



ORGANISATION OF THE PARIS 2024 OLYMPIC AND PARALYMPIC GAMES

Supplementary report to Parliament

Article 29 of Act N° 2018-202 of 26 March 2018

July 2023

Executive Summary

This report is a supplement to the report on preparations for the Paris 2024 Olympic and Paralympic Games submitted to Parliament on 21 December 2022¹. It was produced in accordance with the exchange of correspondence in spring 2022 between the First President of the Court of Accounts, the President of the National Assembly and the President of the Senate. The Court's first report was produced at a pivotal time in the preparations for the Games, between the strategic planning phase and the operational implementation phase, at a time when many of the decisions and rulings on the processes for organising and delivering the Games had not yet been made. Furthermore, the Board of Directors of the Organising Committee for the Olympic Games (COJOP) did not adopt a revised multi-year budget until December 2022 – at the same time as the Court's report was submitted – and the Court was therefore unable to assess the assumptions and trade-offs used to ensure that it was well balanced and sustainable.

In its December 2022 report, the Court noted that the strategic planning phase for the Paris 2024 Games had been successful overall. However, it identified a number of areas for caution as the operational phase of organising the Games got underway and, with eighteen months to go until opening, the risks associated with the need to deliver the Olympic venues and the event were certain to increase: the procedures established by the COJOP and the Olympics delivery company (Solideo) needed to be rigorously applied and the internal control systems strengthened, in particular by the COJOP's Audit, Compliance and Public Framework Department, to ensure the lawfulness of public procurement procedures and to prevent ethical risks, conflicts of interest and breaches of probity; it was imperative that the management plans for the Olympic venues be finalised and that the contracts for the provision of venues and the contracts for the delivery of the Games be signed as soon as possible; particular attention needed to be paid to issues relating to security and transport; and finally, substantial uncertainties remained regarding the ultimate balance of the COJOP's multiannual budget, which, according to the Court, required rigorous monitoring of its implementation, preservation of its contingency reserve and the development of scenarios for resizing expenditure in accordance with the provisions of the State guarantee agreement of May 2022.

The Court has updated its findings, with particular reference to the delivery of the Olympic facilities and the Games themselves, especially in terms of security and transport. It also carried out an in-depth examination of COJOP's revised multiannual budget to assess its sustainability. Lastly, it produced a follow-up document to the recommendations it issued in December 2022.

¹ Pursuant to Article 29 of the Olympic Act of 26 March 2018.

Satisfactory implementation of the Court's recommendations, tighter governance and stronger interdepartmental coordination essential in the run-up to the Games

Generally speaking, most of the Court's recommendations have been or are being implemented. Governance has been tightened and preparations for the delivery of the Games are now fully underway in the operational phase, involving both State services and the responsibilities of the COJOP and the local authorities, with the City of Paris leading the way. The main ministries involved (sports and the Olympic and Paralympic Games, home affairs, transport, health, justice and foreign affairs) are now fully involved, as are the local government departments, under the authority of the Prefect of the Île-de-France region and the prefects of the departments, who are responsible for local preparations for the Games, particularly in the areas of transport and – under the authority of the Prefect of the Paris Police – security. The creation of a COJOP Operations Department in the summer of 2022, and the gradual increase in the number of staff, will contribute to the ramp-up in the operational implementation of preparations for the Games, as noted by the Court. The Audit, Compliance and Public Framework Department has also been strengthened, in line with the Court's recommendation.

In this operational phase, which is now well underway, it is important to maintain sustained coordination both at inter-ministry level and with all stakeholders, under the authority of the Interministerial Delegate for the Olympic and Paralympic Games (DIJOP). In addition to the regular meetings of the Olympic and Paralympic Council chaired by the President of the Republic, regular meetings of the Interministerial Committee chaired by the Prime Minister need be held to make the necessary decisions. It is also essential to maintain a high level of vigilance in awarding and fulfilling public contracts, as well as in preventing ethical risks, conflicts of interest and breaches of probity.

Delivery of the Olympic facilities: deadlines and costs under control, transfer to the COJOP yet to take place

Coordination between Solideo and COJOP has been strengthened under the authority of DIJOP, through project engineering developed around project monitoring dashboards and timetables. Enhanced monitoring of the works has been put in place to secure delivery times. This monitoring process has not identified any major operational risk regarding the delivery of the Games. Certain works – in particular the Grand Palais, which is currently the only facility for which there is still some doubt as to its ability to be delivered on time – are nevertheless the subject of increased vigilance on the part of Solideo, through specific action plans designed to ensure that the schedule for completion of the works and handover of the site to the COJOP is adhered to.

