

***Ex-ante* economic impact  
study of the  
Paris 2024 Olympic  
and Paralympic Games**

—  
**April 2024**



# SUMMARY

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# 01

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**KEY FIGURES**

# D1.

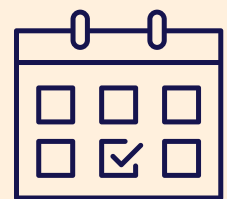
## KEY FIGURES

– Overall impact



**Reference territory**

→ Île-de-France Region  
(referred to as the "Paris Region" in this report )



**Period covered**

→ 2018-2034 (17 years)

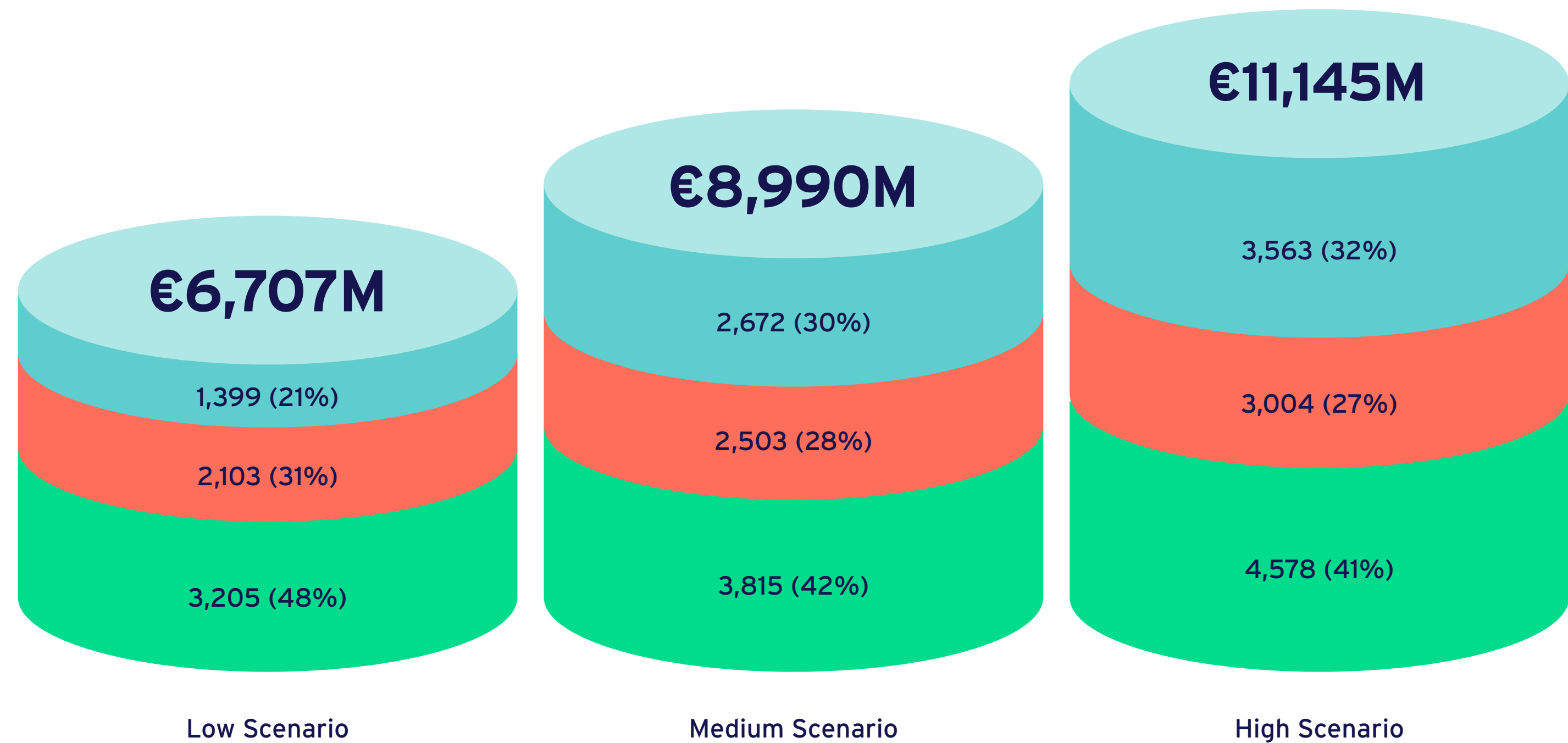


# D1.

## KEY FIGURES

### – Impact by type of expenditure

#### OVERALL ECONOMIC IMPACT OF THE PARIS 2024 GAMES (in current €m)



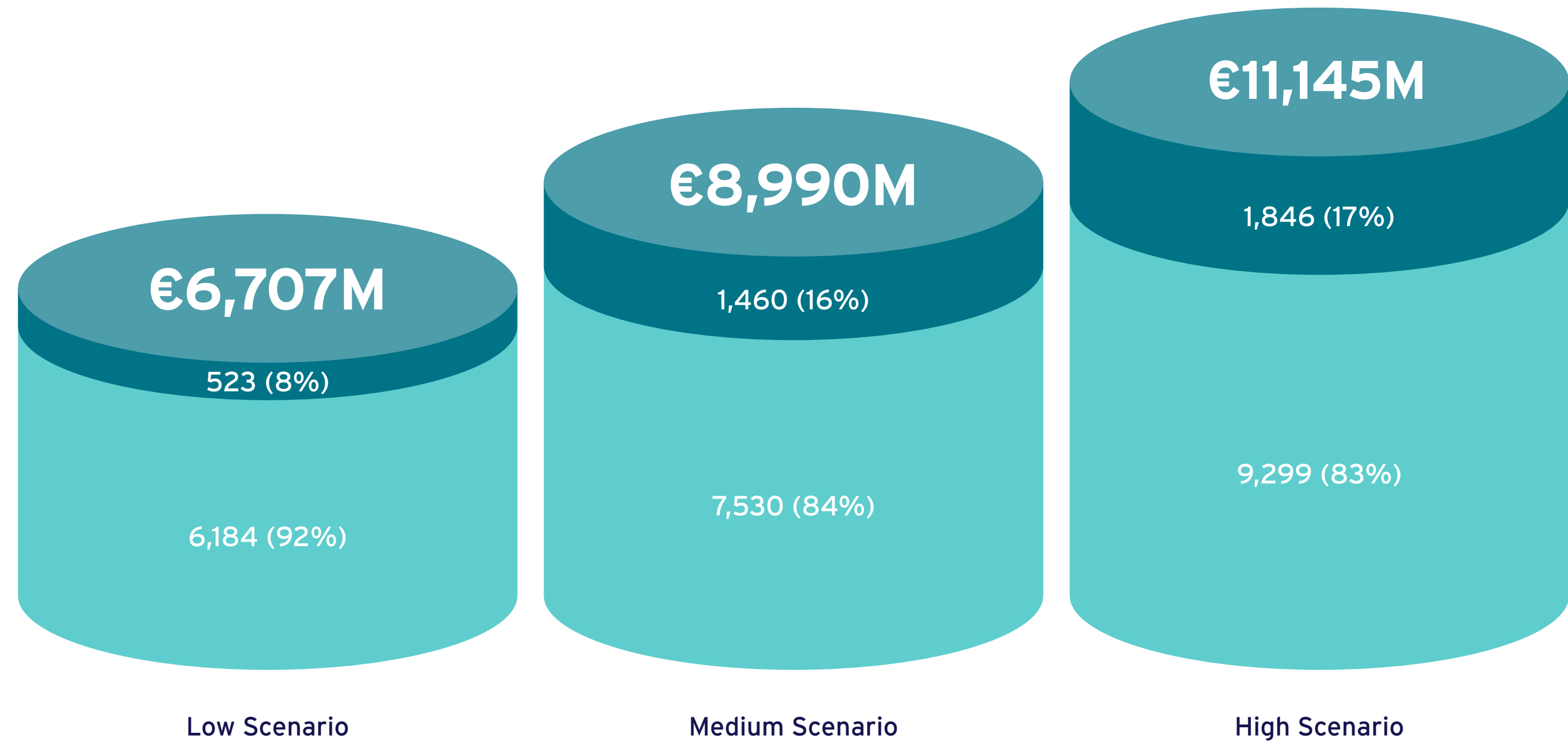
-  **Tourism**
-  **Construction**
-  **Organisation**

# D1.

## KEY FIGURES

### – Impact by period

### OVERALL ECONOMIC IMPACT OF THE PARIS 2024 GAMES (in current €m)



- Preparation and Staging phase
- Legacy phase

The overall amount may differ slightly from the sum due to rounding.

# D1.

## FOREWORD

### **A comparison with the initial study should be avoided**

It is not impossible to compare the results of the initial study carried out in 2016 during the application phase with this updated version, but care must be taken for at least two reasons:

- Firstly, unlike the initial study, which was evaluated in 2017 euros, the update was carried out in current euros. This difference in approach makes it impossible to compare data between the initial study and the updated version. For information purposes, a conversion of the economic impact into 2017 euros has nevertheless been carried out, and is shown in the Appendix A, to incorporate the effects of the uneven inflation trajectory over the period.
- Secondly, because beyond this difference in monetary unit, the project evaluated through this update has been profoundly transformed in nature, with the overall concept of the Games largely revised.

### **A margin for error**

It is important to remember that this updated report, even though it is largely based on data that has already been produced, is still partly based on a number of forecasts and assumptions. This is one of the reasons why it was decided to adopt an approach based on three scenarios (low, medium and high) rather than a single economic impact value. This only reinforces the need to carry out an ex-post economic impact study in order to be able to assess the actual impact of the Paris 2024 Games, at least as far as the preparation and staging phases are concerned.

# D1.

## FOREWORD

### Contextualising data

The figures estimating the impact of the Paris 2024 Games at several billion euros, regardless of the scenario adopted, may seem high to readers of this study. However, they need to be put into perspective on two levels.

→ First of all, they need to be seen in the context of the area to which they refer - the Paris Region - which is the area that creates the most wealth (added value) in France. The Paris Region's GDP (Gross Domestic Product) is equivalent to around a third of France's GDP. INSEE had estimated the GDP of the Paris Region at €765 billion in 2021.

→ This leads to the second caveat to be taken into account when interpreting the results. The economic impact of the Paris Games has been established over a 17-year period, including the preparation phase (2018-2023), the staging phase (2024) and the legacy phase (2025-2034). It would therefore be wrong to compare the economic impact of the Paris 2024 Games to a single year of GDP for the Paris Region. Instead, they should be compared to 17 years of GDP.

This perspective only reinforces the need to not limit the analysis of the impact of the Games to their economic dimension alone, but to broaden it to include their legacy, i.e. their commitment to major social, territorial or environmental initiatives.

### Remaining vigilant

Finally, the authors of this study would like to point out that an economic impact study alone cannot legitimise the hosting of an event and the expenditure involved. From a political point of view, such legitimisation must be based on the objectives of the stakeholders. From a conceptual point of view, this would require reasoning in terms of opportunity cost, i.e. comparing the economic impact of the Games with the economic impact of other projects and demonstrating that investment in the Games has a higher net economic outcome than all the other options that have been foregone. Furthermore, this would require more than a study of the economic impact of the Games, therefore, a cost-benefit analysis would be necessary in order to be able to conclude the legitimacy of hosting the Games.



# 02

## — APPROACH AND METHODOLOGY

# 02.

## APPROACH AND METHODOLOGY

### – Why update the study published in 2016?

### An initial study based on forecast data

In 2016, CDES (the Centre de Droit et d'Economie du Sport) carried out an [ex-ante economic impact study of the Paris 2024 Games](#). The study was part of Paris' bid to host the event and was based on data from:

- The file submitted by the Public Interest Group in charge of the bid, with regard to expenditure on the construction and/or renovation of infrastructures and the organisation of events.
- An econometric model developed by [Professor Holger Preuss](#) on tourist spending, which makes a number of assumptions about the number, origin and type of visitors expected (ticket holders, other types of visitor), as well as the characteristics of their stay (duration, spending).

In addition to this data, the study carried out in 2016 also included a number of assumptions concerning several parameters such as the fill rate for Olympic and Paralympic events, the rate of local added value in the Paris Region and the rate of inflation.

While the emphasis was placed on adopting a conservative approach to scientific robustness, **the time-frame for the 2016 study meant that it had to be based entirely on forecast data.**

# 02.

## APPROACH AND METHODOLOGY

### – Why update the study published in 2016?

### Numerous changes to integrate

Since 2016, many changes have taken place following the designation of the City of Paris as Host City for the Games. First of all, the project led by Paris 2024 and its stakeholders, with a map of venues that has been definitively validated, a way of operating them (through delivery entities rather than directly) that has been rethought, celebrations (Olympic and Paralympic Opening Ceremonies, Torch Relay) that have evolved, and also **a budget that has been updated**. Then there was the environment of the Games, with an organisation facing a series of challenges arising from the pandemic, the changing geopolitical context (conflict in Ukraine and Israel-Palestine) and an **economic context marked by a period of heightened inflation and labour market tensions**.

In order to take all these variations into account, the stakeholders of the Games, in particular the International Olympic Committee and the Paris 2024 Organising Committee, asked **CDES to update the ex-ante study on the economic impact of the Olympic and Paralympic Games**.

# 02.

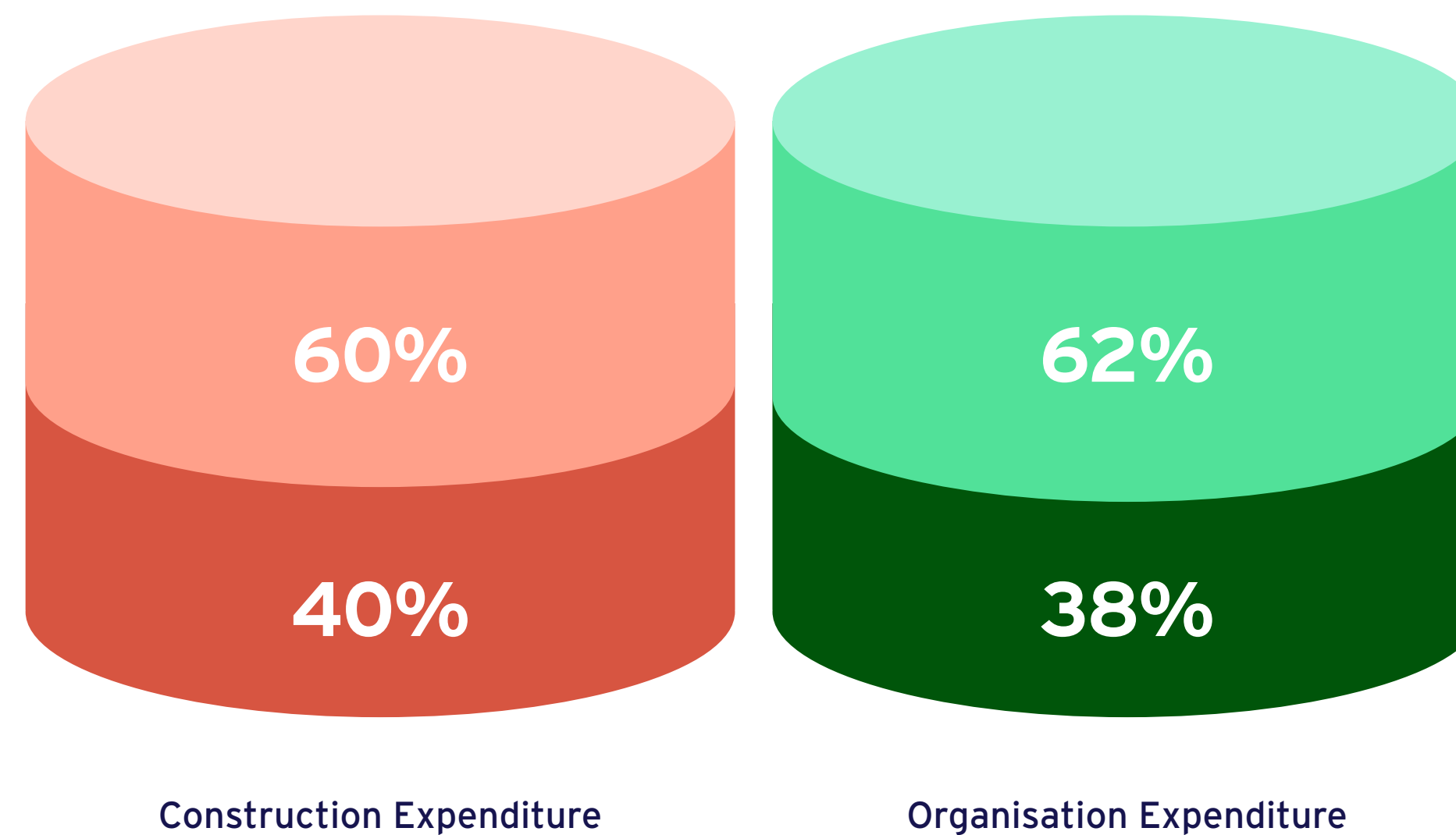
## APPROACH AND METHODOLOGY

### – Why update the study published in 2016?

- Remaining commitment
- Realised

Numerous changes to integrate

### STATE OF COMPLETION Organisation and Construction Expenditure



Unlike the work carried out in 2016, **this update of the economic impact study of the Paris 2024 Games includes a significant proportion of completed data**, particularly for the two fields of Construction and Organisation, which are currently the most advanced in terms of completion.

