

# 1<sup>st</sup> Winter Youth Olympic Games in 2012

## REPORT OF THE IOC EVALUATION COMMISSION

Lausanne, November 2008



1<sup>ers</sup> Jeux Olympiques  
de la Jeunesse d'hiver en 2012

1<sup>st</sup> Winter Youth  
Olympic Games in 2012



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# Introduction

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Following the publication of the IOC Panel of Experts' report on 2 July 2008, the IOC President appointed an IOC Evaluation Commission for the 1<sup>st</sup> Winter Youth Olympic Games in 2012 to further analyse the projects put forward by the four short-listed YOG Candidate Cities: Harbin (China), Innsbruck (Austria), Kuopio (Finland) and Lillehammer (Norway). The Evaluation Commission report will be submitted to the IOC Executive Board. On the basis of this report, the IOC Executive Board will decide which short-listed YOG Candidate Cities will be selected as finalist YOG Candidate Cities and submitted to a postal vote by all IOC members.

The IOC Evaluation Commission is composed of the following persons:

**Ms Pernilla WIBERG** (IOC Member and Chair of the Commission)  
**Mr Victor KHOTOCHKIN** (NOC representative)  
**Mr Fredi SCHMID** (IF representative)  
**Mr Martin RUTISHAUSER** (Member, EYOF Commission of the EOC)  
**Mr Gilbert FELLI** (Olympic Games Executive Director)  
**Mr Christophe DUBI** (IOC Sports Director)  
**Mr Essar GABRIEL** (Head of the Youth Olympic Games)

*All members of the IOC Evaluation Commission, with the exception of one, had previously taken part in the IOC Panel of Experts meeting and therefore already had a good knowledge of the Candidature Files and guarantees submitted in the first phase of the YOG candidature process.*

## Description of the 2<sup>nd</sup> phase of the YOG candidature process

As explained in the YOG Candidature Procedure and Questionnaire, the evaluation of short-listed YOG Candidate Cities was specifically adapted to each city: while the procedure and deadlines were identical for all cities, the content of the evaluation differed based on the findings of the Panel of Experts' analysis. In this regard, a letter was sent to each short listed YOG Candidate City including a city-specific list of questions.

In line with the Youth Olympic Games philosophy to reduce costs, the Commission took the decision not to visit the short-listed Candidate Cities, but rather invited each city to meet with the Evaluation Commission by way of a video conference call. The video conferences were successful in fostering a professional and targeted exchange between the bid committee and its stakeholders and the IOC Evaluation Commission.

The IOC Evaluation Commission also appointed a construction industry expert to analyse in further detail the timelines provided by Innsbruck and Lillehammer for the construction of their respective Youth Olympic Villages in order to assess the feasibility of the planned construction projects within the available timeframe of approximately three years. The above-mentioned expert was selected based on his experience and previous collaboration with the IOC on other Olympic Games monitoring projects and Youth Olympic Games evaluation.

The different milestones of the 2<sup>nd</sup> phase of the YOG candidature process are listed below:

### **Additional budget information**

Short-listed YOG Candidate Cities were required to submit detailed budget information to the IOC by 29 August 2008.

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### Written comments

Each short-listed YOG Candidate City was given the opportunity to submit written comments on the Panel of Experts' report, by 4 September 2008.

### Answers to the IOC's questions and additional guarantees

Each short-listed YOG Candidate City was required to submit answers to a number of questions addressed to the bid committee by the IOC as well as any new guarantees obtained, by 4 September 2008.

### Video conference calls

Each short-listed YOG Candidate City was offered the opportunity to formally present its bid by way of a video conference call on 19 September 2008. Each conference call lasted approximately one hour and was structured in two parts: a 15-20 minute verbal presentation by the city to present its bid, followed by questions and answers.

Following these video conferences, the cities were given the opportunity to submit further guarantees to the IOC.

## IOC Evaluation Commission working methods

All documents submitted by the short-listed YOG Candidate Cities since the publication of the Panel of Experts' report were analysed by the IOC administration and the IOC Evaluation Commission met on 18 September to review and prepare any outstanding questions for the video conference calls that took place with each YOG Candidate City on 19 September 2008. A further telephone conference meeting including all IOC Evaluation Commission members took place on 10 October 2008 in order to finalise the content of the report.

