

# **NORWAY IS READY FOR THE XVIIth OLYMPIC WINTER GAMES**

*by Arild Gjerde*

**Almost every Norwegian is looking forward to the Lillehammer Olympic Games with great expectations. The Norwegian people are very interested in sport, and winter sports like skiing and skating are quite popular in Norway. Our recent success by our winter sport athletes at the Albertville Games and the 1992 World Skiing Championships has created an enormous public interest in the coming Olympic Games and Norwegian newspapers and magazines are currently filled with articles concerning our best athletes and their preparations for Lillehammer.**

## **FINANCE**

The Organizing Committee (LOOC), headed by its President, Gerhard Heiberg, has been able to prepare the Games with strong popular support from Norwegian society. Some critical voices arose in 1989 when Lillehammer's Olympic budget was set at NOK 7.3 billions (*ca* \$915 million USD) - a sum substantially higher than the figures presented by the self-appointed committee that was in charge of Lillehammer's Olympic bid for 1992 and 1994. The Norwegian Parliament voted by an overwhelming majority to give the necessary financial support, and the LOOC has since been successful in staying on budget and also completing the Olympic arenas on schedule.

Running costs and events are the biggest items in the budget, accounting for NOK 4 billion (*ca* \$501 million USD) between them. Major capital projects are also involved. About NOK 1 billion (*ca* \$125 million USD) has been invested in sports arenas and cultural venues for the Winter Games. Roughly NOK 1 billion (*ca* \$125 million USD) has been earmarked for the International Broadcasting Centre, security, and transport arrangements. The budget also contains a reserve of NOK 416 million (*ca* \$52 million USD), including NOK 105 million (*ca* \$13 million USD) allocated to a post-Olympic fund. The recent strong decline in the interest rate has created a problem regarding the running costs for the arenas after the Games, since these costs were to be financed by the interest from the post-Olympic fund.

Television rights account for about 50% of the forecasted revenues, amounting to more than NOK 2.5 billion (*ca* \$313 million USD). Ticket sales are expected to bring in NOK 72 million (*ca* \$9 million USD), while sponsorship and merchandising should earn roughly NOK 800 million (*ca* \$100 million USD). Norway's state-run football pools will also be contributing NOK 287 million (*ca* \$36 million USD) to the construction costs for the sports arenas. Even if the anticipated revenues fall short of expectations, the Games are expected to generate significant economical benefits for the Olympic region and the country as a whole. [*Ed's note:* As at 20 December 1993, 1 Norwegian Kroner was equivalent to approximately \$0.125 US]