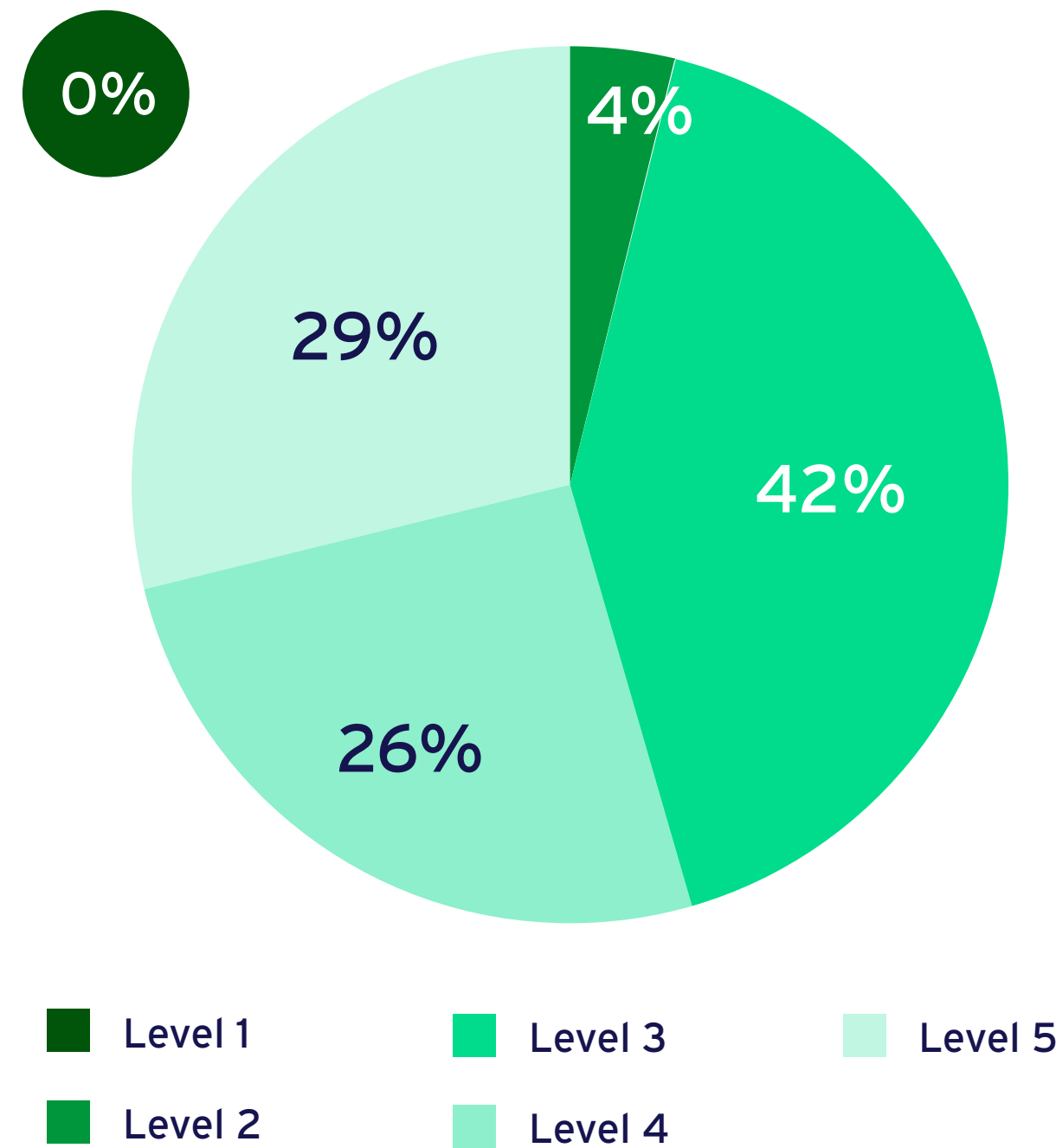
→ With regard to **Construction**, i.e. the expenditure incurred to build or renovate the facilities required for the Games, the study is based on **40% of actual data**. The relatively significant proportion of forecast data that remains is explained by the way in which expenditure on the conversion of the various venues, in particular the athletes' villages and the media cluster, has been evaluated (exit price of future housing and offices). On the strict SOLIDEO budget (i.e. deliveries ahead of the Games), **the study includes data that is 82% complete**.

# 02.

## APPROACH AND METHODOLOGY

– Why update the study published in 2016?

**DEGREE OF CERTAINTY AS TO THE LOCATION OF ORGANISATION EXPENDITURE**  
(1: location unknown; 5: location almost certain)



→ With regard to **Organisation**, i.e. the expenditure incurred by the Paris 2024 Committee in organising the Games, **38% of the study is based on data that has already been produced**. A specific analysis has been carried out on expenditure yet to be incurred in order to assess the "degree of certainty", particularly with regard to the geographical location of the expenditure.

The data for the **Tourism sector** is still provisional at this stage, insofar as the number of visitors, where they come from, their spending habits and their length of stay are still unknown. However, the study also includes original and actual data, particularly concerning ticket sales for the Games. **Information on the origin of purchasers is available for the 7.6 million tickets on sale at the time the study was carried out (out of a total of 10 million tickets), representing a 76% completion rate.**

# 02.

## APPROACH AND METHODOLOGY

### – Key budgetary element figures

#### Budgetary data



**€4,397M**

Paris 2024 Committee budget



**€3,317M**

The amount of infrastructure work required for the Games

**89%**

of the Paris 2024 Committee's resources come from outside the Paris Region

**75%**

of the Paris 2024 Committee's expenditure takes place in the Paris Region

**80%**

of infrastructure funding comes from outside the Paris Region

**76%**

of infrastructure spending takes place in the Paris Region

# 02.

## APPROACH AND METHODOLOGY

### – What is the methodological framework?

The *ex-ante* economic impact study is part of the methodological framework of the study carried out in 2016. This is consistent with the main recommendations concerning the assessment of the economic impact of mega sporting events

#### Recommendations from the Ministry of Sport and the Olympic and Paralympic Games

The study of the economic impact of the Paris Games is consistent with the methodological framework recommended by the National Observatory of Sport (l'Observatoire National du Sport) of the Ministry of Sport and the Olympic and Paralympic Games, itself based on the recommendations of the **methodological guide** of the DGE (Direction Générale des Entreprises) of the Ministry of the Economy, Finance and Industrial and Digital Sovereignty.

#### OECD guides for sport event organisers

In July 2023, the OECD (Organisation for Economic Co-operation and Development) published **two guides** designed to help organisers of cultural, sporting and commercial events to monitor, measure and evaluate the social, economic and environmental benefits of their events. These include a number of indicators relating to economic impact, which have been included in this update of the economic impact study for the Paris 2024 Games.

#### Recommendations from the International Academy of Sport Science and Technology

The AISTS (International Academy of Sport Science and Technology) have produced a white paper to examine how the methodology recommended by the OECD could be adapted to the specific case of the Olympic and Paralympic Games. The update of the study carried out for the Paris Games therefore incorporates the main points made by the AISTS.

# 02.

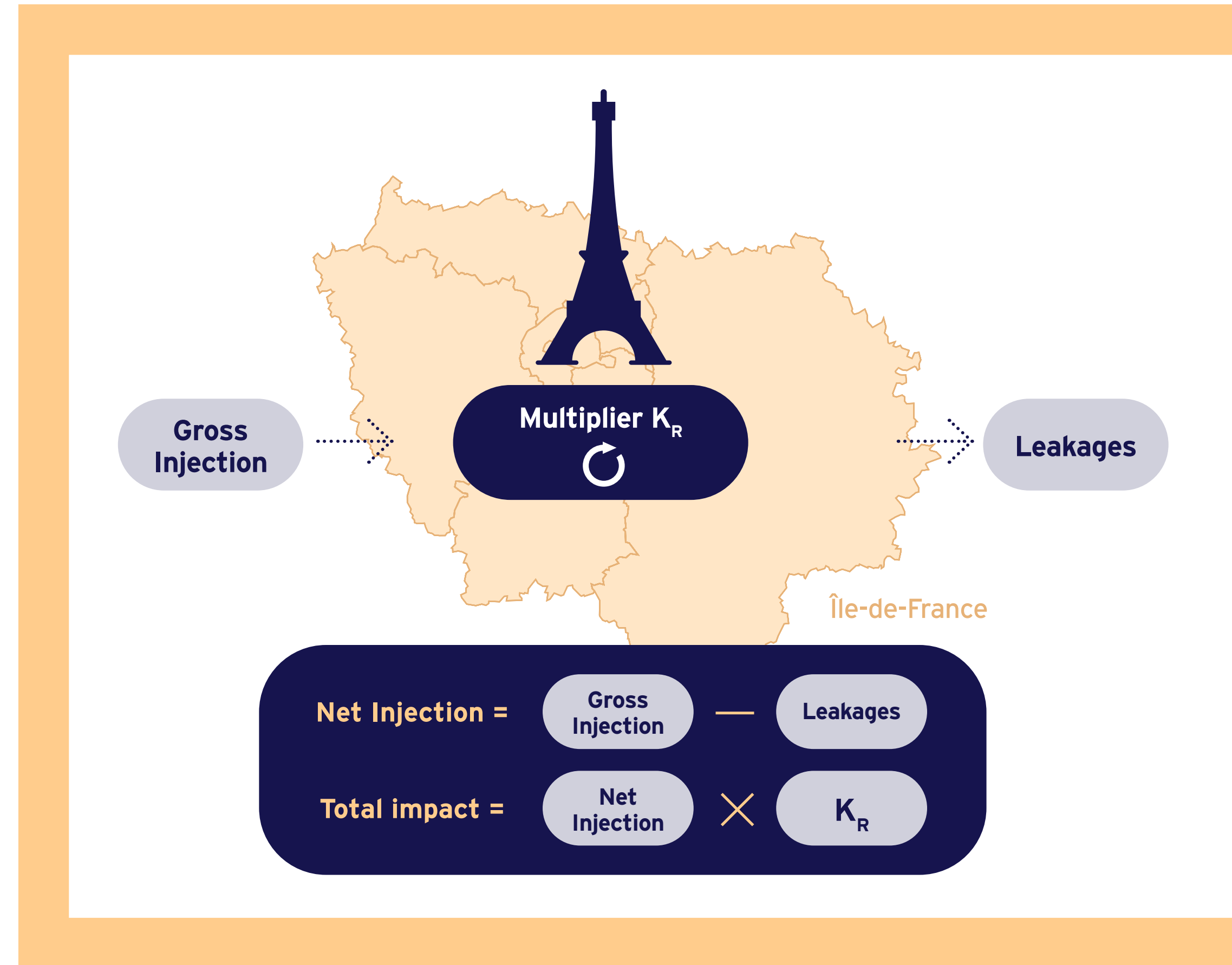
## APPROACH AND METHODOLOGY

### – What is the methodological framework?

Our methodology is based on an **open-economy Keynesian** model. It involves assessing the **effects produced by an external demand shock benefiting local actors.**

According to this theoretical model, an external injection of income into the local economic circuit as a result of hosting the Paris 2024 Olympic and Paralympic Games will lead to an increase in demand, which in turn will lead to an increase in production and a distribution of income, which will again lead to an increase in demand. There will be leakage out of the system (savings, taxes, imports, crowding out effects).

To measure the overall impact resulting from this direct impact, we use a **multiplier that will be more or less sophisticated depending on the availability of information** on propensities (to save, to import, to spend, etc.). The conceptualisation of the values of the multiplier to calculate the overall impact of the event is presented later (see pages 28 to 31).



Source: Economic impact study of the Paris 2024 Olympic and Paralympic Games, CDES, 2016



# 02.

## APPROACH AND METHODOLOGY

### – What reference territory?

The economic impact of a sporting event can only be assessed with **reference to a precisely determined territory** insofar as it involves carrying out an analysis of monetary flows. The economic impact of a sporting event is in fact made up of **incoming monetary flows** (also called 'injections') within a reference territory from which are deducted outgoing monetary flows (also called 'leakages').

The area chosen for the update of this economic impact study is the **Paris Region**. There are two reasons for this choice.

### Methodological consistency and comparability of results

Keeping the same reference territory will make it possible to compare the results between the study carried out in 2016 and its update, which would have been impossible by changing the approach.

### Characteristics of the Paris Region and the event

The Paris Region is an economically integrated geographical area that includes the main factors of production and distribution and therefore has a high degree of autonomy. It will also concentrate the vast majority of competition and non-competition venues, as well as the majority of sporting events.

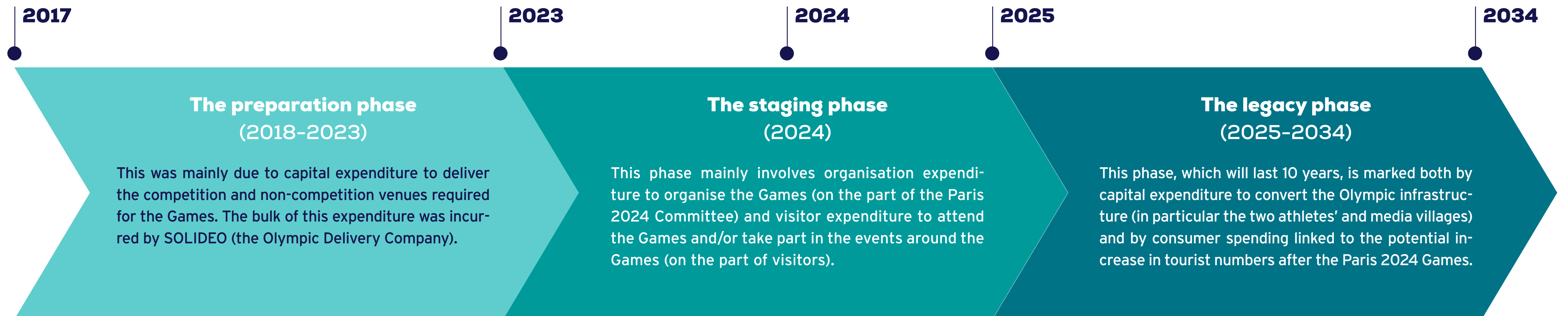
# 02.

## APPROACH AND METHODOLOGY

### – What life cycle?

As with the reference territory, the decision was made to retain the entire **life cycle of the Paris 2024 Games**, i.e. a 17-year period covering three distinct phases. This choice of life cycle is based on the recommendations of academic experts, such as Holger Preuss, [H. Preuss, 2000] who consider that the Games' legacy phase extends over a period of 10 years after the Games.

It should be noted, however, that **only the preparation and staging phases have been updated and include original data**. As far as the legacy phase is concerned, only certain macroeconomic data have been modified (in particular to take account of inflation). The other parameters have been retained insofar as there are no new elements today to justify modifying the approach adopted at the time. It should be noted that the data relating to the negative impact of the preparation and staging phases will be aggregated in the updated study, without distinguishing between the two phases.



# 02.

## APPROACH AND METHODOLOGY

### – What kind of economic impact?

Given our approach to impact (which is an 'expenditure' approach), it is possible to distinguish three types of impact.



# 02.

## APPROACH AND METHODOLOGY

### – Methods for calculating the direct impacts of Organisation and Construction



## Organisation Impact

This impact relates to the **expenditure incurred by the Paris 2024 Committee in organising the Olympic and Paralympic events**. The Paris 2024 Committee's expenditure will be taken into account in full insofar as they all relate directly to the organisation of the Games and would not have taken place had they not been organised in Paris. In accordance with the methodological framework adopted, particular attention will be paid to the methods of financing these expenses.

These will run from 2018 to 2024, with the ultimate aim of delivering the Games in accordance with the International Olympic Committee's specifications and the provisions of the host city contract.



## Construction Impact

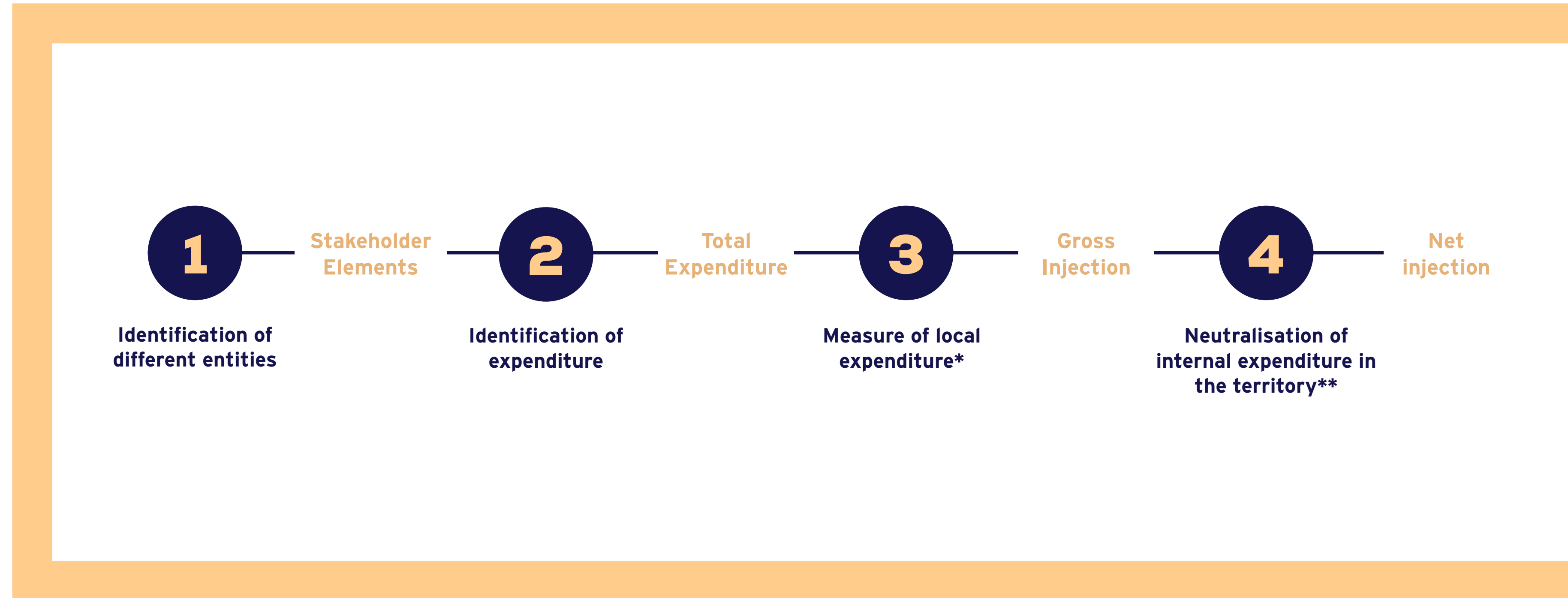
This impact relates to the **capital expenditure required to build or renovate the various competition and non-competition venues**. This expenditure will be incurred between 2018 and 2023 for the provision of venues required for the Games, and during the legacy phase (post-Paris Games) for the conversion of certain venues (notably the villages).