The Commission's role was to further analyse each short listed YOG Candidate City's project in view of the additional documents and information received and perform a robust risk assessment with a strong emphasis on the timeframe available to host the 1<sup>st</sup> Winter Youth Olympic Games in 2012 (approximately three years). With this in mind, the IOC Evaluation Commission identified five key areas of risk which will be critical for the successful organisation of the Youth Olympic Games in 2012 and which formed the basis of the Commission's evaluation of the four short listed YOG Candidate Cities' projects. These five areas of risk are:

- Governance and guarantees
- Finance
- Youth Olympic Village
- Sport and venues
- Culture and education programme

The IOC Evaluation Commission's assessment of the four short-listed YOG Candidate Cities follows and consists of an analysis of the risk associated with each city's project in relation to the five key areas of risk listed above. The Evaluation Commission's report is designed to complement the report of the IOC Panel of Experts and therefore does not attempt to cover all aspects of organisation. For a full understanding of the assessment of each city's project, both the Panel of Experts' report and the Evaluation Commission report should be consulted. Based on the additional documents and information provided, the Commission's report endeavours to confirm or dispel any particular challenges highlighted in the assessment of the first phase in order to further assess the robustness of each city's project in terms of their ability to host successful Winter Youth Olympic Games in 2012.

## Introduction

The amount of IOC financial contribution has been included within each city's report and has been calculated as follows:

$$[\text{daily rate for full board at the YOV}] \times 1,500^A \times 16^B$$

*A – number of athletes and team officials to be accommodated at the YOV*

*B – number of days from opening to closing of YOV*

Before entering into the body of the report, the IOC Evaluation Commission would like to commend all short-listed YOG Candidate Cities on the quality of the work carried out throughout the YOG candidature process. The Commission was very pleased to note the participation of government representatives, NOCs and IOC members in the video conferences with the IOC which demonstrated the level of support enjoyed by the YOG Candidate Cities. Finally, the Commission would like to congratulate the short-listed YOG Candidate Cities for their enthusiasm for and dedication to the Youth Olympic Games project and for joining the IOC in making history by entering the competition to host the 1<sup>st</sup> Winter Youth Olympic Games.

The IOC Evaluation Commission has taken into account all information, documents and guarantees received from the shortlisted YOG Candidate Cities and the report reflects the unanimous opinion of its members. The report is presented on a city-by-city basis, in alphabetical order, and ends with some concluding remarks and a recommendation to the IOC Executive Board.

The Commission ends this introduction by wishing IOC members all the best in the important decision of electing the host city of the 1<sup>st</sup> Winter Youth Olympic Games in 2012.

# Abbreviations

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EOC	European Olympic Committees
EYOF	European Youth Olympic Festival
IOC	International Olympic Committee
NOC	National Olympic Committee
YOG	Youth Olympic Games
YOGOC	Youth Olympic Games Organising Committee

# Harbin

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## SUMMARY OF THE PANEL OF EXPERTS' REPORT (JULY 2008)

Through its analysis of Harbin's candidature file, guarantees and photographic files, the Panel of Experts found Harbin's project to host the 1<sup>st</sup> Winter Youth Olympic Games technically robust, highlighting a good use of existing venues and general infrastructure, the city's experience in hosting national and international events in ice sports and the large number of guaranteed hotel rooms within the city of Harbin as the bid's principal strengths. The Panel of Experts did however feel that Harbin's three-village concept provided for a rather dispersed project which would not allow athletes to fully experience the concept of the Youth Olympic Games. The Panel expressed concern regarding a number of guarantees that would normally be the responsibility of the national government that were provided by local or regional governments. It also pointed out that a number of key elements required by the IOC were not included in the proposed culture and education programme which generally lacked detail and creativity, thus not convincing the Panel that Harbin's project would successfully balance sport, culture and education to the extent sought out by the Youth Olympic Games project.

## ADDITIONAL ANALYSIS BY THE EVALUATION COMMISSION

During the video conference call between the IOC and Harbin bid committee, the leadership of the City of Harbin on the project and the support of the regional government were demonstrated through the presence of the Vice Mayor of Harbin, the Vice Governor of Heilongjiang Province, other officials representing both Harbin and Heilongjiang Sports Bureaus as well as the External Affairs Department of the General Administration of Sport of China. The support of the Chinese Olympic Committee and IOC Member in China was also evident through the active participation of the Vice President and the Secretary General of the Chinese Olympic Committee in the meeting. Following the publication of the Panel of Experts' report, letters of guarantee were submitted to the IOC from the national government confirming that the import, use and export of goods would be free of customs duties and that all accredited persons would be granted free access to China for the Youth Olympic Games. During the video conference, the bid committee also confirmed that the accreditation card would serve as a visa to enter the country.

