BACKGROUND

Due to the Dutch government being dissolved at the time of the preparation of Rotterdam’s candidature file, government guarantees were not provided by the deadline set for the submission of bid documents to the IOC (15 October 2012). Elections took place in September and a government was formed in November 2012. The Rotterdam bid committee informed the IOC on 21 December 2012 that the new government was willing to provide the outstanding financial guarantees, however, the formalisation of the agreements would take up to mid-January to prepare.

ADDITIONAL DOCUMENTS SUBMITTED ON 15 JANUARY 2013

- Erratum to theme 10 (Medical services and doping control)
- Erratum to theme 12 (Accommodation) including seven additional hotel guarantees
- Guarantee letter from City of Rotterdam covering guarantees 2.3 (support and commitment), 5.1 (Shortfall guarantee) and 5.2 (guarantees pertaining to revenues in the YOGOC budget and other financial guarantees obtained)
- Guarantee from Shooting Range Kralingen for use of venue

ANALYSIS

- **Theme 10 (Medical):** Rotterdam provided a completed table of hospitals including the list of heavy equipment available in one hospital that was missing – no impact on report
- **Theme 12 (Accommodation):** Rotterdam provided guarantees for an additional 195 rooms in five hotels bringing the total guaranteed rooms to 3,862 in 49 hotels. And an additional 206 rooms guaranteed in two hotels to be constructed bringing the total of guaranteed rooms in planned hotels to 701 rooms.
- **Financial guarantees:** Rotterdam submitted just one letter of guarantee from the City of Rotterdam regarding coverage of the YOGOC budget and any potential economic shortfall stating that “this letter is also sent on behalf of the national government, the NOC and the bid committee”. The IOC has a number of concerns:
  - This letter cannot be considered a guarantee from any party other than the city of Rotterdam – how can the city guarantee millions on behalf of other parties?
  - The YOGOC budget contains revenues from government subsidies at local and national level amounting to USD 42.8 million so in effect, as the national government’s share is not guaranteed, this leaves the YOGOC budget short of USD 21.4 million revenues
  - Any potential shortfall in the YOGOC budget is proposed to be covered by an equal share of EUR 5 million from the city, the NOC, the national government. This would theoretically mean that a limited shortfall of EUR 15 million is proposed which would be a risk for the IOC. In addition, as only the city’s share can be considered guaranteed, this shortfall guarantee would only amount to EUR 5 million resulting in an increased risk for the IOC.
- **Shooting range guarantee:** Rotterdam provided one of the missing venue use guarantees for the shooting venue. This guarantee is however conditional on the Ministry of Defence’s potential need to use the venue for the purposes of national security. Four other venue use guarantees still remain outstanding.

CONCLUSION

The IOC does not feel that the additional documents and guarantees provided bring enough substance to the city’s project to affect the Working Group’s initial conclusion that Rotterdam’s project to host the 3rd Summer Youth Olympic Games in 2018 presents many risks to the IOC, especially in terms of financial risk.