Only infrastructure that is genuinely necessary for the Games will be included here, which means that **investments that are not directly necessary for the Games will be excluded from the economic impact calculation**. This is the case, for example, for expenditure made at the request of specific local authorities affected by the Games who wanted to add to their programme in order to strengthen their legacy.

# D2.

## APPROACH AND METHODOLOGY

### – Methods for calculating the direct impacts of Organisation and Construction



**\*In order to take account of leakage outside the territory:** the use of external service providers by Paris 2024 constitutes leakage outside the local economic circuit.

**\*\*The substitution effect:** local funding is neutralised to the extent that, had it not been earmarked for Paris 2024, it would have been used in another sector of the local economy. To measure the net injection, only the proportion of local expenditure financed by funds external to the region is therefore taken into account, and the proportion of external expenditure financed by internal funds is removed

# 02.

## APPROACH AND METHODOLOGY

### – Methods for calculating the direct impacts of Organisation and Construction

The same methodology will be used to assess the impacts of the costs of organising the Games and those of building (or renovating) the infrastructure required for the Games:

→ Identification of stakeholders with the potential to generate impact (Paris 2024 Committee, SOLIDEO (Olympic Delivery Company), National Olympic/Paralympic Committees, etc.).

→ Analysis of financing methods (geographical origin of resources) and stakeholder costs (geographical location of expenditure).

In accordance with the methodological framework, the direct impact will be made up of injections from which leakages will be deducted (see table).

|                     |                      | Location of expenditure |                      |
|---------------------|----------------------|-------------------------|----------------------|
|                     |                      | Paris Region            | Outside Paris Region |
| Source of resources | Paris Region         | Neutralised             | Leakages             |
|                     | Outside Paris Region | Injections              | No impact            |

# 02.

## APPROACH AND METHODOLOGY

### – Method of calculating the direct impact of Tourism



### Tourism impact

This impact is due to the **consumer spending of visitors who will come to the Paris Region to take part in the Games** (which is therefore mainly concentrated in 2024), **but also in the legacy phase due to the** potential growth in post-Games tourism in the Paris Region.

Only the expenditure of **visitors whose reason for visiting the Paris Region is to attend the Games** will be taken into account: 'casual' visitors, i.e. those who come for another reason and take advantage of their presence to attend the Games, will be excluded from the calculation. Similarly, only expenses not covered by the Paris 2024 Committee will be included in the calculation.

Different categories of visitors will be taken into account:

- **Spectators** (whether ticket holders or not), whether tourists (spending at least one night on site) or day trippers (coming for one or more days but not spending the night away from home).
- The **media** covering the event.
- The **sponsors** and their guests.
- The **Olympic family** (representatives of the International Federations and the Olympic and Paralympic Movement).
- The **volunteers**. i.e. "any unpaid person who freely and voluntarily undertakes to contribute in a disinterested manner, to the best of his or her ability, to the preparation, organisation and/or staging of the Games" (definition taken from the Olympic and Paralympic Volunteering Charter).

Particular attention will be paid to the analysis of a traditional crowding out effect, i.e. the deduction from the net injection of a portion of expenditure corresponding to the loss of revenue resulting from the cancellation of visitor stays in the Paris Region due to the hosting of the Games.

# 02.

## APPROACH AND METHODOLOGY

### – Method of calculating the direct impact of Tourism

#### 1. The spectators

**\*By applying a sales rate and an average number of tickets per spectator:** the forecast number of unique spectators will be established on the basis of various commercial projections of ticket sales for Paris 2024 and on the application of an average number of tickets per spectator (one person may attend several events/sessions).

**\*\*Resident spectators:** spending by resident spectators must be removed from the economic impact calculation for the substitution effect, because according to economic theory, if they had not spent their money on the Paris 2024 Games, they would have spent locally for other reasons.

**\*\*\*As an opportunity effect:** spectators who stayed in the Paris Region for reasons other than the Paris 2024 Games (family, work, holiday) and attended one or more events should not be included in the impact calculation as they are casual spectators.

**\*\*\*\*Excluding the share of expenditure made to the Organising Committee in order to avoid double counting:** some expenditure by spectators from outside the Paris Region is included in the revenue of the Paris 2024 Committee (ticket sales, merchandising, etc.) and is therefore included in the Organisation impact.





# 02.

## APPROACH AND METHODOLOGY

### – Method of calculating the direct impact of Tourism

## 2. Other visitors

In addition to spectators, other visitors from outside the Paris Region may come specifically for the Olympic and Paralympic Games. This is particularly the case for:

- **Media** covering the event.
- **Sponsors** and their guests.
- The **Olympic family** (representatives of the International Federations and the Olympic and Paralympic Movement).
- **Volunteers.**



# 02.

## APPROACH AND METHODOLOGY

### – Key visitor figures



Between  
**2.3** and **3.1** million  
unique visitors

#### Olympic Games

**64%**

French spectators

**36%**

foreign spectators

#### Paralympic Games

**83%**

French spectators

**17%**

foreign spectators

**+90,000**

representatives  
of the Olympic Family,  
dignitaries, media  
and volunteers

**62%**

of volunteers come from  
outside the Paris Region,  
including

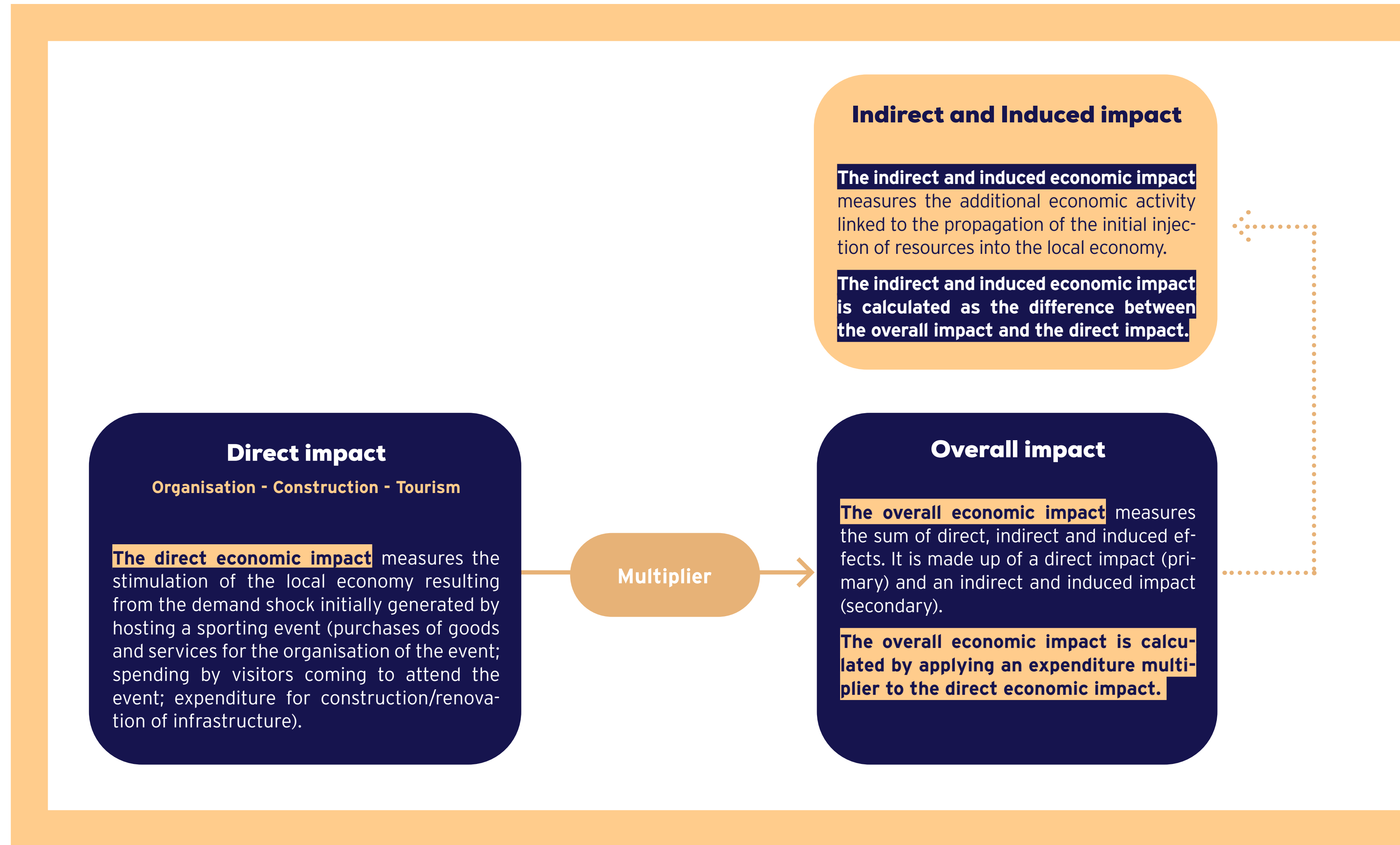
**21%**

from abroad

# 02.

## APPROACH AND METHODOLOGY

### – Calculation of overall impact



# 02.

## APPROACH AND METHODOLOGY

### – Multiplier values

The ex-ante economic impact study carried out in 2016 included three multiplier values:

- A low value of 1.1.
- An medium value of 1.5.
- A high value of 2.

As part of this update, **these values were questioned** in order to refine the approach and narrow the range of the forecast of the economic impact of the Paris 2024 Games.

The calculation of a multiplier is still the subject of much controversy, depending on the authors, the methods used and the reference territories:

→ There is **no consensus on the value to be placed on short-term multipliers**. This is partly due to the fact that economists do not agree on the explanatory theories of growth on which the calculation of economic impact is based. In particular, there is the fundamental opposition between the determining role played by effective demand among Keynesian economists and, conversely, supply-side economics among neoclassical economists.

→ The result is **very different models of economic impact** (computable general equilibrium model, input/output model, Keynesian model in an open economy) and **specific methods for calculating the multiplier effect** (econometrics, inversion of the matrix of technical coefficients, calculation of propensities).

→ Such a multiplier effect relates to a given territory (local, regional, national), which further complicates the calculation. In **France, there is no real regional accounting system that** allows this calculation at regional or infraregional level.

# 02.

## APPROACH AND METHODOLOGY

### – Multiplier values

### National multiplier (Mésange model – Insee)

The value of a national intertemporal consumption multiplier was estimated with the help of INSEE, based on simulations of the effects produced by an exogenous spending shock using the macroeconomic model Mésange (Modèle Econométrique de Simulation et d'ANalyse Générale de l'Économie) in its 2017 updated version.

This model measures the effects of an effective demand shock on the national economy. It is therefore suitable for measuring the impact on the French economy of a demand shock linked to the organisation of the Olympic Games.

It seems that two components of effective demand can be retained and analysed in two variants: **an investment shock** linked to the organisation of the Games and a **consumer spending shock** linked on the one hand to the organisation of the Games and on the other to the arrival of visitors.

→ The Games are the source of an **investment shock in the** form of the construction of sport infrastructure (e.g. the aquatic centre) and non-sport infrastructure (e.g. the Olympic village or the media centre). The Mésange study shows a **short-term multiplier of 1.31**.

→ The Games then provoke a **direct shock in consumer demand** linked to their staging, with the expenditure incurred by the organisers (the Paris 2024 Committee) and visitors to the Games. In the very short term, Mésange shows an instantaneous multiplier of 1.05. In the case of a one-off shock such as that associated with the Paris 2024 Games, INSEE considers it preferable to consider an 'intertemporal' multiplier that compares the cumulative effect of the ex-post shock with the ex-ante consumption supplement. **Ultimately, depending on the time horizon over which the additional consumption is accounted for, the multiplier obtained would be around 1.2, within a range of between 1.1 and 1.5.**

# 02.

## APPROACH AND METHODOLOGY

### – Multiplier values

### Regional multiplier

A great deal of work has been done in regional science to calculate an infra-national multiplier. They are mainly based on the development of an input/output table in the style of Léontieff, or on the calculation of various propensities (to consume locally, to import, etc.) within the framework of a Keynesian model in an open economy. In both cases, the difficulty of calculation in France stems from the absence of regional accounting, unlike in Anglo-Saxon countries.

Generally speaking, work carried out at sub-national level gives higher values for the multiplier than at national level:

→ Using its LOCAL SHIFT model, the firm **Utopies\*** has calculated multipliers for the top 400 urban areas in France. The Paris urban area has the highest multiplier at 1.73. This reflects the idea that the larger the area, but above all the more economically integrated it is, the lower the leakage outside the area and the higher the multiplier.

→ **Dominique Vollet** and **Jean Paul Bousset\*\*** carried out a meta-analysis based on 362 case studies and proposed the following formula for calculating a regional multiplier:

$$K_R = -0.53 + 0.17 \ln POP - 0.025 \ln PRI + 0.083 \ln TER.$$

The value of the multiplier is positively correlated with the size of the population and the proportion of tertiary employment, and negatively correlated with the proportion of direct employment. On this basis, the value of the multiplier obtained for the Paris Region would be greater than 2, which appears excessive.

\* [https://utopies.com/wp-content/uploads/2019/12/UTO-PIES\\_Note\\_Position\\_Effet\\_Multiplicateur.pdf](https://utopies.com/wp-content/uploads/2019/12/UTO-PIES_Note_Position_Effet_Multiplicateur.pdf)

\*\* <https://www.cairn.info/revue-d-economie-regionale-et-urbaine-2003-5-page-773.html>

# 02.

## APPROACH AND METHODOLOGY

### – Multiplier values

### Presentation of the three scenarios

Given the many difficulties involved in collecting the data needed to calculate the multiplier, and taking into account the errors in the variables involved, it has been decided to use conservative values for the multiplier for the Paris 2024 Games to guard against the risk of overestimating the impact. This range avoids controversy and neutralises the various biases inherent in calculating the multiplier. This only reinforces the need to focus on the quality of the assessment of the direct impact (net injection). It is on the validity of the determination of such an injection that the reliability of the overall impact calculation depends. From this point of view, the quality of the information gathered from stakeholders (see next page) guarantees the robustness of the results presented.

This range is narrower than the one used in 2016, which can be explained by the fact that on the one hand the data available for the update of the study in 2024 is much richer and more accurate than that available at the time of the initial study, and on the other hand by the integration of new and updated macroeconomic data in certain models used.

### Three multiplier values [1.05 - 1.25 - 1.5]

A **low scenario with a value of 1.05**, corresponding to an instantaneous shock to demand with few indirect and induced effects, due to exceptional leakage and crowding out effects.

A **medium scenario with a value of 1.25**, which corresponds to a commonly accepted value, particularly in international publications.

A **high scenario with a value of 1.5**, which corresponds to the ceiling value of the macroeconomic evaluations, given that the estimates of regional multipliers appear to be too high in the light of international academic evaluations. Recognised specialists such as Andrew Zimbalist, Robert Baade and Victor Matheson consider that it is difficult to justify, at a macroeconomic level, multipliers that are too high. For example, according to Andrew Zimbalist, multipliers at the overall macroeconomic level in the United States are of the order of 1.3. Yet the United States is a relatively closed economy. Multipliers in most other much more open economy countries, should therefore be lower. According to Zimbalist, multipliers that are too high are not credible. In the case of the Paris Region, the justification for the high scenario assumption is based on the fact that this region is a highly integrated territory that minimises leakage out of the circuit in relation to the types of spending caused by the Paris 2024 Games that are essentially in sheltered sectors.

# 02.

## APPROACH AND METHODOLOGY

### – Data used

Carrying out an economic impact study requires the full collaboration of all the stakeholders, especially when it is carried out ex-ante, as it implies having access to information that is partly forecast. The update of the economic impact study of the Paris 2024 Games was carried out thanks to the **voluntary and transparent contribution of numerous stakeholders**, including the Paris 2024 Committee, SOLIDEO (the Société de livraison des ouvrages olympiques) and other organisations such as INSEE (both the national and the Paris Regional branch) and the OTCP (Paris Convention and Tourism Office).

#### Paris 2024 Committee

The Paris 2024 Committee's role in ensuring that the work is robust is crucial insofar as it possesses a large amount of the necessary information. The Committee provided all the **updated budgetary information**, information on the **profile of ticket purchasers** and all the resources required for the mission.