In its discussion with the Evaluation Commission, the bid committee confirmed that all hotels in the Candidature File are under the jurisdiction of the city of Harbin and that as such, the guarantee submitted by the Tourism Bureau would be legally binding. The bid committee also stated that the construction of new hotels in Yabuli would increase the total hotel capacity to 2,500 beds by 2012, thus ensuring that the needs of all client groups would be met during the Youth Olympic Games. In the additional documentation submitted to the IOC, Harbin presented room rates applicable to all guaranteed rooms which include breakfast and all taxes. Such rates are presented in USD using a fixed exchange rate and appear very reasonable.

Concerning the protection of intellectual property, the Harbin bid committee confirmed that the regulations in place for the Beijing 2008 Olympic Games would continue to apply through to 2012. The bid committee also stated it would ensure the registration of all domain names relating to the 1<sup>st</sup> Winter Youth Olympic Games, if Harbin were awarded the Games.

Harbin's YOGOC budget of approximately USD 43 million is based on a fixed USD/RMB exchange rate. Inflation does not appear to have been taken into account. The City of Harbin has provided further guarantees to back up a number of financial commitments presented in the YOGOC budget including government subsidies (USD 15 million) and any shortfall in broadcasting revenues (USD 5.5 million). Taking these guarantees into account, approximately 48% of all revenues are guaranteed by the government. Marketing revenues amount to approximately 40% of total revenues (USD 18 million) which, whilst appearing high, could be achievable taking into consideration the size of the market. Harbin did not include any financial contribution from the IOC in its YOGOC budget, nor did it include

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any expenditure relating to the cost of accommodation at the Youth Olympic Village. During the video conference call, Harbin explained that, as the level of inflation over the next few years is unknown, the cost of full board and accommodation could increase, thus requiring an increase in government subsidies to compensate revenues. According to the daily rate for full board at the Youth Olympic Village provided in the Candidature File, the IOC financial contribution would amount to approximately USD 1.1 million (2.6% of the budget). The additional financial information submitted to the IOC identifies key cost categories but does not provide much detail. However, due to the high overall budget proposed, the Evaluation Commission believes that the budget would be consistent with the proposed levels of service described in the Candidature File.

The City of Harbin has guaranteed to cover any potential economic shortfall in the YOGOC budget.

Following the Panel of Experts' report, Harbin decided to cancel all venues at Mao Ershan and concentrate all snow sports at Yabuli, thus reducing the number of Youth Olympic Villages to two. Whilst this reduces difficulties for NOCs, the challenge of managing delegations in two locations remains as the distance between the two villages (Harbin and Yabuli) is 150 km. Snow and ice sports athletes would essentially live two distinct Youth Olympic Games in terms of experience and culture and education programmes. In addition, the concentration of all snow sports in Yabuli would increase the number of athletes and team officials to be accommodated to approximately 1,000, which is higher than the 800 beds available at the International Convention Centre which would host the Yabuli village. To reach the required capacity, additional beds outside the village would need to be used. In terms of quality and layout, both villages offer good facilities with a bed to bath ratio of 2:1.

To implement the concentration of all snow sports venues at Yabuli, Harbin replaced the two venues initially planned at Mao Ershan with two existing venues for Biathlon and Snowboard that will be used for the 2009 Winter Universiade. Harbin also confirmed that snow-making facilities exist for all snow venues.

The bid committee did not provide any detailed designs, timelines or construction costs for the new Bobsleigh and Luge track, but an additional financial guarantee was provided for USD 15 million (previously USD 4 million in the Candidature File). Harbin indicated that the track would be a permanent facility and that cost assumptions had been based on information concerning an existing track in Nagano. Following a discussion during the video conference call, it would appear that not all equipment costs have been taken into account.

The proposed sub-MMC at Yabuli would be located in the existing "Snow Sports Media Centre" but no details of its use during the Games have been provided.

In terms of culture and education, no further detailed information was provided to the IOC since the submission of the Candidature File. Key elements of the education programme required by the IOC are still missing and the issue of reaching all audiences identified by the IOC has not been addressed. Whilst the bid committee indicated that it would launch an official website with theme activities relating to "a festival for young people and a great meeting of athletes" as a platform for exchange amongst young people around the world, it has not fully embraced digital media as an important vehicle for the overall programme. The venue for culture and education activities in Yabuli is clearly described (International Broadcasting and TV centre) but the bid committee does not explain how it intends to foster an environment that would ensure a full Youth Olympic Games experience to all participants in Harbin and Yabuli.