The operational risks identified in previous audits are now under control. Requests from the COJOP, the IOC and international sports federations for changes to the programme, which are likely to result in additional costs and delays in the delivery of the works, remain limited in number and financial impact at this stage. The measures implemented to prevent the risk of accidents and the use of illegal labour on the sites have helped to limit these risks compared with comparable sites. The risks to the supply and transport of materials also appear to be under control.

In line with the Court's recommendation, a procedure has been drawn up for managing the works from completion of the works to the end of the Games, defining the responsibilities of each player. From now on, the dates set for the various phases in the management of the works must be strictly adhered to. Nevertheless, the Court calls for a high level of vigilance to be maintained on all these issues until the Olympic facilities are handed over to the COJOP.

Following an initial indexation of €166m in spring 2021, a further indexation of €140.4m has been applied to the Solideo financial model. Unanimously adopted by the funding bodies, it raised the public institution's budget to €1,711.1m in inflation-adjusted terms – a total increase of 22%, twice as high as the initial forecasts due to unprecedented inflation over the recent period. At the same time, the reserve for programme additions, the low level of which was highlighted by the Court in its previous report, was increased to €62.5m in inflation-adjusted terms. However, the use of this reserve must remain strictly controlled until the end of the Games.

Organisation of the Games: operational planning well underway but still to be finalised, a shortage of private security companies is anticipated

As of November 2022, only eleven of the planned eighty venue use agreements had been signed, including only three of the thirty-five competition venue use agreements. The COJOP has now finalised the key discussions for the majority of the venues. According to the COJOP, these agreements should finally be signed by summer 2023, a year before the start of the Games. The main contractual balances are now known, particularly with regard to the financial aspects and the dates on which the sites will be handed over. Although the negotiations led to a postponement of the signing dates – a delay which the Court had previously warned of – they did reduce the cost of the contracts. At this stage, the gap with the budget appears to be under control. In any event, any additional costs will have to be offset as a matter of priority through redeployment and new savings.

The overall security plan for the Games, which is based on a regularly updated national risk analysis, has now been finalised. The update to the safety protocol signed between the State and the COJOP did not raise any questions over the major balances in the sharing of responsibilities between the parties involved. It specifically enabled the organisational arrangements for certain sequences (road races, torch relay, fan zones) to be clarified. It also clarified the respective responsibilities of the State, the COJOP and the City of Paris for the opening ceremony on the Seine. An appendix also sets out how the command structures of the State, the COJOP and the City of Paris work together, including the crisis management system. This is a novel and complex system that requires re-examination and testing in real-life conditions.

Safety plans for each site are being finalised, and the operational planning phase is now well underway. Despite the implementation by the State of a large-scale action plan to stimulate recruitment, the final results of which are still uncertain, this phase is still hampered by persistent uncertainties about the ability of the private security industry to meet the capacity challenge posed by the Games. The likely use of internal security forces and the armed forces to make up this shortfall must therefore be anticipated. Decisions will have to be taken by October 2023 at the latest to ensure rigorous planning, in line with the schedule for awarding COJOP security contracts, the initial results of which have confirmed the difficulties facing the industry.

As far as transport is concerned, the creation of the Strategic Mobility Committee – chaired by the Minister for Transport – and the simplification of the committee structure have greatly improved overall governance, which is now fully operational.

However, it is important to ensure that this governance remains effective, taking care to define the measures to be implemented with the operational stakeholders (in particular RATP and SNCF) and to maintain the interministerial dimension, in particular for areas requiring the implementation of separate series of actions, such as the accessibility of sites by bicycle or to people with disabilities.

Since its first report, the Court has not observed any slippage in the delivery timetable for infrastructure projects that are essential to the Games (in particular Éole, Line 14, Porte Maillot and the Pleyel urban crossing). However, given the lack of room for manoeuvre in terms of the timetables for these projects, which are essential to the smooth running of the Games, it is essential for the enhanced monitoring arrangements in place for them to be maintained.

Île-de-France Mobilités (IDFM) is now well advanced in drawing up site-by-site transport plans for the Olympic Games. It is important to finalise them and ensure that they are applied operationally, particularly in the event of service disruptions, for which the crisis management system must be set up in close collaboration with the security system. Preparation of transport plans for the Paralympic Games, which are less well-advanced, with Games which will certainly generate fewer spectators, but will take place during the back-to-school period, must also be sped up.