#### SOLIDEO

The participation of the company responsible for delivering the Olympic facilities is also crucial, as it is responsible for contracting and/or supervising the construction of many of the sites. SOLIDEO provided all the information necessary for the analysis of the Construction impact: **updated financing plan and beneficiaries of contracts already awarded**.

#### Insee France and the Paris Region

INSEE played an important role in carrying out **economic simulations using the 2017 version of the macroeconomic model Mésange** (Modèle Économétrique de Simulation et d'ANalyse Générale de l'Économie) to assess the values used for the spending multiplier applied to the direct impact (see page 22).

#### Other organisations

**Other studies, resources and contributors made** this study possible by being involved in the development of the working hypotheses (visitor spending patterns, length of stay) and/or by contributing their knowledge of the Games organisation model.



# 03

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**ECONOMIC IMPACT**

# 03.

## ECONOMIC IMPACT



### 01

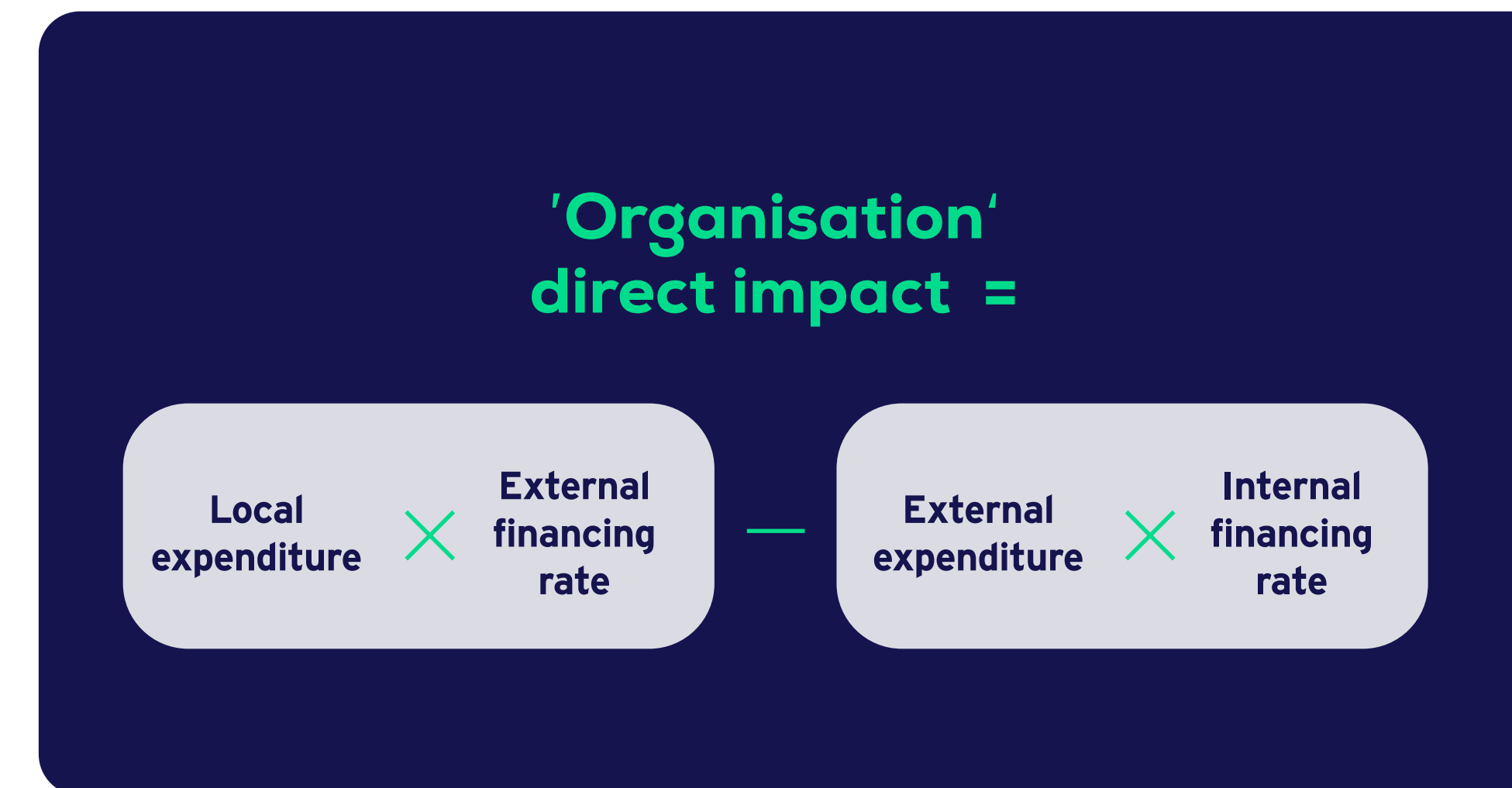
#### Organisation: direct impact – Paris 2024 Committee

The Organisation impact is assessed on the basis of the budgetary data provided by the Paris 2024 Committee (hereafter referred to as the OCOG budget). The work carried out with the Committee's teams consisted of an analysis of the updated version of the OCOG budget in order to establish the economic circuit of the Games, i.e. to be able to identify all the flows between stakeholders. More specifically, this first stage made it possible to identify:

→ The **nature, amount and origin of resources**. This step made it possible to assess the Paris 2024 Committee's external financing rate, i.e. the proportion of its income coming from external actors (International Olympic Committee, national sponsors, spectators, licence revenues, etc.) outside the Paris Region and, conversely, the internal financing rate, i.e. the proportion of income coming from local actors.

→ The **nature, amount and destination of expenses**. This step made it possible to assess the gross injection of income into the local economic fabric, i.e. the proportion of expenditure (purchases of various services, staff costs, etc.) by the Paris 2024 Committee that was incurred with economic agents located/domiciled in the Paris Region, as well as leakage, i.e. the proportion of expenditure incurred with economic agents outside the Paris Region.

On this basis, the direct organisation impact is calculated by integrating the gross injection (local expenditure x external financing rate) from which the leakage (external expenditure x internal financing rate) is deducted, i.e. as follows:



# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Paris 2024 Committee

### Analysis of resources

**The multi-annual budget for the organisation of the Games has been estimated at €4,397 million in income and expenses.** The figures presented below correspond to the budget approved by the Board of Directors in December 2022, adjusted for redeployments approved on 31/08/2023

With regard to revenues, the assessment of the internal and external financing rates was carried out progressively:

#### 01.

The first step was to **neutralise the value in kind (VIK) contributions made by certain partners.** As these are recognised as income and expenses but are not subject to any cash receipts or disbursements, they must be neutralised as they do not generate any tangible financial flows. €431m of income and expenses are therefore excluded, bringing **the total to €3,966m.**

#### 02.

The second step was to **identify the source of the revenue.** Each budget line was analysed to determine the origin of the revenue and whether it came from local economic agents (i.e. those located or domiciled in the Paris Region) or external economic agents (i.e. those located or domiciled outside the Paris Region).

# 03.

## ECONOMIC IMPACT



### 01

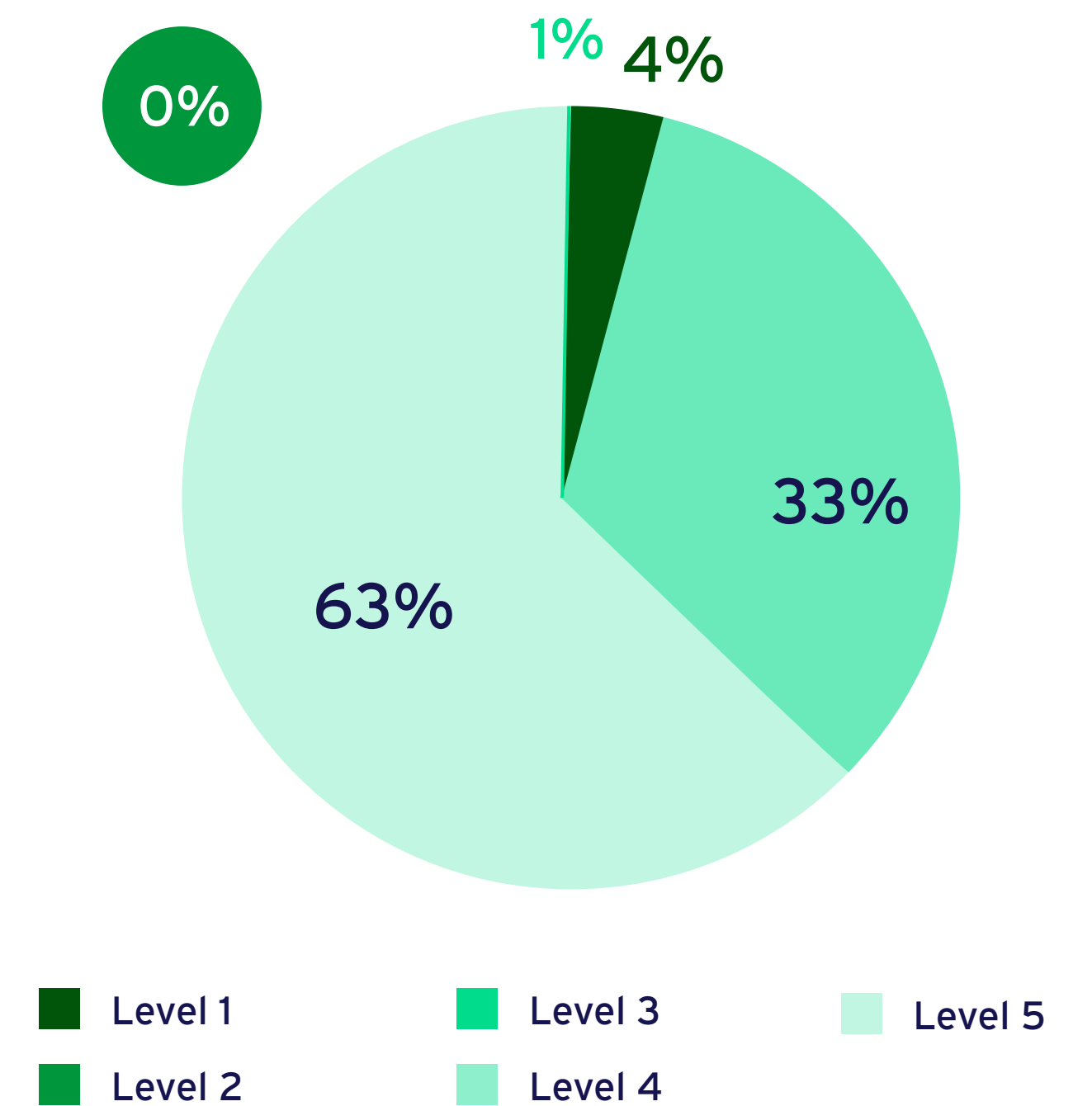
**Organisation:  
direct impact**  
– Paris 2024  
Committee

## Analysis of resources

It should also be noted that, given the state of completion of the Paris 2024 Committee's revenue budget, **a confidence index has been developed to determine the degree of certainty as to the geographical origin of the revenue.** Its value ranges from 1 (origin of revenue uncertain) to 5 (origin of revenue certain or almost certain). This index is based on two criteria:

- The proportion of income for which information is already available.
- A line-by-line study for significant budgets for which the origin of the funder(s) remains to be precisely documented.

**DEGREE OF CERTAINTY OF SOURCE OF INCOME**  
(1: location unknown; 5: location almost certain)



# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Paris 2024 Committee

### Analysis of resources

|                             | Total amount excluding VIK (in € millions) | Share Paris Region | Share outside Paris Region | Degree of certainty |
|-----------------------------|--|--------------------|----------------------------|---------------------|
| IOC contribution            | 750  | 0%                 | 100%                       | 5                   |
| TOP Programme               | 398  | 0%                 | 100%                       | 5                   |
| Partnership                 | 890  | 0%                 | 100%                       | 5                   |
| Tickets                     | 1,243                                      | 20%                | 80%                        | 4                   |
| Hospitality                 | 183  | 0%                 | 100%                       | 5                   |
| Licensing and merchandising | 130  | 79%                | 21%                        | 1                   |
| Public contributions        | 171  | 27%                | 73%                        | 5                   |
| Lotteries                   | 16   | 0%                 | 100%                       | 5                   |
| Other income                | 185  | 9%                 | 91%                        | 4                   |
| <b>Total</b>                | <b>3,966</b>                               | <b>11%</b>         | <b>89%</b>                 | <b>-</b>            |

# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Paris 2024 Committee

## Analysis of resources

### Main explanations for the geographical allocation of revenues:

→ The **contribution from the International Olympic Committee** and that from the TOP international sponsorship programme were entirely allocated from outside the Paris Region.

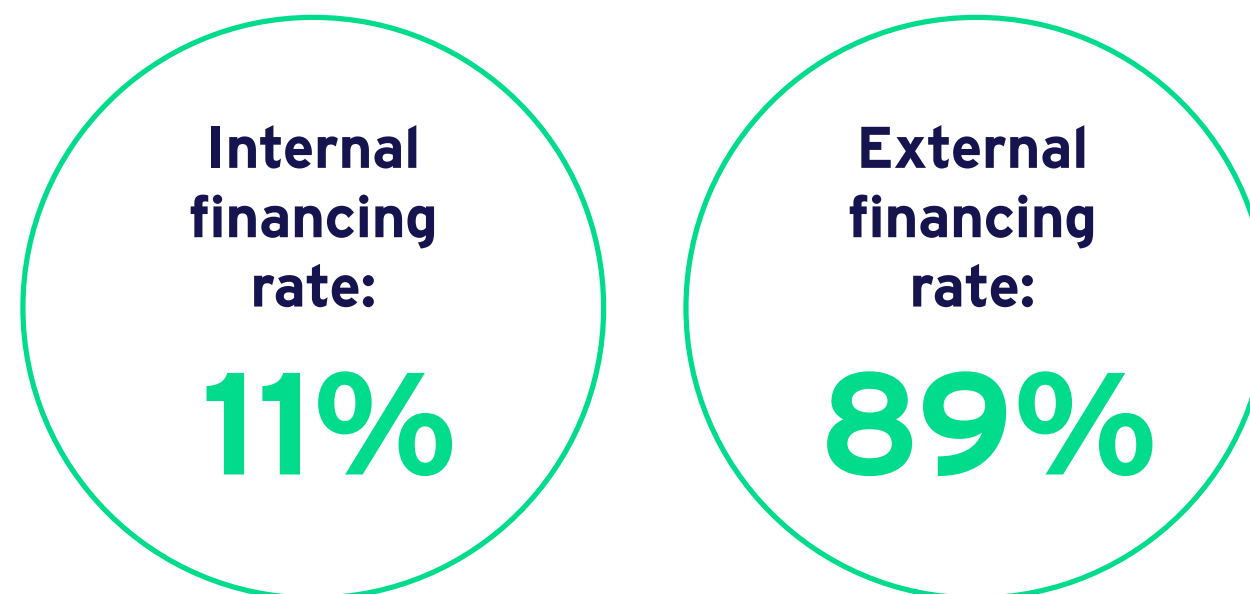
→ **Revenue from domestic partnerships** has also been allocated in its entirety as coming from outside the Paris Region, since the various categories of partners are at least national in scope. This choice is in line with the approach adopted in 2016 and is justified by the fact that these companies have either mobilised exceptional budgets to support the Games (which would not necessarily have been spent in the Paris Region without the Games) or directed budgets towards the Paris Games that would have benefited other sporting events organised elsewhere or possibly the Games if they had been organised in another country or in other sectors of activity.

→ **Ticketing revenues** have been allocated on the basis of the origin of purchasers in the marketing phases up to the end of August 2023.

→ 100% of **hospitality revenue** was considered to come from outside the Paris Region, given the target customer base (mainly from outside the Paris Region and internationally).

→ Finally, with regard to **public contributions**, those from the City of Paris, the Paris Region and the Greater Paris Metropolitan Area are considered as local (Paris Region), while those from the French State are considered as outside the Paris Region.

**On this basis, the values of the internal and external financing rates are established as follows:**



# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Paris 2024 Committee

## Analysis of costs

As with income, the analysis of expenditure has been carried out progressively in order to identify their geographical destination as precisely as possible:

### 01.

The amount of expenditure taken into consideration for the purposes of the study is **€3,966m**. This amount is arrived at after neutralising expenses corresponding to value in kind (VIK) contributions from stakeholders that are not subject to any receipts or disbursements (example: contribution of goods worth €10,000 valued at €10,000 in the income statement of the Paris 2024 Committee).

### 02.

The second step was to **identify the destination of the expenditure**. Each budget line was analysed to determine the recipient of the expenditure and whether it benefited local economic agents (i.e. those located or domiciled in the Paris Region) or external economic agents (i.e. those located or do-

miciled outside the Paris Region). Given the state of progress of the project, the amount of the charges could be broken down between:

- Expenditure incurred or committed for which the precise geographical allocation was available. This totalled €1,245m, excluding VIK (31%).
- Expenditure committed or still to be committed for which the precise geographical allocation was not available. This totalled €2,721m, excluding VIK (69%).

As in the case of income, a **confidence index has also been developed for expenditure yet to be incurred** in order to specify the degree of certainty regarding the destination of the expenditure. Its value ranges from 1 (expenditure destination uncertain) to 5 (expenditure destination certain or almost certain). This index is based on two criteria:

- The proportion of past expenditure for which location information is available
- A line-by-line study for significant budgets for which the origin of the supplier(s) is known.