Harbin's Youth Olympic Games plan offers a sustainable and tested solution with most competition venues existing and planned for use during the Winter Universiade in 2009, including the Harbin Youth Olympic Village. Harbin has good experience in hosting international and national events in ice sports and will benefit from the experience gained through the successful Beijing 2008 Olympic Games. Responsibility for the organisation of the Games and for establishing the organising committee lies clearly with the City of Harbin which also provides strong financial backing to the project with the support from the NOC and the national government. The bid committee's motivation to host the Games is to "serve as a driving force for promoting sports in general and winter sports in particular among the young people in the world". However, throughout the documents submitted to the IOC and the video

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conference call, the Evaluation Commission did not feel that the bid committee fully addressed the philosophy of the Youth Olympic Games and notion of worldwide reach associated with the project. The spread of venues across two major venue clusters in Harbin and Yabuli, 150 km apart, may also have a negative impact on the Youth Olympic Games experience. In the future, solutions could certainly be found to counter the issues raised, but for the first edition of the Winter Youth Olympic Games, Harbin's project could present a number of risks to the IOC.

**To conclude its analysis, the Evaluation Commission believes that Harbin's project to host the 1<sup>st</sup> Winter Youth Olympic Games in 2012 presents a number of risks to the IOC.**

# Innsbruck

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## SUMMARY OF THE PANEL OF EXPERTS' REPORT (JULY 2008)

Through its analysis of Innsbruck's candidature file, guarantees and photographic files, the Panel of Experts found that Innsbruck's project to host the 1<sup>st</sup> Winter Youth Olympic Games was compact with a single-village Games concept and particularly mentioned strong government support, comprehensive guarantees, a well thought-out culture and education programme and very good experience in hosting international and multi-sports events as the bid's principal strengths. The Panel of Experts indicated that the bid's main areas of risk concerned the construction of the proposed Youth Olympic Village project including the acquisition of the land required from the Ministry of Defence, as well as the potential impact on the budget of rental costs for many venues which remain to be determined.

## ADDITIONAL ANALYSIS BY THE EVALUATION COMMISSION

During the video conference between the IOC and Innsbruck bid committee, the Evaluation Commission witnessed the strong support and commitment of the three levels of government demonstrated in the first phase through the multiparty agreement. This was reinforced through a video message from the Austrian Chancellor and the participation of the Deputy Governor of the State of Tyrol, the Deputy Mayor of the City of Innsbruck, who chaired the meeting, the Austrian NOC and IOC Member in Austria. Athletes were also represented through the active participation of the Director of Athlete Experience. The Innsbruck bid committee put forward its existing infrastructure and tested organisational capacities as the bid's main technical strengths which, together with clearly defined financial responsibilities through the multi-party agreement, should ensure smooth transition from bid committee to future YOGOC.

Innsbruck clarified that passports and visas would be required to enter Austria for the Winter Youth Olympic Games for all participants that would normally require one or both documents. Whilst the Austrian Federal Ministry of the Interior would work through embassies and consular offices to expedite visa processing, it remains unclear whether visas would be issued free of charge for accredited persons from non-Schengen countries.

Innsbruck's YOGOC budget of approximately USD 22.5 million is based on Euro currency budget estimates. Inflation does not appear to have been taken into account. Approximately 60% of all revenues are guaranteed in the form of government subsidies as set out in the multiparty agreement. The additional financial information submitted to the IOC provides a very good level of analysis and identifies key cost categories and assumptions made in the build-up of the budget. In terms of revenue, Innsbruck has included USD 1.8 million from TOP partners in its budget. Whilst acknowledging that the rights of TOP partners are already protected for the Youth Olympic Games, Innsbruck explained that it intends to offer opportunities for sponsors to seek activation on a number of projects linked with the Winter Youth Olympic Games. According to the daily rate for full board at the Youth Olympic Village provided in the Candidature File, the IOC financial contribution would amount to approximately USD 4.7 million (21% of the budget). Although a number of budget items such as "insurance" and "internet" seem rather low, the budget appears to be consistent with the proposed levels of service described in the Candidature File.

As determined in the multiparty agreement, the three levels of government guarantee to cover any potential economic shortfall.

Regarding the proposed village which would comprise a number of existing buildings and eight residential buildings to be constructed on the site of a military compound, the Ministry of Defence has now sent the City of Innsbruck a fixed price offer for the acquisition of the land required for the construction of the Youth Olympic Village. The necessary steps have also been taken to initiate the relevant legislation to obtain the approval of the Austrian Federal legislature for the sale of this public land. Upon closer analysis of the proposed timelines for the construction of the village by an independent construction expert, the Evaluation Commission remains concerned about the tight

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schedule put forward, especially with regards the tendering processes which would be subject to European regulations as well as compliance with water conservation laws as the village would be constructed alongside a river. Innsbruck bid committee highlighted to the commission that a similar residential construction project in close proximity to the location of the Youth Olympic Village with twice the number of apartments was achieved within the same timeframe as proposed for the Youth Olympic Games project.

