which has a proposed capacity of 50,000 seats and is five minutes from the PyeongChang Olympic Village.

Medal ceremonies will take place at the medal ceremony plaza located in PyeongChang, five minutes by bus from the Olympic Village.

■ Cultural Programme

A rich cultural programme is planned. The OCOG will host the “Dream Programme”, inviting approximately 600 athletes from around the world to familiarise themselves with winter sports. Confirmation was provided that the programme will be under the authority of the IOC.

In addition, education programmes are also planned.