# 03.

## ECONOMIC IMPACT



### 01

## Organisation: direct impact – Paris 2024 Committee

## Analysis of costs

|   |                                      | Total amount excluding VIK (€m) | Paris Region share | Share outside Paris Region | Degree of certainty regarding expenditure still to be incurred |
|---|--------------------------------------|---------------------------------|--------------------|----------------------------|--|
| Operations                                | Sites and infrastructures            | 847,308                         | 78%                | 22%                        | 3  |
|   | Games Services                       | 208,956                         | 91%                | 9%                         | 3  |
|   | International relations              | 28,775                          | 67%                | 33%                        | 3  |
|   | Event venue management               | 398,354                         | 77%                | 23%                        | 5  |
|   | Broadcast and press services         | 32,632                          | 9%                 | 91%                        | 4  |
|   | Operational management               | 2,478                           | 87%                | 13%                        | 1  |
| Excluding operations                      | Human resources                      | 609,443                         | 97%                | 3%                         | 5  |
|   | Technologies and information systems | 333,405                         | 34%                | 66%                        | 3  |
|   | Sales and marketing development      | 330,861                         | 39%                | 61%                        | 4  |
|   | Security                             | 220,430                         | 99%                | 1%                         | 4  |
|   | Brand                                | 16,369                          | 88%                | 12%                        | 2  |
|   | Finance & administration             | 129,964                         | 93%                | 7%                         | 4  |
|   | Sport                                | 79,755                          | 62%                | 38%                        | 4  |
|   | Impact & Legacy                      | 49,766                          | 87%                | 13%                        | 4  |
|   | Environmental excellence             | 25,756                          | 76%                | 24%                        | 4  |
|   | Digital                              | 24,408                          | 57%                | 43%                        | 3  |
|   | Presidency / General Management      | 252,710                         | 75%                | 25%                        | 3  |
|   | Planning & Coordination              | 9,630                           | 62%                | 38%                        | 5  |
|   | Commitment                           | 15,443                          | 75%                | 25%                        | 2  |
|   | Communication                        | 10,200                          | 87%                | 13%                        | 2  |
|   | Culture                              | 13,193                          | 71%                | 29%                        | 4  |
|   | Celebrations                         | 43,911                          | 93%                | 7%                         | 4  |
| Creativity, ceremonies & special projects | 150,252                              | 90%                             | 10%                | 4                          |  |
| Transport                                 | 132,397                              | 69%                             | 31%                | 5                          |  |
| Total                                     |                                      | 3,966,000                       | 75%                | 25%                        | -  |



# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Paris 2024 Committee

## Analysis of costs

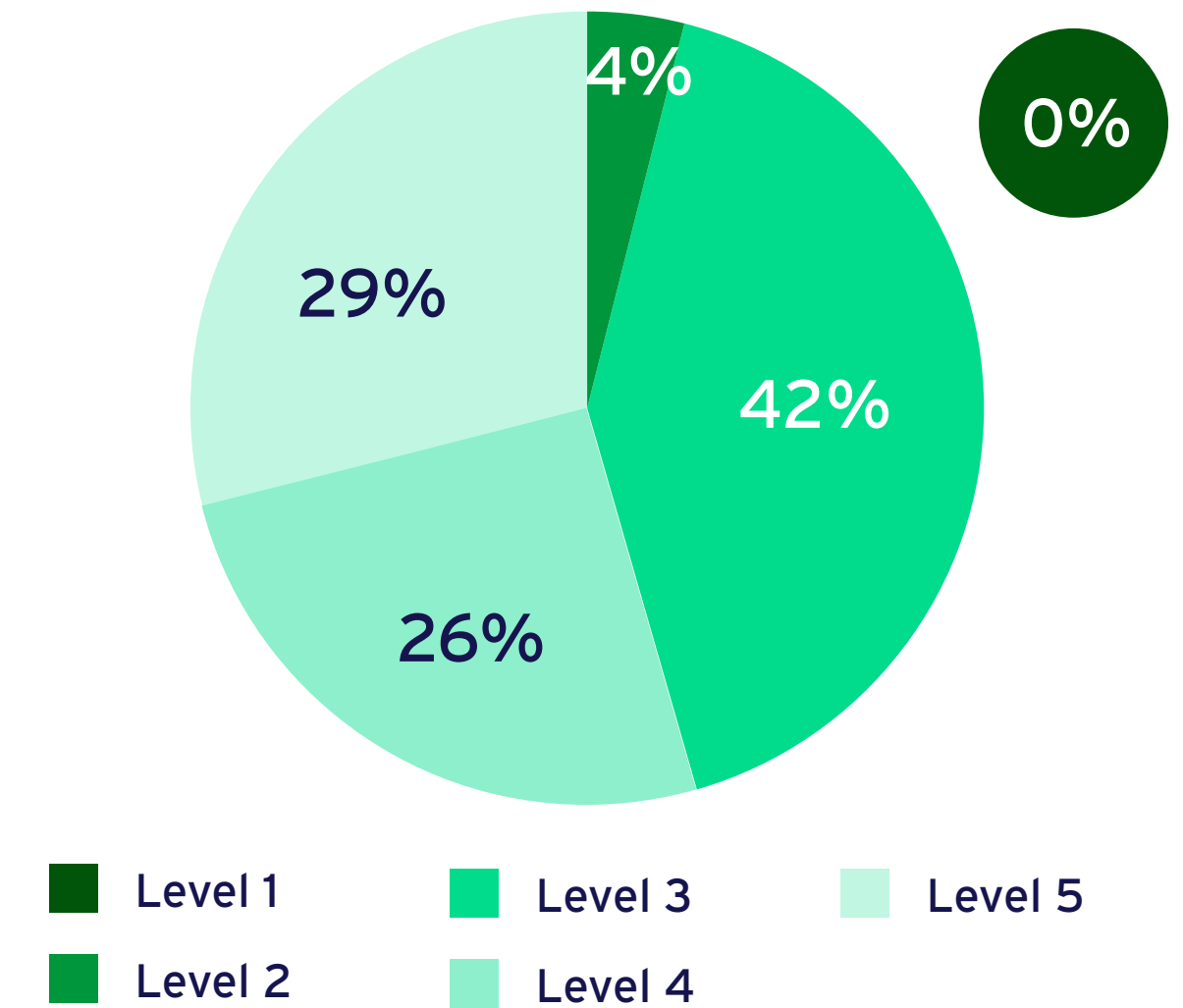
### Main explanations for the geographical allocation of expenditure:

→ From a general point of view, the Paris 2024 budget includes expenditure that has already been incurred and/or committed, as well as expenditure that has yet to be incurred:

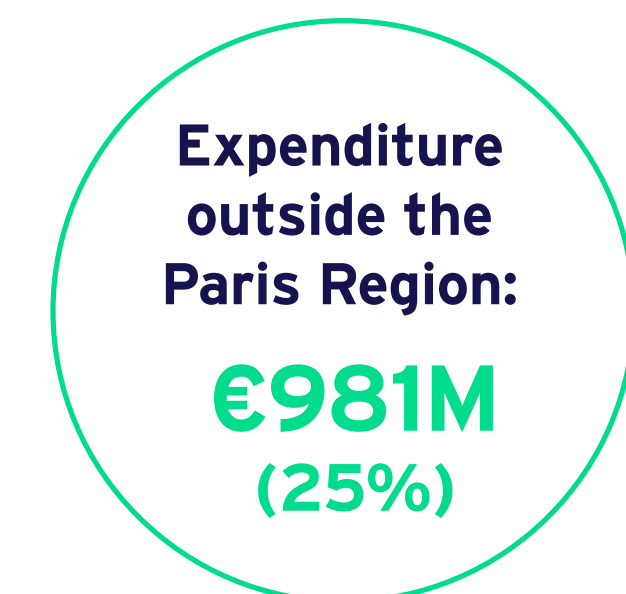
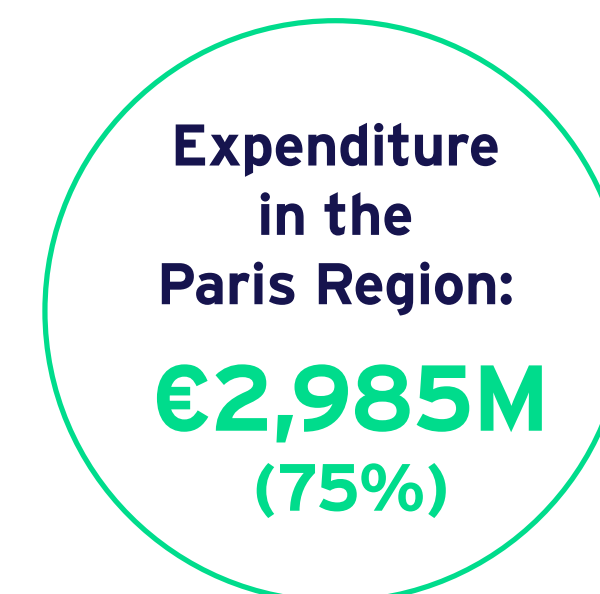
**In the case of expenditure that has already been incurred or for which an order is in progress**, the geographical allocation has been carried out on the basis of the address of the supplier's head office. The analysis was carried out at the finest possible analytical level, i.e. for each element of the WBS (Work-Breakdown Structure), which may correspond to a given project, a specific site or even a purchasing category depending on the budget structure of each Paris 2024 hub.

**With regard to the expenditure still to be committed**, assumptions had to be made about the territorial distribution. This was done either by taking into account the existing breakdown of expenditure for each element of the WBS, or by basing the breakdown on the level of each functional unit (FA). For this expenditure, an indicator of the degree of certainty of the destination of the expenditure has been added. This is determined by two factors: the proportion of past expenditure for which expenditure information is available and a line-by-line study for significant budgets for which the origin of the supplier(s) is known.

DEGREE OF CERTAINTY LOCATION OF EXPENDITURE  
(1: location unknown ; 5 : location almost certain)



On this basis, the territorial breakdown of expenditure excluding VIK is as follows:



# 03.

## ECONOMIC IMPACT



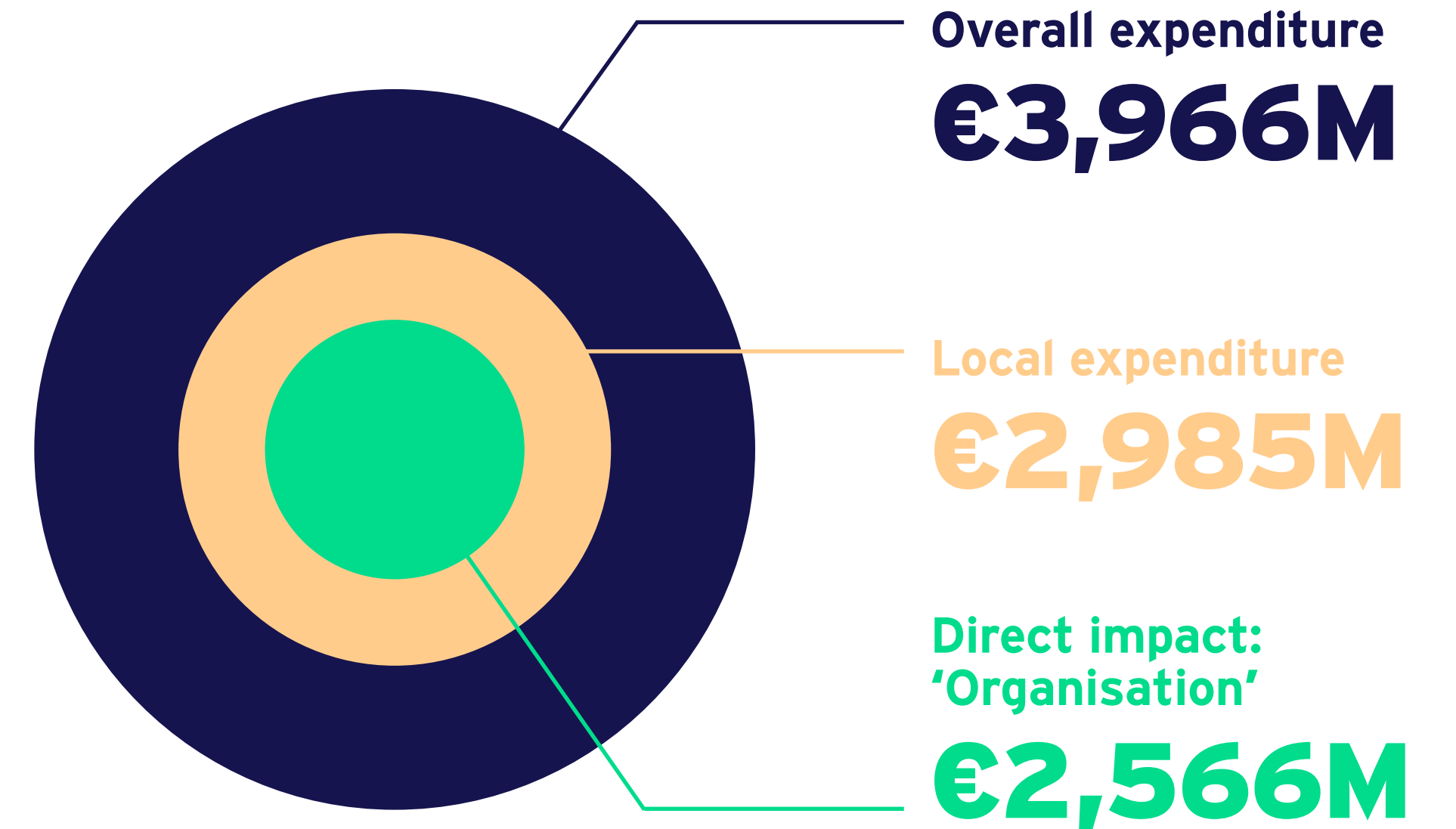
### 01

#### Organisation: direct impact – Paris 2024 Committee

**Overall expenditure** (excluding the value of in-kind contributions) by the Paris 2024 Committee is expected to be **€3,966m**.

**€2,985m** (75%) was spent within the Paris Region. 89% of this local expenditure was financed by income from outside the region, resulting in a gross injection of €2,670m.

Other expenditure (€981m, 25%) was incurred outside the local economic circuit by using suppliers not domiciled in the Paris Region. Since some of this expenditure was financed by income from regional actors (11%), it represents leakage from the region valued at €104m.



The direct 'Organisation' impact from the Paris 2024 Committee is therefore **€2,566m**

# 03.

## ECONOMIC IMPACT



### 01

#### Organisation: direct impact – Other stakeholders

Other elements have been included in the analysis of the Organisation impact, in particular:

→ **Expenditure incurred by the CNOSF (Comité National Olympique et Sportif Français)** to set up the "Club France" in the Parc de la Vilette.

→ **Expenditure on activating partners** of the IOC (International Olympic Committee) TOP programme and the Paris 2024 Committee (domestic sponsorship programme), particularly in terms of acquiring advertising space, setting up *showcasing* areas (including the rental of prestigious venues in the Paris Region), various invitations (customers, prospects, employees) and promotional operations.

The same calculation methods have been used to identify the economic impact of this additional expenditure, i.e. the identification of potential sources of expenditure that could generate an injection of revenue into the Paris Region economy, the identification of the geographical origin of the funder and the location of the expenditure, and the assessment of the direct impact associated with this expenditure.

|         | Total expenditure | Local expenditure | Direct impact |
|---------|-------------------|-------------------|---------------|
| Amounts | 1,303             | 275               | 271           |

**On the basis of the information gathered and the calculation assumptions used, the 'Organisation' direct impact of expenditure by external stakeholders is estimated at €271m.**

# 03.

## ECONOMIC IMPACT



### 01

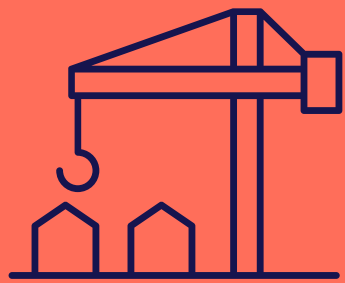
#### Organisation: direct impact

– Summary

|                             | (in millions of current euros) | Paris 2024 Committee | Other stakeholders | Total |
|-----------------------------|--------------------------------|----------------------|--------------------|-------|
| Direct impact: ORGANISATION |                                | 2,566                | 271                | 2,837 |

# 03.

## ECONOMIC IMPACT



## 02

### Construction: direct impact

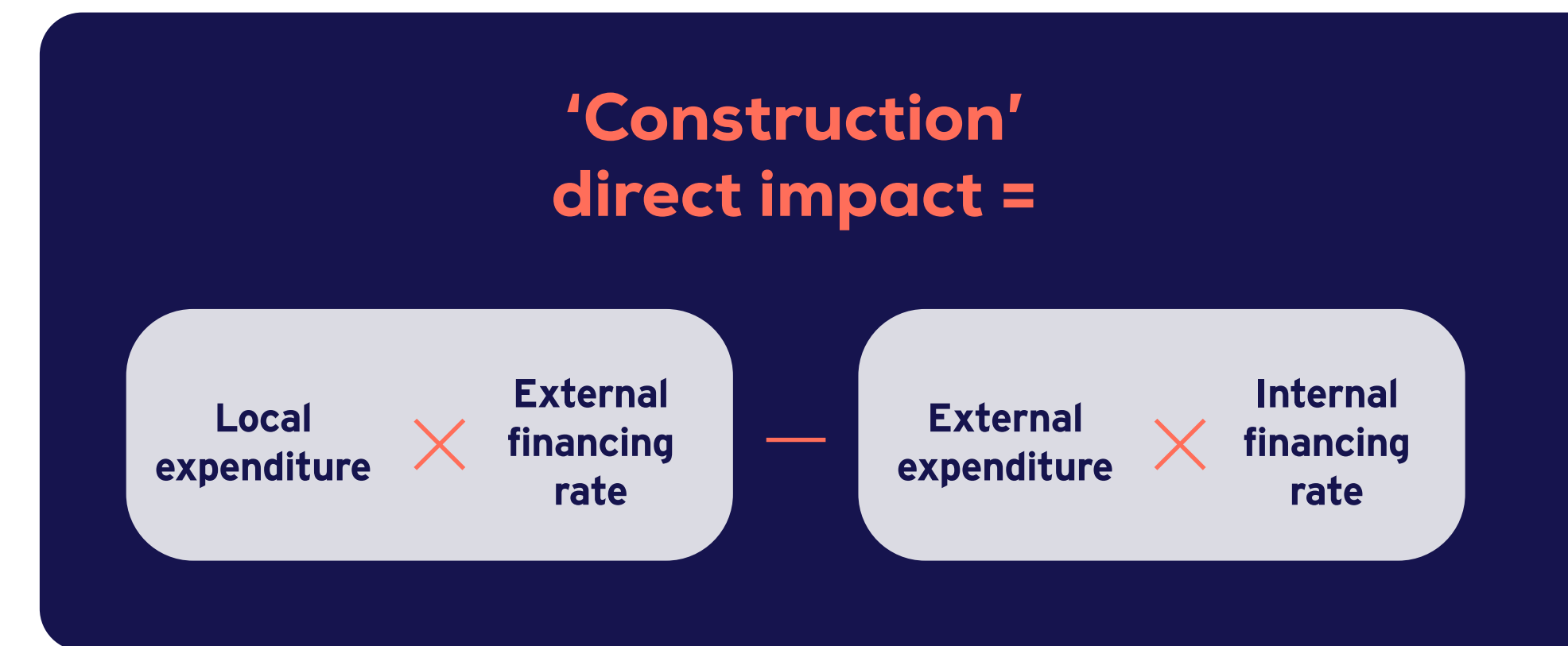
The Construction impact is assessed on the basis of budgetary data provided by SOLIDEO (Société de livraison des ouvrages olympiques). SOLIDEO is the public body responsible for the Olympic and Paralympic infrastructure (construction and renovation) that will remain after the Games. SOLIDEO's mission is threefold: to ensure that the facilities are delivered within the timeframes required for the organisation of the Games; to oversee the financing of all the investments and the execution of all the work required for the organisation of the Paris 2024 Games; and to ensure the conversion of the facilities once the Games are over.