The Evaluation Commission also expressed concern about the high proportion of apartments with bed to bath ratio of 8:1 or 10:1 and asked what measures could be applied to reduce such ratio as much as possible. The bid committee put forward a number of possible solutions including the installation of temporary bathrooms within the living room areas and the use of additional hotel rooms within a 1km radius of the Youth Olympic Village for some officials. Simulations carried out by the bid committee show improved bed to bath ratios of 4:1 and 5:1. Implications on the YOGOC budget, if any, have not yet been provided.

Whilst Innsbruck remains confident that construction of the village can be completed in time and following the IOC's request, Innsbruck put forward an alternative Youth Olympic Village plan based on the 2005 Universiade model of accommodating delegations in different hotels in Innsbruck and Seefeld with lunch and dinner served at central dining facilities which would act as meeting places for all participants. Whilst the Evaluation Commission believed the alternative plan would provide an acceptable solution for the Youth Olympic Village, should the original construction project be severely delayed, it nonetheless pointed out that it would have an impact on the organisation of the culture and education programme and the overall Youth Olympic Games experience. The Commission also urged the bid committee to enter into negotiations with hotel owners as soon as possible in order to guarantee sufficient hotel room capacity to enable the implementation of the alternative plan.

Innsbruck provides an excellent sports concept based on the use of existing and tried and tested venues. Innsbruck has a very good level of experience in hosting international events in snow and ice sports as well as international multi-sports events. All venue guarantees have now been submitted to the IOC. Regarding rentals costs, the bid committee explained that as most venues are owned by or operated on behalf of public authorities, rental costs should not impact the budget.

In response to the Panel of Experts' comment regarding the low culture and education budget, Innsbruck explained that it would count on contributions from partners such as Universities to support parts of the culture and education programme. In addition, a nationwide culture and education programme aimed primarily at school pupils aged 15-19 between 2010 and 2012 has been proposed to be financed by the three levels of government (total of EUR 600,000). In this regard, a letter from the Federal Ministry for Education, the Arts and Culture was submitted to the IOC stating that it had included its share of the costs in its budget negotiations with the Federal Ministry of Finance beginning at the end of August 2008.

Innsbruck's plan to host the 1<sup>st</sup> Winter Youth Olympic Games is very well thought-through and presents an integrated vision with a good balance of sport, culture and education. The use of existing infrastructure and tested organisational capabilities, together with strong government support, should allow Innsbruck to transition into an organising committee without delay and immediately begin working towards the organisation of the Youth Olympic Games. The element of risk associated with the construction of the Youth Olympic Village was reduced through the submission of a viable alternative solution using hotels in both Innsbruck and Seefeld. The Evaluation Commission therefore feels confident that Innsbruck would provide a reliable project.

**To conclude its analysis, the Evaluation Commission believes Innsbruck's project to host the 1<sup>st</sup> Winter Youth Olympic Games in 2012 offers minimal risk to the IOC.**

## SUMMARY OF THE PANEL OF EXPERTS' REPORT (JULY 2008)

Through its analysis of Kuopio's candidature file, guarantees and photographic files, the Panel of Experts found Kuopio's project to host the 1<sup>st</sup> Winter Youth Olympic Games compatible with the overall Youth Olympic Games philosophy. It mentioned strong local government support, a compact single-village Games plan, a well-designed culture and education programme and a good level of experience in hosting international sports events as the bid's principal strengths. The Panel of Experts however questioned Kuopio's ability to deliver the required service levels and operational requirements of the Winter Youth Olympic Games within the proposed financial envelope.

## ADDITIONAL ANALYSIS BY THE EVALUATION COMMISSION

During the video conference call between the IOC and Kuopio bid committee, the leadership of the City of Kuopio on the project was demonstrated through the presence of the Mayor of Kuopio and the Finnish government was represented by a Senior Advisor from the Ministry of Education. The support of the Finnish NOC and IOC Member in Finland were evident through their active participation in the meeting. Following the publication of the Panel of Experts' report, a letter from the Finnish government was submitted to the IOC guaranteeing an increased subsidy to the YOGOC budget and a complement to the City of Kuopio's initial shortfall guarantee. During the conference call, it was explained that the Finnish government has defined a strategy to host international events and that it regularly cooperates with municipalities in this regard.