It is also necessary to speed up the work on travel demand management (TDM), which was assigned to the Ministry of Transport at the meeting of the Strategic Committee for Mobility on 13 April 2023, and which is essential for reducing the demand for public and road transport by everyday users during the Games. The same applies to work on managing traffic flows on transport networks and in public spaces in the vicinity of sites and making them safe, including in airport areas. The Government will now be required to prepare communications for the people of Île-de-France (residents, employers, managers of major facilities and businesses) within an appropriate timeframe and, in any case, by the end of 2023.

Lastly, the costs associated with transport, including the increased supply needed to implement transport plans and manage demand and flows, must be specified and their funding guaranteed. The same applies to security costs.

The COJOP's multiannual budget: sustainability still subject to major uncertainties, rigorous monitoring of its implementation essential

At its meeting on 12 December 2022, the COJOP Board of Directors unanimously adopted a revised balanced multi-year budget of €4,380m, an increase of €400.4m (+10.1%).

On a like-for-like basis, the amended budget represents an increase of €573.2m (+15.1%) over and above the application budget. With eighteen months to go before the Games, this new budget review offered the last opportunity to make key choices that would ensure that the budget remained well balanced and that the costs of organising and delivering the Games were kept under control. The Board of Directors of the COJOP has given its fully informed opinion on the political decisions required to maintain a balanced budget for the Games and to control their cost, as well as on the risks to which this budget remains exposed in its implementation. The budget review procedure was carried out transparently and rigorously by the COJOP, in close partnership with the IOC and the IPC, and with strong involvement from the French government.

The increase in expenditure since the bid budget is partly due to inflation, which is a factor unrelated to the organisation of the Games, and which is much higher than anticipated. However, two thirds of this increase is due not to management drift or ill-considered changes to the project, but to an obvious underestimation of the bid budget and a lack of understanding of the complexity of the IOC's specifications and the difficulty of challenging them, even if only in a marginal way.

A balanced budget has been maintained at the cost of savings and optimisation measures totalling €266m, which have been precisely documented but have yet to be implemented. This has required a substantial (and partly voluntary) increase of €330m in the COJOP's forecast commercial revenue (including domestic partnerships, ticketing and hospitality for €284m and the IOC's TOP programme for €19m). It has also been funded by new public contributions of €70m, which were justified by the need to finance the Paralympic Games, and by transfers of €40m in costs to the public authorities.

Given the determination of the parties to maintain a high level of ambition for the Paris 2024 Olympic and Paralympic Games and to make them a great success, the preservation of high standards by the IOC in its specifications and the difficulties therefore encountered in reducing service levels, as well as the manifest impossibility – eighteen months before the Games – of questioning some of the ways in which the Olympic venues are organised, it is the opinion of the COJOP and the DIJOP that it is not possible at this stage to identify new and significant savings measures over and above those agreed during the budget review process. Consequently, unless certain aspects of the IOC's terms of reference are revised, the revised multi-year budget for December 2022 does not offer any substantial room for manoeuvre and its implementation is now subject to severe constraints, without which the budget will not be ultimately balanced.

Despite a plausible retained level of resources, substantial uncertainties remain, particularly for domestic partnerships. If the target set in the budget review is to be achieved, it is essential that a new tier 1 partnership is formed and that the commitments made by the French government to COJOP to obtain an additional €100m in national partnerships via major French companies are also honoured. In any event, it is not possible to envisage any scenario under which COJOP's final resources will exceed those specified in the revised budget.

Many spending uncertainties and risks remain. These include, firstly, the achievement of the savings agreed during the review phase; and secondly, the expenditure to be committed (€1.2bn), which remains subject to the risk of inflation, but also to market risks in the current calls for tender, which means that negotiations prior to their awarding must be pursued with rigour and determination.

It is essential to monitor the implementation of the savings and to ensure that they are effective, whether they are measures decided unilaterally by the Organising Committee, or measures to which the IOC has committed itself.

Similarly, a continuous and systematic effort to find new savings must be pursued and the expenditure ceilings allocated to the COJOP directorates must be strictly adhered to, through redeployment if necessary.

In addition, the system for monitoring budget implementation introduced following the budget review and the principles adopted for drawing on the contingency reserve and the inflation provision must be rigorously implemented.

In any event, a new review of the COJOP's multiannual budget will need to be carried out in December 2023, taking into account the resources that have actually been secured and adjusting the level of expenditure accordingly to ensure that the final budget for the Games is balanced.