Analysis of the information provided by SOLIDEO has identified:

→ The **amount and origin of resources**. This step enabled us to assess the level of external financing for the Olympic facilities, i.e. the proportion of investment financed by actors from outside the Paris Region (mainly the State or private actors) and, conversely, the level of internal financing, i.e. the proportion of investment financed by local actors (the Paris Region, regional departments, the Greater Paris Metropolitan Area, various public bodies and the City of Paris).

→ The **amount and destination of expenditure**. This stage has enabled us to assess the gross injection of revenue into the local economic fabric, i.e. the proportion of capital expenditure that has been incurred by economic agents located/domiciled in Paris Region, and leakage, i.e. the proportion of external expenditure incurred by economic agents outside the Paris Region.

On this basis, the direct Construction impact is calculated by integrating the gross injection (local expenditure x external financing rate) from which the leakage (external expenditure x internal financing rate) is deducted, i.e. as follows:



# 03.

## ECONOMIC IMPACT



# 02

## Construction: direct impact

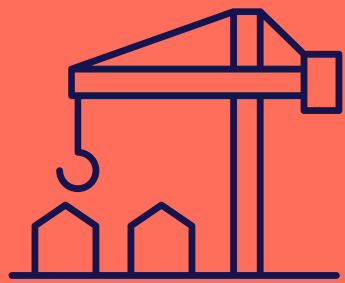
### Analysis of resources

Although largely based on existing infrastructure, the Paris 2024 Games will require the construction or renovation of various facilities. A total of 70 structures are included in the SOLIDEO programme: competition venues, training sites and other infrastructure required for the Games. The total budget for these facilities is €4,513m, with contributions from both the private and public sectors.

|   | Total amount<br>(in current €m) | Amount needed<br>for the Games<br>(in current €m) |
|---|---------------------------------|---|
| <b>SOLIDEO budget</b>                                   | 1,721                           | 1,655   |
| <b>Private financiers and investors</b>                 | 1,832                           | 1,440   |
| <b>Additional public investment linked to the Games</b> | 145                             | 88  |
| <b>Revenue from property charges</b>                    | 134                             | 134   |
| <b>Additional public funding linked to Legacy</b>       | 449                             |   |
| <b>Private funding linked to Legacy</b>                 | 232                             |   |
| <b>Total</b>  | <b>4,513</b>                    | <b>3,317</b>                                      |

# 03.

## ECONOMIC IMPACT



# 02

## Construction: direct impact

### Analysis of resources

Public funding totalled €2,315m in current terms (51%). These include:

- The public funding included in SOLIDEO's financial model, which amounts to €1,721 million in current euros (model approved by SOLIDEO's Board of Directors on 19 July 2023).
- The additional public funding provided by local and regional authorities, which is necessary for the Games but does not pass through SOLIDEO, amounts to €145 million in current terms.
- Additional public funding provided by local and regional authorities but not required for the Games (additional programmes to strengthen the legacy of the Games but not directly required for their organisation), which amounted to €449 million in current terms.

Private funding totalled €2,064m, broken down as follows:

- Financing directly linked to the Games for an amount of €1,832 million. This amount has been restated to take account of a difference in the accounting treatment of SOLIDEO items (in particular the amount including VAT), reducing the amount required for the Games to €1,440m.
- Financing linked to the legacy of the Games for an amount of €232 million.

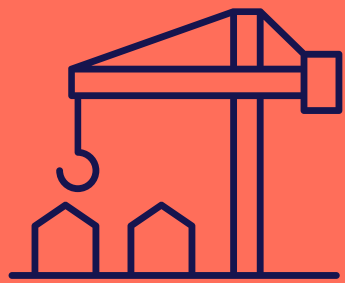
The remainder is made up of income from property charges amounting to €134m in current terms.

After deducting public and private investments made as part of the construction work for the Games but not directly necessary for their organisation, the **amount of infrastructure investment used in the impact study comes to €3,317m.**

This amount covers only the investment required for the Games, including certain improvements specific to the event at venues (Roland-Garros, Grand-Palais) whose renovation had been decided independently of their organisation. For these venues, only the cost of these specific improvements has been taken into account, and not the total cost of the works. However, this figure does not include certain expenditure on infrastructure that was agreed upon before the Games were awarded (e.g. the Porte de la Chapelle Arena).

# 03.

## ECONOMIC IMPACT



# 02

## Construction: direct impact

### Analysis of resources

The second stage consists of identifying the source of funding for the infrastructure investments required for the Games, in order to establish the proportion of external funding, i.e. from actors outside the Paris Region, and the proportion of internal funding, i.e. from actors based in the Paris Region. This was made possible thanks to the information provided by SOLIDEO.

The geographical origin of public funding was identified on the basis of the location of the funders. These break down as follows

- The European Union (ERDF programme funds).
- From the French state.
- Funds from local authorities in and outside the Paris region (particularly for competition venues outside Paris).

On the basis of data from the 'SOLIDEO model' and the 'OPG model' (Olympic and Paralympic Games) for investments made to host the Games, **the rate of external public funding is 70% and the rate of internal public funding is 30%.**

As revenue from property charges cannot be allocated to a specific geographical area, it has been allocated on the basis of the overall distribution observed for other revenue, i.e. 30% from the Paris Region and 70% from outside the Paris Region.



# 03.

## ECONOMIC IMPACT



# 02

## Construction: direct impact

## Analysis of resources

The identification of the geographical origin of private funding has been carried out differently insofar as a large part of it will be provided by developers responsible for the redevelopment of the athletes' village and the media cluster. As with the Paris 2024 Committee's domestic sponsors (see page 38), although they may have their head offices in the Paris Region, they have been considered to be national-level investors. This is justified by the fact that these sponsors are resolutely national companies and also by the fact that, if the projects had taken place elsewhere in France, they would also have been involved. It is therefore assumed **that 100% of private funding comes from outside the Paris Region.**

|                 | Paris Region | Outside Paris Region |
|-----------------|--------------|----------------------|
| Public funding  | 30%          | 70%                  |
| Private funding | 0%           | 100%                 |
| Total           | 17%          | 83%                  |

\*The internal and external financing rates do not correspond to the average of the two lines because of the respective weight of public and private financing in the overall economic model of infrastructure financing.

**On this basis, the values of the internal and external financing rates are established as follows:**



# 03.

## ECONOMIC IMPACT



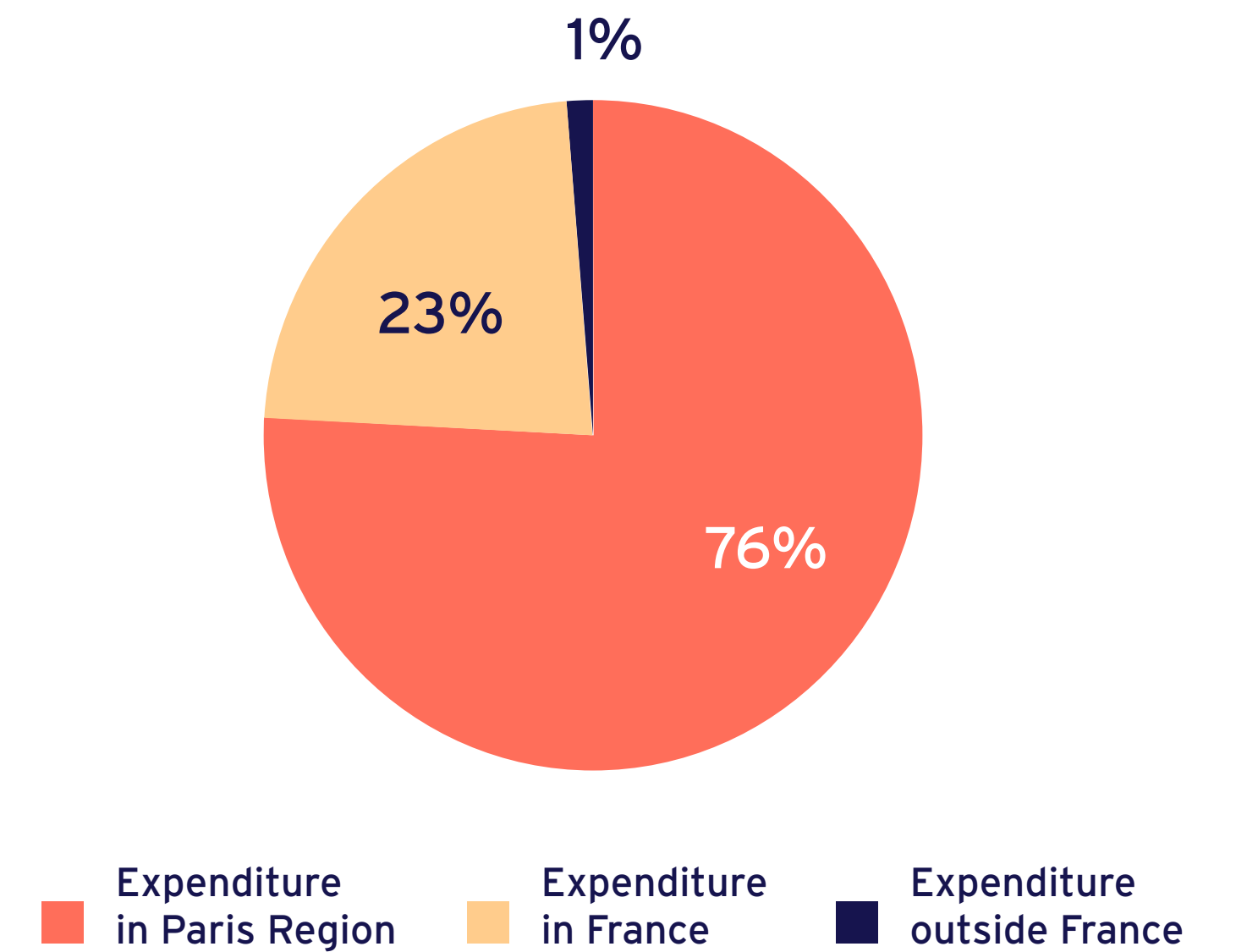
# 02

## Construction: direct impact

### Analysis of costs

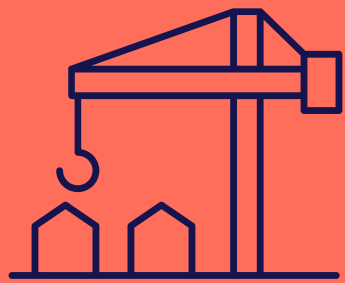
As with income, only expenditure incurred by SOLIDEO for the construction, renovation and fitting out of facilities required for the Games has been included here. Amounts not required for the Games or those relating to infrastructure whose construction or renovation had been decided before the Games were awarded have been removed. As the amount of resources corresponds to the amount of funding, **we have assumed a total construction expenditure of €3,317m.**

**BREAKDOWN OF EXPENDITURE INCURRED BY SOLIDEO**  
(Amounts including VAT at the end of January 2024)



# 03.

## ECONOMIC IMPACT



# 02

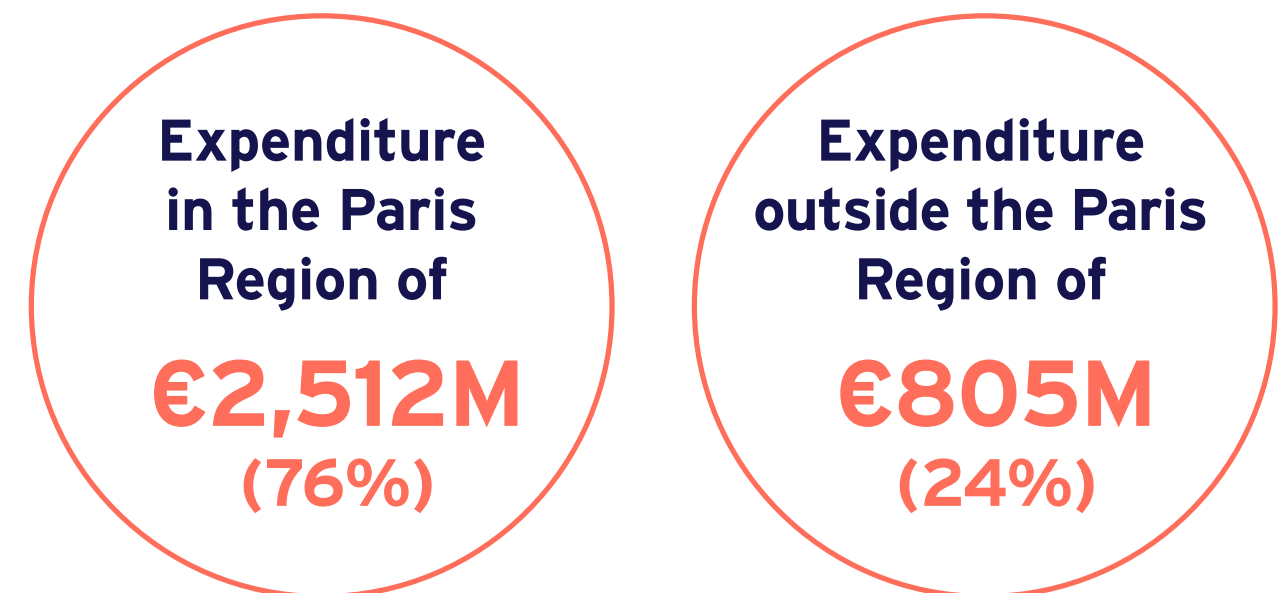
## Construction: direct impact

### Analysis of costs

The analysis of the destination of construction expenditure was carried out on the basis of information provided by SOLIDEO on contracts completed or in progress. A total of €2,690m (including tax) was spent, of which 76% (€2,037m) was with companies based in the Paris Region, 23% (€625m) with companies based in France outside the Paris Region and 1% (€28m) with companies based abroad.

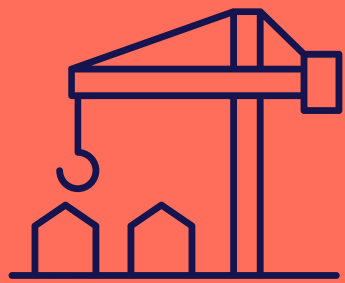
In line with methodological recommendations in this area, it has been decided to apply the reported amount of local expenditure to infrastructure expenditure that has not yet been committed.