Kuopio bid committee confirmed that it would cover the costs of visas for all accredited persons and that the temporary importation of goods into Finland for the Youth Olympic Games would be free of all customs duties.

Kuopio's YOGOC budget of approximately USD 13.93 million is based on Euro currency budget estimates. Inflation does not appear to have been taken into account. Including the increase of USD 300,000 in the subsidy provided by the Finnish government, approximately 57% of all revenues are guaranteed in the form of government subsidies. The additional financial information submitted to the IOC does not provide much detail. In response to the Commission's concern over the low YOGOC budget proposed, the bid committee explained that Finland, as a small economy, could provide a cost-effective way of managing large projects and that, based on previous events organised nationally, costs have indeed consistently been lower than those for similar events in larger countries. A strong volunteering culture was put forward as an example of such cost-effectiveness. The Commission believes however that volunteerism may not be able to fully meet the demands of a multisport event such as the Youth Olympic Games and that the scope of the event may not have been fully understood. According to the daily rate for full board at the Youth Olympic Village provided in the Candidature File, the IOC financial contribution would amount to approximately USD 3.5 million (25% of the budget). Budget items that seem particularly low include Information systems and Telecoms (USD 280,000 each), Culture and education (USD 800,000) and Internet (USD 240,000). When questioned by the Evaluation Commission about insurance, the bid committee promised to cover the cost of insurance for all participants that would not be otherwise covered through their own national policies.

Following the publication of the Panel of Experts' report, the Finnish government has committed to increasing the limited shortfall guarantee initially provided by the City of Kuopio by USD 2.4 million (total shortfall guarantee now amounts to USD 2.9 million). In response to the Commission's concern regarding such a limited shortfall guarantee, Kuopio explained that it is normal practice for the state, municipalities and organising committees to create cooperations that would take care of any financial requirements for an event. The bid committee further explained that, in the case of a shortfall of the YOGOC budget over USD 2.9 million, the NOC, YOGOC, city and the state would determine a solution to cover costs.

## Kuopio

Kuopio's well located single village would offer 2,000 beds in existing student housing with additional accommodation nearby if required. A maximum bed to bath ratio of 6:1 is proposed but through careful allocation of beds and by making good use of the extra capacity available (500 beds more than IOC requirement), the bid committee is confident a ratio of 4:1 could be achieved.

As explained in the Panel of Experts' report, the Alpine skiing facilities at Takho ski resort would not permit all skiing events to be held due to its maximum vertical drop of 200m. Moreover, Kuopio proposes a natural track for Luge competition and Kuopio's competition schedule does not include Bobsleigh.

In response to the Evaluation Commission's question regarding the temporary separation proposed between competition (figure skating/short track) and MMC areas at Kuopio Hall, the bid committee explained that a 3-storey wall of containers would be used. Such a solution has previously been tested at the venue and the bid committee reassured the Evaluation Commission on the efficiency of the wall in terms of sound insulation. Moreover, an alternative venue for the MMC has been identified and guaranteed if required.

In terms of culture and education, the provision in the YOGOC budget remains very low. Despite an additional USD 1.5 million allocation within the Sport and Youth Division of Kuopio's budget (non-YOGOC budget) to be used for cultural and educational activities linked to the organisation of the Youth Olympic Games, the Evaluation Commission feels that the planned culture and education programme would prove difficult to deliver.

Kuopio's plan to host the 1<sup>st</sup> Winter Youth Olympic Games makes good use of existing venues and presents an integrated vision that follows the overall philosophy of the Youth Olympic Games. Kuopio has a good level of experience in hosting international events in a number of winter sports. Whilst not an obligation to host all sports/disciplines on the Vancouver 2010 programme, Kuopio's competition schedule includes neither Bobsleigh nor a number of Alpine skiing events. Kuopio's YOGOC budget remains extremely low and includes no contingency. Combined with the fact that the shortfall guarantee provided jointly by the Finnish government and the City of Kuopio is limited in value and the lack of detail in the additional financial information submitted, the Evaluation Commission does not feel confident that Kuopio would be able to deliver the required levels of service and operational requirements of the Winter youth Olympic Games within the proposed financial envelope.