At this stage, it is not possible to state that the level of the contingency reserve or the inflation provision is sufficient to deal with the risks identified. A substantial proportion of this – at least €100m – should be retained for unforeseen and unavoidable expenses that will need to be financed in the last six months before the Games and during the Games themselves. As a result, new measures to optimise site management and reduce service levels must now be anticipated to ensure that the COJOP budget is finally balanced.

Finally, with regard to the overall cost of the Games and its total impact on public finances, which the Court indicated in its December 2022 report that it was unable to establish in the absence of an exhaustive and accurate inventory of the related investment and operating expenditure, both within the State and in the host authorities, no progress has been made since then.

At this stage, therefore, the Court is not in a position to assess the overall cost of the Games or to specify its final impact on public finances, other than this initial estimate. The Court will therefore carry out this evaluation as part of the preparation of the report on the outcome of the Games that Parliament has asked it to submit on 1st October 2025², and as

² Article 20 of Act No. 2023-380 of 19 May 2023.

part of the audits that it will carry out on the accounts of the COJOP and Solideo until they are wound up, which will focus in particular on the fulfilment and lawfulness of their public contracts.

During his hearings before the Senate's Committee on Culture, Education and Communication and the National Assembly's Committee on Cultural Affairs and Education, the First President stated that the public contributions identified in the Solideo and COJOP budgets as being for investments made for the Games amounted to €2.4bn and that the final public cost, including in particular the public costs associated with security and transport, would probably ultimately be around €3bn. At the time of writing, public commitments identified for or in connection with the Games amounted to €2.6bn (Solideo: €1,711.1m; additional public investment by local and regional authorities for the Games and legacy: €113.2bn; investment in connection with the Games: €360.4bn; grants to COJOP: €170.6m; IDFM: €225m), excluding other transport and security costs borne by the State.

Recommendations

On the delivery of the Olympic facilities

1. Strictly adhere to the timetables for handing the Olympic facilities over to the COJOP (*DIJOP, Solideo, COJOP*) and then handing them over to the owners after the Games (*COJOP*).

On the delivery of the Games

2. Review the State's crisis management system to ensure that it is clear and properly coordinated with the crisis management structures of the COJOP and the City of Paris (*DIJOP, ministry of the interior and Overseas France*).
3. Arbitrate the likely use of internal security forces and the armed forces to make up the shortfall in private security by October 2023 at the latest; ensure rigorous planning (*DIJOP, ministry of the interior and Overseas Territories, ministry of the armed forces, COJOP*).
4. Finalise the transport plans for the Olympic and Paralympic Games by autumn 2023 at the latest, along with their operational implementation in normal and disrupted situations (*DIJOP, ministry of transport, IDFM, RATP, SNCF, PRIF, PP, COJOP*).
5. Speed up the implementation of transport demand management (*DIJOP, ministry of transport, IDFM, RATP, SNCF, PRIF, PP, COJOP*).
6. Finalise and test transport crisis management procedures in coordination with operators' existing systems and in line with the State's planned crisis management system (*DIJOP, ministry of transport, IDFM, RATP, SNCF, ADP, PRIF, PP, COJOP*).

On the revised COJOP budget

7. Ensure accurate monitoring of the implementation of the savings measures decided on as part of the budget review by the COJOP and strict compliance with the commitments made by the COJOP and the IOC to reduce service levels (*COJOP, DIJOP*).
8. Continue to look for measures to improve the organisation and management of venues, and consider new measures to reduce service levels for the Games (*COJOP, DIJOP*).
9. In the event of proven cost overruns in relation to the budget, give preference to new savings and redeployment measures rather than drawing on the contingency reserve (*COJOP, DIJOP*).
10. Ensure a sufficient level of contingency reserves, of at least €100m by the end of 2023, to deal with unforeseen and unavoidable expenses in the last six months and during the Games (*COJOP, DIJOP*).
11. Strictly apply the provisions of the endorsement to the State guarantee agreement relating to the use of the contingency reserve (*COJOP, DIJOP*).
12. With the support of the French government, continue and expand negotiations on new partnership contracts to achieve the target set in the budget review (*COJOP, DIJOP*).
13. In December 2023, carry out a new review of the COJOP's multi-annual budget, taking into account the resources that have actually been secured and adjusting the level of expenditure accordingly to ensure that the Games budget ultimately balances (*COJOP, DIJOP*).