On this basis, the territorial breakdown of construction expenditure is as follows:



# 03.

## ECONOMIC IMPACT



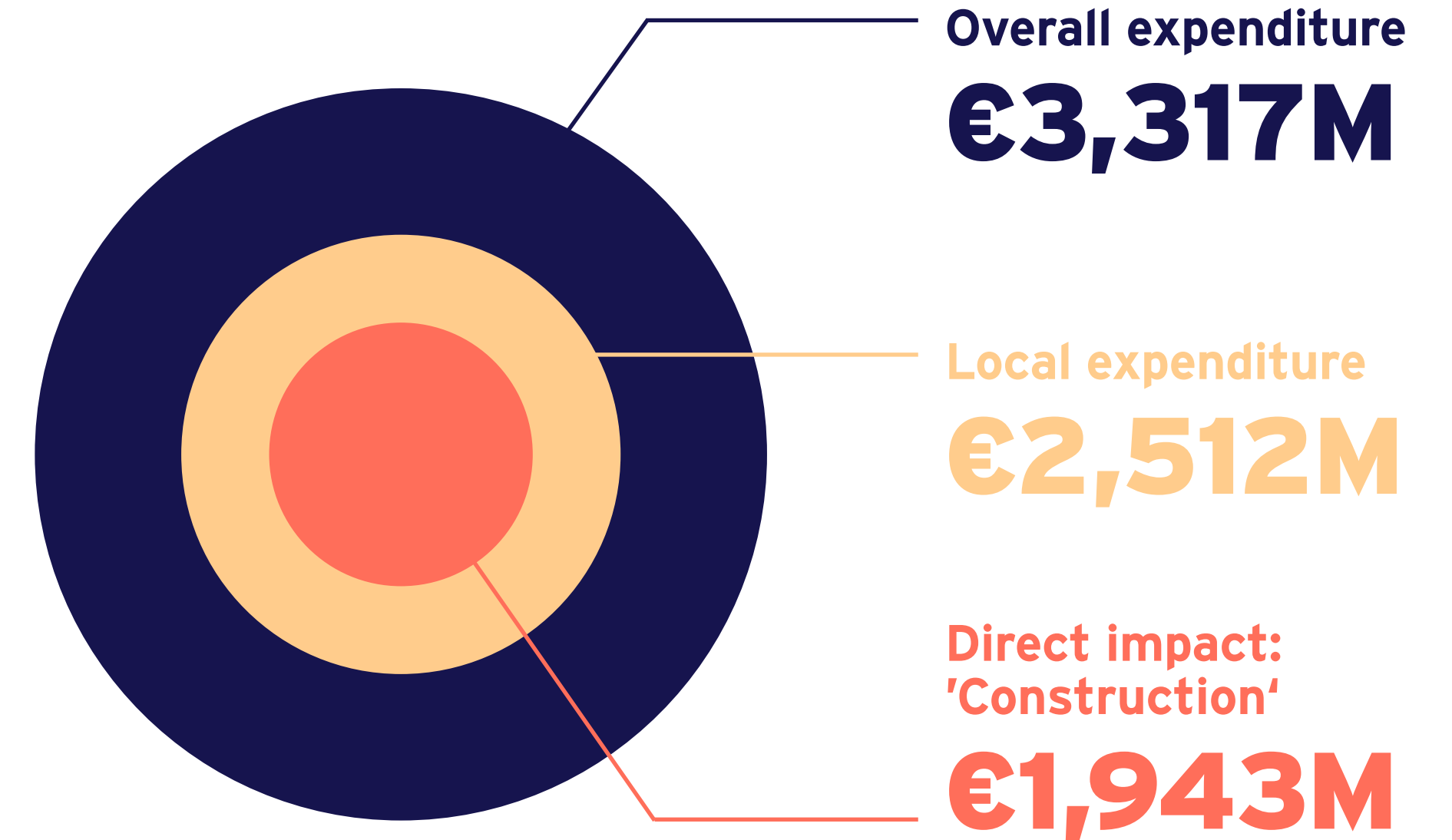
## 02

### Construction: direct impact

**Overall expenditure** on infrastructure investment for the Games is expected to be **€3,317m**.

On the basis of the expenditure incurred by SOLIDEO, it is estimated that **€2,512m** (76%) should be spent within the Paris Region. 83% of this local expenditure was financed by income from outside the region, resulting in a gross injection of €2,081m.

Other expenditure (€805m, 24%) is expected to be incurred with external service providers and suppliers. Insofar as 17% of this expenditure was financed by income from regional actors, it will result in leakage of €138m.



**The direct 'Construction' impact of the Paris 2024 Games is therefore €1,943M.**

# 03.

## ECONOMIC IMPACT



### 03

## Tourism: direct impact

The Tourism impact is assessed on the basis of various data:

→ **Data transmitted by the Paris 2024 Committee concerning** the attendance of certain categories of visitors

- **Spectators** at the Olympic and Paralympic Games: number of tickets put on sale, marketing assumptions and origin of spectators based on the initial marketing phases.
- The **Olympic family** (leaders of the Olympic Movement, International Federations, National Olympic Committees and TOP partners, future senior executives of the OCOG, etc.): number of members, details of whether or not certain expenses are covered.
- **Media**: number of people accredited by the IOC and the IPC, number of people from OBS (Olympic Broadcasting Services) accredited to cover the event.
- **Volunteers**: number of volunteers and details of whether certain expenses are covered.
- **Sponsors**: estimated number of sponsors present during the event.

→ **Data relating to previous editions of the Games**, in particular those of London 2012 and Rio 2016, particularly with regard to visitor typology, numbers and spending patterns. These data were compiled by ORME (the Observatoire pour la Recherche sur les Méga-Événements) for Paris 2024.

→ **Data on tourism in the Paris Region** collected and produced by the *Visit Paris Region* Institute (Comité régional du tourisme d'Île-de-France), providing details of visitor numbers, length of stay and tourist spending patterns outside the Games period.

→ Various **data from reports** produced on the Paris 2024 Games, in particular by the OTCP (Paris Convention and Tourism Office).

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

For spectators, the calculation is based on the number of tickets sold for the Olympic and Paralympic Games. Various assumptions have been made:

→ For the **Olympic Games**:

- This low assumption is based on the recommendations of the report by the Audit Committee chaired by Jacques Lambert.
- A medium assumption based on the number of marketable tickets as stated in the bid in 2016.
- A high assumption based on the commercial forecasts updated by Paris 2024 in January 2024.

→ For the **Paralympic Games**:

- A low assumption based on the commercial forecasts updated by Paris 2024 in January 2024.
- A medium assumption based on the recommendations of the report by the Audit Committee chaired by Jacques Lambert.
- A high assumption based on the number of marketable tickets as stated in the bid in 2016.

| Number of marketable tickets | Low assumption | Medium assumption | High assumption |
|------------------------------|----------------|-------------------|-----------------|
| <b>Olympic Games</b>         | 9,725,697      | 9,729,473         | 10,347,978      |
| <b>Paralympic Games</b>      | 2,669,500      | 3,153,173         | 3,696,382       |
| <b>Total</b>                 | 12,395,197     | 12,882,646        | 14,044,360      |

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

On this basis, the forecast number of unique spectators was established on the basis of:

→ **Commercial assumptions** about the number of tickets sold. As with the commercial gauges, three sales rates have been established for the Olympic and Paralympic Games.

→ The **average number of tickets per person**, making it possible to switch from the total number of spectators to the number of unique spectators.

| Sales rate assumptions | Low assumption | Medium assumption | High assumption |
|------------------------|----------------|-------------------|-----------------|
| Olympic Games          | 77%            | 85%               | 90%             |
| Paralympic Games       | 62%            | 69%               | 75%             |

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

The transition from the forecast total attendance to the forecast number of unique spectators was then carried out on the basis of an average number of tickets per person. In accordance with ORME's research, the average number of tickets per person was set at 4 (assumptions based on London 2012 and Rio 2016).

The spectators were then divided according to their origin on the basis of the information provided by Paris 2024, with a breakdown between:

- **French spectators** divided between those residents living in the Paris Region and those living in another French region.
- **Foreign spectators** classified according to their origin between European resident spectators and spectators from further afield (outside Europe).

| Origin of spectators                | Olympic Games | Paralympic Games |
|-------------------------------------|---------------|------------------|
| <b>France</b>                       | <b>64%</b>    | <b>83%</b>       |
| Of which Paris Region residents     | 45%           | 65%              |
| Of which residents of other regions | 55%           | 35%              |
| <b>Foreign</b>                      | <b>36%</b>    | <b>17%</b>       |
| Of which European residents         | 69%           | 80%              |
| Of which residents outside Europe   | 31%           | 20%              |

Spectators living in the Paris Region were removed from the analysis because of the substitution effect. **Only French spectators living outside the Paris Region and foreign spectators were retained.**



# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

Casual spectators were then removed. These spectators are people who do not live in the Paris Region and who will be coming to watch the Olympic and/or Paralympic Games, but whose main reason for coming to the region is not related to the Games (business trip, holiday, visit family or friends, etc.). The **percentage of visitors coming to the Paris Region specifically for the Games has been** established on the basis of work carried out on previous major sporting events held in France.

| Share of specific spectators | Low assumption | Medium assumption | High assumption |
|------------------------------|----------------|-------------------|-----------------|
| Olympic Games                | 90%            | 92.5%             | 95%             |
| Paralympic Games             | 72%            | 77%               | 82%             |

| Share of day trippers | Visitors French | Foreign visitors |
|-----------------------|-----------------|------------------|
| Olympic Games         | 79%             | 9%               |
| Paralympic Games      | 85%             | 9%               |

Finally, spectators were divided into two categories according to their attendance patterns:

- **Day tripper spectators** who come to take part in the Games over one or more days, but without spending the night away from home.
- **Overnight spectators** who will be spending at least one night in the Paris Region.

This breakdown is based on work carried out by the OTCP (Paris Convention and Tourism Office). The proportion of French resident day trippers has been revised upwards for the Paralympic Games (85%).

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

On this basis, spending patterns were applied to each visitor category. These were established on the basis of:

→ **Spending patterns for visitors (overnight visitors and day-trippers)** who usually visit the Paris Region outside the Paris Games. The latest available data published each year by the Comité régional du tourisme d'Île-de-France are for 2022. The spending patterns have been adjusted to take account of the 'natural' inflation observed in 2023 (+4.9%) and the Banque de France's projections for 2024 (+2.5%).

→ The **spending habits of Olympic tourists** differ from those of regular tourists. In the study carried out on London 2012 and Rio 2016, ORME found that tourists coming to take part in the Games spent on average twice as much as standard tourists. We have therefore applied this ratio to the spending patterns of French and foreign tourists for the Olympic Games. In contrast, the spending patterns of regular visitors were applied to Olympic Games day-trippers and Paralympic Games day-trippers and overnight spectators.

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Spectators

| Number and type of spectators used to calculate impact | Low assumption   | Medium assumption | High assumption  |
|--|------------------|-------------------|------------------|
| <b>France</b>  | <b>676,996</b>   | <b>792,761</b>    | <b>943,415</b>   |
| Of which day-trippers                                  | 539,884          | 626,281           | 745,298          |
| Of which overnight visitors                            | 137,112          | 166,480           | 198,117          |
| <b>Foreign</b>   | <b>662,196</b>   | <b>767,662</b>    | <b>905,698</b>   |
| Of which day-trippers                                  | 41,902           | 48,705            | 57,588           |
| Of which overnight visitors                            | 620,294          | 718,957           | 848,110          |
| <b>Total</b>   | <b>1,339,192</b> | <b>1,560,422</b>  | <b>1,849,113</b> |

On the basis of the above assumptions, the total number of spectators (i.e. ticket holders for the Games) used to assess the Tourism impact is between 1,339 million (low assumption) and 1,849 million (high assumption).

The proportion of day-trippers (visitors coming for the day without staying overnight) averages 43%, and that of overnight visitors (visitors spending at least one night in the Paris Region) 57%.

# 03.

## ECONOMIC IMPACT



# 03

### Tourism: direct impact – Spectators

| Direct 'Tourism' impact from spectators<br>(in current €M) | Low scenario | Medium scenario | High scenario |
|--|--------------|-----------------|---------------|
| Olympic Games  | 1,061        | 1,206           | 1,400         |
| Paralympic Games   | 60           | 88              | 118           |
| Total  | 1,121        | 1,294           | 1,519*        |

\*The total differs slightly from the sum of the two impacts due to rounding.

The direct 'Tourism' impact from spectators at the Paris 2024 Games is estimated at between €1,121m (low scenario), €1,294m (medium scenario) and €1,519m (high scenario) before crowding out.

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – Other visitors

For other visitors, the direct impact assessment was based on two types of information:

→ **Information provided by Paris 2024** on the number of people in each category (Olympic Family, media, volunteers, sponsors) and on the origin of visitors in order to identify the proportion of those who do not live in the Paris Region.

→ **The formulation of hypotheses** concerning the length of stay and average spending patterns specific to different categories of visitor.

The table below shows the main information relating to the different populations concerned.

| Direct 'Tourism' impact from spectators (in current €M)           | Number of people | Of which Paris Region non-residents | Length of stay | Spending patterns (in €/day) | Direct impact (€m) |
|---|------------------|-------------------------------------|----------------|------------------------------|--------------------|
| Olympic family (including international and national dignitaries) | 18,825           | 13,365                              | 8              | [€500 - €1,500]              | 52                 |
| Media   | 27,825           | 25,045                              | 19             | €250                         | 119                |
| Volunteers  | 45,000           | 27,900                              | 19             | €250                         | 133                |
| <b>Total</b>  | <b>91,650</b>    | <b>66,310</b>                       | -              | -                            | <b>304*</b>        |

\*The total differs slightly from the sum of the three impacts due to rounding.

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact – crowding out effect

Whilst organising major international sporting events is often accompanied by an influx of visitors wishing to attend them, hosting these events often has the **effect of crowding out tourists**. Some visitors who would have come to the Paris Region in 'normal' times, i.e. without the Olympic and Paralympic Games, may decide to change their plans in order to avoid certain nuisances caused by the Games: inflation in accommodation prices, congestion of public transport networks, saturation of certain areas, violence or incivilities, etc.

Broadly speaking, there are two possible visitor scenarios:

- Tourists who had planned to come to the Paris Region may **postpone their visit** and come before or after the Games. In this case, the impact is neutral insofar as the expenditure will still be made.
- Tourists may simply cancel their visit in favour of other destinations. In this case, **the impact is negative**, as they will not be spending in the Paris Region.

The phenomenon of crowding out is, by its very nature, difficult to assess, especially in the context of an ex-ante study. Ex-post studies can document this phenomenon much more precisely, in particular by measuring the attendance rates observed and comparing them with the usual attendance rates, and thus by quantifying a 'volume effect', i.e. the impact of hosting a major event on the number of tourists visiting the host region.

In addition to this effect on numbers, a 'price effect' (inflation in host territories) must also be taken into account when quantifying crowding out. This effect can totally or partially offset any drop in visitor numbers. As mentioned above, Olympic tourists traditionally spend more than regular tourists (this phenomenon was observed in London in 2012 and in Rio in 2016 and was documented in a report produced by ORME).

To quantify the crowding out of tourism in this update, it was decided to apply a crowding out rate identical to that used in the study carried out in 2016. These rates were established on the basis of a tourism impact model for major sporting events developed by Holger Preuss (University of Mainz). This model, derived from Base Theory, was built on the basis of observations and numerous field surveys of spectators who have attended a number of mega sporting events.

In contrast to the initial study, it was decided to consider only one crowding out rate. **In a conservative approach, it was decided to use the highest value, i.e. a crowding out rate of 22%.**

# 03.

## ECONOMIC IMPACT



### 03

#### Tourism: direct impact

### – Summary

| (in millions of current euros)        | Spectators | Other visitors | Total before crowding out | Crowding out effect (22%) | Total after crowding out |
|---------------------------------------|------------|----------------|---------------------------|---------------------------|--------------------------|
| direct impact TOURISM low scenario    | 1,121      | 304            | 1,425                     | 315                       | 1,110                    |
| direct impact TOURISM medium scenario | 1,294      |                | 1,598                     | 354                       | 1,245                    |
| direct impact TOURISM high scenario   | 1,519      |                | 1,823                     | 403                       | 1,420                    |

# 03.

## ECONOMIC IMPACT

# 04

## Direct economic impact of the Paris 2024 Games – Preparation and Staging phase

### – Summary

The previous steps have made it possible to estimate the direct impact of the 'Organisation', 'Construction' and 'Tourism' sectors. This is presented in the table below.

| Amounts expressed in current millions of euros | Direct Impact Preparation and Staging phase (2018 - 2024) |                                |                              |
|--|---|--------------------------------|------------------------------|
|  | Overall impact Low scenario                               | Overall impact Medium scenario | Overall impact High scenario |
| Organisation impact                            | 2,837   |                                |                              |
| Construction impact                            | 1,943   |                                |                              |
| Tourism impact                                 | 1,110   | 1,245                          | 1,420                        |
| <b>Total</b>                                   | <b>5,890</b>  | <b>6,025</b>                   | <b>6,199</b>                 |



# 03.

## ECONOMIC IMPACT

# 04

## Overall economic impact of the Paris 2024 Games – Preparation and Staging phase

By reintegrating the long-term impact data as evaluated in the 2016 study and on the basis of the updated work carried out, the overall impact of the Paris 2024 Games could amount to **€6.2 billion** in the low scenario, **€7.5 billion** in the medium scenario and **€9.3 billion** in the high scenario.

| Amounts expressed in current €M | Low scenario | Medium scenario | High scenario |
|---------------------------------|--------------|-----------------|---------------|
| Organisation impact             | 2,979        | 3,546           | 4,256         |
| Construction impact             | 2,040        | 2,428           | 2,914         |
| Tourism impact                  | 1,165        | 1,556           | 2,129         |
| <b>Total</b>                    | <b>6,184</b> | <b>7,530</b>    | <b>9,299</b>  |

# 03.

## ECONOMIC IMPACT

# 04

## Overall economic impact of the Paris 2024 Games – Entire life cycle

By reintegrating the long-term impact data as evaluated in the 2016 study and on the basis of the updated work carried out, the overall impact of the Paris 2024 Games could amount to **€6.7 billion** in the low scenario, **€8.9 billion** in the medium scenario and **€11.1 billion** in the high scenario.

| Amounts expressed in current €M | Low scenario | Medium scenario | High scenario |
|---------------------------------|--------------|-----------------|---------------|
| Organisation impact             | 3,205        | 3,815           | 4,578         |
| Construction impact             | 2,103        | 2,503           | 3,004         |
| Tourism impact                  | 1,399        | 2,672           | 3,563         |
| <b>Total</b>                    | <b>6,707</b> | <b>8,990</b>    | <b>11,145</b> |

# 03.

## ECONOMIC IMPACT

# 04

## Overall economic impact of the Paris 2024 Games – Entire life cycle

The table below provides details and a breakdown of the impact according to the nature of the expenditure considered, according to the three scenarios and for each period of the Games' lifecycle.

| Amounts expressed in current €M           |                     | Low scenario | Medium scenario | High scenario |
|---|---------------------|--------------|-----------------|---------------|
| Preparation and Staging phase (2017-2024) | Organisation impact | 2,979        | 3,546           | 4,256         |
|   | Construction impact | 2,040        | 2,428           | 2,914         |
|   | Tourism impact      | 1,165        | 1,556           | 2,129         |
|   | Sous-total          | 6,184        | 7,530           | 9,299         |
| Legacy phase (2025-2034)                  | Organisation impact | 226          | 269             | 322           |
|   | Construction impact | 63           | 75              | 90            |
|   | Tourism impact      | 234          | 1,116           | 1,434         |
|   | Sub-total           | 523          | 1,460           | 1,846         |
| Overall total                             |                     | 6,707        | 8,990           | 11,145        |

## — APPENDICES

# APPENDIX A

## Direct economic impact of the Paris 2024 Games – Preparation and Staging phase in 2017 euros

The economic impact study conducted in 2016 was carried out in 2017 euros, unlike this update, which was carried out in current euros. In order to convert the amounts in current euros

to their value in 2017 euros and thus compare the results, we deflated the values of current euros for the period 2018-2023 by the amount of annual inflation observed over the period\*.