**To conclude its analysis, the Evaluation Commission believes Kuopio's project to host the 1<sup>st</sup> Winter Youth Olympic Games presents some risk to the IOC.**

# Lillehammer

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## SUMMARY OF THE PANEL OF EXPERTS' REPORT (JULY 2008)

Through its analysis of Lillehammer's candidature file, guarantees and photographic files, the Panel of Experts found Lillehammer's project to host the 1<sup>st</sup> Winter Youth Olympic Games technically robust and relatively compact, highlighting a good use of existing venues and a very good level of experience in hosting international and multi-sports events as the bid's principal strengths. The Panel of Experts indicated that a general lack of detail and guarantees made it very difficult to assess the robustness of the project and that Lillehammer's bid presented a significant financial risk as no guarantees had been provided to substantiate the national government subsidy of USD 19 million included in the YOGOC budget. In addition, the proposed IOC contribution was particularly high and included cost elements which were not foreseen in the Youth Olympic Games Event Manual. The Panel added that only five individual hotel guarantees had been received representing approximately 630 rooms and that the culture and education programme put forward by the bid committee lacked creativity and was yet to be developed.

## ADDITIONAL ANALYSIS BY THE EVALUATION COMMISSION

During the video conference call between the IOC and Lillehammer bid committee, the leadership of the Municipality of Lillehammer on the project and the strong support of the Norwegian Olympic Committee were clearly demonstrated through the participation of the Mayor and Head of Sports Administration of Lillehammer, and of the President, Board member and Secretary General of the NOC. Following the publication of the Panel of Experts' report, Lillehammer bid committee has provided a great majority of the guarantees missing in the first phase of the bid process. However, critical financial guarantees remained outstanding. At the time of printing this report, a letter from the Minister of Culture and Church Affairs had been received regarding the guarantees to be provided by the Norwegian government which include a USD 22 million subsidy to the YOGOC budget and coverage of any potential shortfall in the YOGOC budget. The letter states that "the government is in favour of presenting a proposal to the Norwegian Parliament to provide the guarantees". It further explains that the government would first implement a quality assurance process to ensure that there would be no considerable deviation from the figures submitted in Lillehammer's application. The Norwegian Olympic Committee stated that the process of obtaining these guarantees "is expected to be finalised within a short period of time and no later than 19 November 2008". Moreover, financial guarantees for subsidies to the YOGOC budget from the regional counties of Hedmark and Oppland as well as from the municipalities of Lillehammer, Øyer and Hamar had been submitted to the IOC. Two of such guarantees are however dependent on the provision of the financial guarantee by the Norwegian government.

Lillehammer confirmed that visas would be issued free of charge.

Guarantees have now been provided by all individual hotels included in the Candidature File as well as for additional hotel rooms in the areas of Lillehammer, Hamar and Hafjell, amounting to a total of 2,006 guaranteed rooms. Lillehammer bid committee also stated that it had managed to reduce some room rates following re-negotiations with hotel owners.

Lillehammer's YOGOC budget of approximately USD 43.7 million is based on local currency budget estimates. Inflation does not appear to be taken into account. Should the national government subsidy included in the YOGOC budget be approved according to the process described above, approximately 57% of all revenues would be guaranteed. The additional financial information submitted to the IOC is very well detailed and identifies key cost categories and assumptions made in the build-up of the budget. Following the publication of the Panel of Experts' report, Lillehammer reduced its overall budget by USD 5 million. In particular, in terms of revenue, the IOC contribution was reduced from USD 16.2 million by removing VIK assumptions on technology and reducing the daily accommodation rate at the Youth Olympic Village.

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According to the revised daily rate for full board at the Youth Olympic Village, the IOC financial contribution would amount to approximately USD 6.9 million (16% of the budget). Revenue from local sponsorship, while still ambitious, was reduced by USD 1.6 million and government subsidies were increased by USD 6 million. In terms of expenditure, the main difference was registered on Youth Olympic Village operations (reduced by USD 4.7 million). Lillehammer's YOGOC budget also includes a contingency of USD 4.86 million.

According to Lillehammer's Candidature File, the guaranteed to cover any potential shortfall in the YOGOC budget would be provided by the Norwegian government. Such guarantee is pending approval by the Norwegian Parliament according to the process described above.

Lillehammer's single Youth Olympic Village would consist of a mixture of existing buildings and new construction. Memoranda of Understanding have been signed with two developers for the construction of 300 and 100 housing units respectively but no agreement has been provided concerning a third investor in charge of developing 160 temporary sleeping units. Upon closer analysis of the proposed timelines for the construction of the village by an independent construction expert, the Evaluation Commission remains concerned about the tight schedule put forward for the construction of the 300 housing units as there is no margin in the timelines. The bid committee is however confident that timelines could be accelerated. Maximum bed to bath ratio would be 3:1.