\*According to INSEE, inflation was 1% in 2017, 1.8% in 2018, 1.1% in 2019, 0.5% in 2020, 1.6% in 2021, 5.2% in 2022 and 4.9% in 2023.

| Amounts expressed in current millions of euros    | Direct Impact Preparation and Staging phase (2018 - 2024) |                 |               |
|---|---|-----------------|---------------|
|   | Low scenario  | Medium scenario | High scenario |
| Organisation impact                               | 2,837   |                 |               |
| Construction impact                               | 1,943   |                 |               |
| Tourism impact                                    | 1,110   | 1,245           | 1,420         |
| <b>Total</b>                                      | <b>5,890</b>  | <b>6,025</b>    | <b>6,199</b>  |
| Amounts expressed in millions of euros 2017 value | Low scenario  | Medium scenario | High scenario |
| Organisation impact                               | 2,408   |                 |               |
| Construction impact                               | 1,649   |                 |               |
| Tourism impact                                    | 942   | 1,056           | 1,205         |
| <b>Total</b>                                      | <b>4,998</b>  | <b>5,113</b>    | <b>5,261</b>  |

# APPENDIX A

## Overall economic impact of the Paris 2024 Games – Preparation and Staging phase

On this basis, it is possible to assess the overall economic impact of the Paris 2024 Games by applying the different values of the spending multiplier as defined above (see page 31). The impact could thus be between **€5.2 billion** (low scenario), **€6.4 billion** (medium scenario) and **€7.9 billion** (high scenario) in 2017 euros for the preparation and staging phases (2018-2024).

| Amounts expressed in millions of euros at 2017 value | Low scenario | Medium scenario | High scenario |
|--|--------------|-----------------|---------------|
| Organisation impact                                  | 2,528        | 3,010           | 3,612         |
| Construction impact                                  | 1,731        | 2,061           | 2,473         |
| Tourism impact                                       | 989          | 1,320           | 1,807         |
| <b>Total</b>   | <b>5,248</b> | <b>6,391</b>    | <b>7,892</b>  |

# APPENDIX A

## Overall economic impact of the Paris 2024 Games – Entire life cycle

By reintegrating the long-term impact data as assessed in the 2016 study and on the basis of the updating work carried out, the overall impact of the Paris 2024 Games could amount to **€5.7 billion** in 2017 under the low scenario, **€7.6 billion** in 2017 under the medium scenario and **€9.5 billion** in 2017 under the high scenario.

| Amounts expressed in €M value 2017 | Overall economic impact |                 |               |
|------------------------------------|-------------------------|-----------------|---------------|
|                                    | Low scenario            | Medium scenario | High scenario |
| Organisation impact                | 2,716                   | 3,234           | 3,881         |
| Construction impact                | 1,784                   | 2,123           | 2,548         |
| Tourism impact                     | 1,190                   | 2,281           | 3,043         |
| <b>Total</b>                       | <b>5,690</b>            | <b>7,639</b>    | <b>9,472</b>  |

# APPENDIX A

## Overall economic impact of the Paris 2024 Games – Entire life cycle

The table below provides details and a breakdown of the impact according to the nature of the expenditure considered, according to the three scenarios and for each period of the Games' lifecycle.

| Amounts expressed in €M value 2017        |                     | Low scenario | Medium scenario | High scenario |
|---|---------------------|--------------|-----------------|---------------|
| Preparation and Staging phase (2017-2024) | Organisation impact | 2,528        | 3,010           | 3,612         |
|   | Construction impact | 1,731        | 2,061           | 2,473         |
|   | Tourism impact      | 989          | 1,320           | 1,807         |
|   | Subtotal            | 5,248        | 6,391           | 7,892         |
| Legacy phase (2025-2034)                  | Organisation impact | 188          | 224             | 269           |
|   | Construction impact | 53           | 63              | 75            |
|   | Tourism impact      | 201          | 961             | 1,236         |
|   | Subtotal            | 442          | 1,248           | 1,580         |
| Overall total                             |                     | 5,690        | 7,639           | 9,472         |



## APPENDIX B

### Impact 'Construction' – List of infrastructures and developments taken into account when calculating impact

|   |   |
|---|---|
| AccorArena Berçy (development)  | Marville swimming pool  |
| Aquatic heritage  | Maurice Thorez swimming pool Montreuil                                |
| Aulnay-sous-Bois aquatic centre   | Max Rousié Complex  |
| Bertrand Dauvin Complex   | Media Cluster   |
| Climbing and reuse of urban sports facilities Innovation and Sustainable Development Fund | Noise wall  |
| Colombes swimming pool  | Olympic and Paralympic Village  |
| Development of the secondary section of the Seine Development of the Canal-Saint-Denis    | Olympic Aquatic Centre and A1 footbridge to Jules                     |
| Ecoquartier Fluvial   | Ladoumègue Sports Centre  |
| Elancourt Hill  | Olympic lanes   |
| Fort d'Aubervilliers Aquatic Centre   | Olympic Water Sports Stadium  |
| Forward base for the Préfecture de Police   | Pablo Neruda gymnasium  |
| Georges Vallerey swimming pool  | Palais des Sports and Auguste Delaune Sports Complex Parc des Princes |
| Grand Palais (partial development)  | Paris Green Fund  |
| Great Nave Île-des-Vannes   | Pierre de Coubertin Stadium   |
| Guy Moquet Gymnasium  | Plaine de Marville  |
| Hall 3 Paris Le Bourget   | Pleyel A86 interchange  |
| Île-des-Vannes sports complex   | Poissonniers Gymnasium  |
| Île-Saint-Denis bridge development  | Prisme  |
| Le Bourget bridge development   | Roland-Garros - Suzanne Lenglen (developments)                        |
| Le Bourget Gymnasium  | SOLIDEO structure costs   |
| Le Bourget pedestrian improvements  | Stade de France (developments)  |
| Le Bourget schools  | Terrain des Essences  |
| Marcel Cachin High School   | Undergrounding of high-voltage lines                                  |
| Marville pedestrian improvements  | Yves du Manoir Stadium  |

# APPENDIX C

## GLOSSARY

**Casual visitor:** This is a person from outside the reference territory who is present at the time the event is hosted for a reason unrelated to the event (work, holiday, visiting a relative, etc.) and who takes advantage of their presence on site to attend the Olympic and/or Paralympic Games. This expenditure must be excluded from the economic impact calculation insofar as it would have been incurred independently of the event.

**Crowding-out effect (eviction effect):** This refers to the non-implementation of certain expenditure as a result of hosting an event. Some economic agents may have decided not to make investments or visit the host region for fear of the anticipated and various inconveniences (increase in accommodation prices, saturation of transport infrastructures, etc.) generated by the sporting event. Taking this displacement into account has the effect of reducing the economic impact.

**Day-tripper:** A day-tripper is a person from outside the reference territory (e.g. a French resident living outside the Paris region; a person living abroad) whose stay does not involve spending the night away from home.

**Direct (Primary) impact:** The direct impact measures the net injection of income into the reference territory. It measures the initial stimulation of the reference territory's economy resulting from the purchase of goods and/or services for the organisation of the event, investment expenditure to build and/or renovate infrastructures and consumption expenditure by people from outside the territory whose presence is linked to the event.

**Double counting:** This is a frequently made methodological error consisting of counting the same expenditure twice as a source of injection. The most frequent case concerns the inclusion of ticketing expenditure at two levels: in spectator expenditure and in Organising Committee revenue.

**Functional Area:** (FA) The factors of production that provide all the products or services necessary for an event. As events grow larger their products and services become more complex, and the number of functional areas within an event grows.

**Host City Contract:** The Olympic Host Contract for up-coming Games (previously named the Host City Contract) determines the responsibilities of the National Olympic Committee (NOC), the Organising Committee of the Olympic Games (OCOG) and the host, concerning the organisation, financing and staging of the Olympic Games as well as the contribution of the IOC to the success of the Olympic Games (Olympic Charter, Chapter 5 Rules 36). By signing the Olympic Host Contract following the election of the host, the IOC enters into an agreement with the host National Olympic Committee (NOC), the host and the OCOG (which signs at a later date), and requires that they abide by the provisions of the Olympic Charter and the IOC Code of Ethics.

**Île-de-France Region:** The Île-de-France is the most populous of the eighteen regions of France, with an official estimated population of 12,271,794 residents on 1 January 2023. Centred on the capital Paris, it is located in the north-central part of the country and often referred to as the Paris Region (as in this report).

**Injections:** Financial flows entering an area from external agents, some or all of which have been financed externally. This includes all purchases of goods and services from local agents financed by external revenues (International Olympic Committee, national sponsors, visitors, etc.).

**INSEE:** (Institut national de la statistique et des études économiques) The National Institute of Statistics and Economic Studies collects, analyses and disseminates information on the French economy and society.

# APPENDIX C

## GLOSSARY

**Internal/external financing rate:** The external financing rate measures the proportion of an actor's (Paris 2024, SOLIDEO) revenue that comes from agents outside the reference territory. In contrast, the internal financing rate measures the proportion of revenue coming from agents within the reference territory. In this study, the external financing rate is therefore the proportion of Paris 2024 and/or SOLIDEO revenues coming from outside the Paris Region (International Olympic Committee, national sponsors, visitors, etc.).

**Leakage:** Financial outflows from the territory to external agents for the purposes of the event which has been the subject, in whole or in part, of local financing. This includes all purchases of goods and services from external agents (imports) financed with local revenue (local sponsors, ticket receipts from local spectators, etc.). These leakages contribute to weakening the injection.

**Life cycle:** Every event has a complete life cycle made up of three phases, the duration of which depends on the nature of the event concerned. Firstly, there is a preparatory phase, most often marked by investment operations linked to the event (construction and/or renovation of infrastructures). Secondly, there is the staging phase, which is essentially marked by organisation expenditure linked to the event (purchase of goods and/or services by organisers and visitors). Finally, a legacy phase marked by the long-term effects produced by hosting a sporting event. For the purposes of this study, the life cycle adopted is 17 years and includes the preparation phase (2018 to 2023), the staging phase (2024) and the legacy phase (2025-2034).

**OCOG:** The organisation of the Olympic Games is entrusted by the International Olympic Committee (IOC) to the National Olympic Committee (NOC) of the country of the host city as well as to the host city itself. The NOC forms, for that purpose, an OCOG which, from the time it is constituted, communicates directly with the IOC, from which it receives instructions. The OCOG executive body includes: the IOC member or members in the country; the President and Secretary General of the NOC; and at least one member representing, and designated by, the host city. In addition, it generally includes representatives of the public authorities and other leading figures. From the time of its constitution to the time it is dissolved, the OCOG must comply with the Olympic Charter, the contract entered into between the IOC, the National Olympic Committee and the host city (Host City Contract) and the instructions of the IOC Executive Board.

**ORME:** The Observatoire pour la Recherche sur les Méga-Événements (Research Institute for Mega-Events) at the Université Paris-Est is a hub that brings together dozens of researchers working on the legacy of sporting events such as the Olympic Games in Paris in 2024 and the Rugby World Cup in 2023. The aim of this multi-partner structure is to bring together research on these events and to act as a central point of contact for support and impact and legacy assessments. Its role is to sponsor scientific work in all disciplines and on all themes related to the mega-sporting events taking place in France: to encourage, support, develop and promote research into the events and their evaluation.

**Overall economic impact:** The economic impact is defined as the wealth differential (positive or negative), within a given territory and for a given period, resulting from the organisation of a sport event. It is measured in a counterfactual way by comparing the state of the economy between two distinct situations: one, theoretical, without the hosting of the event; the other, real, with the organisation of the event. The overall economic impact is made up of a Direct (primary) impact and an Indirect and induced (secondary) impact.

# APPENDIX C

## GLOSSARY

**Overnight visitor:** An overnight visitor is a person from outside the reference territory (a French resident living outside the Paris region; a person living abroad) whose stay involves spending one or more nights away from home.

**Paris 2024:** Organising Committee for the Olympic and Paralympic Games. The Paris 2024 Organising Committee for the Olympic and Paralympic Games is responsible for planning, organising, financing, and delivering the Olympic and Paralympic Games in Paris in 2024, in accordance with the Host City Contract signed by the IOC (International Olympic Committee), CNOSF (French National Olympic and Sports Committee), and Paris City Council.

**Reference territory:** An economic impact study only makes sense in relation to a clearly defined territory as much as it involves an analysis of incoming and outgoing financial flows. It is therefore essential to clearly determine the territory covered by the analysis in order to be able to identify the agents responsible for the impact (i.e. actors from outside the territory) and the agents benefiting from the impact (i.e. actors from within the territory). For the purposes of this study, the reference territory is the Paris Region.

**Secondary impact:** It measures the additional economic activity generated by the initial injection of income into the reference area (direct impact). It occurs as a result of interactions between economic agents in the area. The secondary impact is made up of indirect and induced effects: the local companies benefiting from the initial injection of income will themselves reinject part of these resources into the local economy by placing orders with other local companies (suppliers) and paying their staff who will consume in the local area.

**SOLIDEO:** (Société de livraison des ouvrages olympiques et paralympiques) SOLIDEO is the public sector organisation tasked with financing, supervising and delivering the Olympic facilities, including the development and redevelopment work required to host the Paris 2024 Olympic and Paralympic Games. All facilities are designed to factor in their legacy – they will be repurposed after the Games as public amenities, housing units, and offices.

**Substitution effect:** This concerns the spending of local agents (residents, companies and public actors) who would have made other types of expenditure than those linked to the event, had it not been organised in the region. Their expenditure must therefore be excluded from the economic impact calculation.

**Value In Kind:** (VIK) The exchange of products and services in return for marketing rights is a form of barter. Sponsors give something they have (their products and services) and the event organisers give the sponsors something in return (marketing rights and benefits). The Value-in-Kind could be something as simple as beverages or as complex as technical equipment.

**WBS:** A Work-Breakdown Structure is a project management tool that decomposes the total work required to deliver a product, service, or project into smaller elements or components.



—  
**CDES**

## EXPERTS IN TRAINING AT THE SERVICE OF SPORT

Founded in 1978, the Centre de Droit et d'Économie du Sport (Centre for Law and Economics of Sport) has always adopted an interdisciplinary and multidisciplinary approach (law, economics, management) aimed at contributing to the professionalisation of the national and international sport sector. Committed to combining academic rigour with immersion as an actor in the sport movement and public sporting institutions, it has developed a wide range of expertise, training and research activities, making it a real national and international reference in the sport sector.



One of the major strengths of CDES lies in its expertise in both sport law and economics. Based on specific and multidisciplinary approaches, CDES advises, informs and supports those involved in sport in order to help them better understand their day-to-day challenges.

It offers a complete set of services adapted to the needs of sport stakeholders, such as:

- **diagnostic** and decision-making tools
- **legal advice** and assistance, in partnership with the specialist law firm CDES Conseil
- **audits and evaluations** of public policies
- **studies** of the economic impact and social utility of sporting events



In addition to its 5 degree courses, CDES can respond to any training request in its field of expertise, adapting the scope and content of the courses to offer tailor-made programmes. Whether in France or abroad, for short or longer training periods, CDES is able to support sport stakeholders in their training and professionalisation strategy.

Some examples include the UEFA MIP and MESGO programmes; the 18-month training courses organised for the Royal Moroccan Football Federation; collaboration with the Football Training Institute on the coaching programme; the organisation of the Sport Pro Day and the stadium refresher course, as well as a training module for the Portuguese Football Federation.



CDES is also a centre for studies and research, with regular publications such as specialist works on the economic and legal regulation of sport competitions, the annually updated Sport Code, and the monthly review Jurisport, the leading professional review of sport law and economics. CDES researchers also regularly take part in symposia on subjects relating to the social and educational development of sport.



## Contact

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