The Evaluation Commission questioned the fact that Lillehammer had included an element of financial risk taken by the real estate developers as well as transport costs in the daily rate to be billed to the IOC for accommodation at the Youth Olympic Village. The bid committee explained that an amount was added to the daily rate to compensate the developer for loss of revenue for the period from completion of construction to the end of the Youth Olympic Games. In terms of transport costs, it appears Lillehammer may have misinterpreted the IOC requirement in the Event Manual. Indeed, whilst the IOC would cover travel of athletes and team officials to and from the Host City, it is the organising committee's responsibility to provide local transport.

Whilst Lillehammer remains confident that construction of the village can be completed in time and following the IOC's request, Lillehammer put forward an alternative Youth Olympic Village plan that would make use of another 500 units of existing student housing within walking distance of competition venues. The bid committee stated that it has a mutual understanding with the relevant student body to move students out of their accommodation for the period of the Games, if required, as was done for the Olympic Winter Games in 1994.

Following the Panel of Experts report, a guarantee was submitted by the Municipality of Lillehammer for the construction of the Curling venue. The bid committee also stated that rental costs for all venues have been detailed and taken into account in the YOGOC budget. Whilst Lillehammer's plan makes good use of existing venues, the Evaluation Commission notes that all skating venues would be located in Hamar, 65km away from the Youth Olympic Village and that travel times to training and competition venues may have an impact on the time available for athletes to take part in the Culture and education programme.

Provision has been made in the YOGOC budget to carry out upgrades at the venue proposed to house the MMC (Mesna High School). In response to the Commission's concern that Mesna High School may not offer the necessary space for a large working area for written press, the bid committee stated that a temporary structure or additional existing space nearby could be used.

In the second phase of the bid process, Lillehammer has put together a very comprehensive and detailed plan for its culture and education programme. The new proposal covers all target audiences and themes identified by the IOC and spans pre-Games, Games-time and post-Games periods. Lillehammer also takes full advantage of digital platforms to promote interactive e-learning. Letters of intent have been provided from a number of external partners willing to participate in the execution of the culture and education programme. Together with these contributions from external partners, the provision in the YOGOC budget should allow for the programme to be delivered as described.

## Lillehammer

Lillehammer's plan to host the 1<sup>st</sup> Winter Youth Olympic Games is well thought-through and presents a good balance of sport, culture and education. The project makes good use of existing facilities and Lillehammer has great experience in hosting international and multi-sports events. The element of risk associated with the construction of the Youth Olympic Village was reduced through the proposed use of existing student accommodation as an alternative village solution. Lillehammer has considerably strengthened its project during the second phase of the bid process by putting together a creative and detailed culture and education programme and providing most of the guarantees required by the IOC. Whilst the Norwegian government has given assurances that the necessary guarantees from the Norwegian government would be approved by the Norwegian Parliament, it remains that financial guarantees which represent over 50% of all revenues in the YOGOC budget as well as the shortfall guarantee have not been submitted to the IOC. The Evaluation Commission therefore believes this would present a risk to the IOC.

**To conclude its analysis, the Evaluation Commission believes Lillehammer's project to host the 1<sup>st</sup> Winter Youth Olympic Games presents a risk to the IOC (delivery of the guarantees from the National government).**

## Conclusion

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In analysing the four projects to host the 1<sup>st</sup> Winter Youth Olympic Games, the IOC has gained a further appreciation of the added difficulties presented to winter cities in translating the Youth Olympic Games philosophy and vision into a concrete proposal due to a number of geographical and operational constraints linked to the winter sports environment. The Evaluation Commission would therefore like to reiterate its satisfaction and gratitude to all short-listed YOG Candidate Cities for the tremendous work carried out throughout the bid process in a short period of time. The spirit in which the candidatures were undertaken truly reflects the IOC's values of excellence, friendship and respect

In conclusion, the Evaluation Commission would like to remind the members of the IOC Executive Board that its role was to assess the four short-listed Candidate Cities' projects with a strong emphasis on the risks associated with the organisation of the Games within the timeframe available to host the 1<sup>st</sup> Winter Youth Olympic Games (approximately three years). The main areas of risk were identified as follows:

- Governance and guarantees
- Finance
- Youth Olympic Village
- Sport and venues
- Culture and education programme

**In conclusion, for the attention of the Executive Board, the Evaluation Commission believes that:**

- **the city of Innsbruck presents the least risk to the IOC;**
- **the city of Lillehammer presents a financial risk to the IOC (delivery of the guarantees from the National government);**
- **the city of Kuopio presents some risks to the IOC;**
- **the city of Harbin presents a number of risks to the IOC.**