

TERRITORIAL ECONOMIC AND FISCAL IMPACTS OF MILANO- CORTINA 2026

Abstract



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Estimating *ex ante* the impact of events and policies on local and national economies is a practice of paramount importance for evidence-based policy making.

Sport event in general, and Olympic Games more specifically, have a long track record of *ex ante* as well as *ex post* socio-economic evaluation studies, so that the methodological framework is relatively well designed with parameters, standards and practices defined at international level.

This report contains the socio-economic, as well as fiscal, impact assessment of the (proposed) Milano-Cortina 2026 Olympic Winter Games along the lines traced by the vast academic literature. More specifically, this reports presents the results of a numerical analysis aimed at estimating the impact of the Olympics in terms of production, value added, employment and tax revenues generated by the flows of public and private expenditure for the investment and the operating phases as well as for participating or attending as tourists the games.

To conduct the analysis two different methodologies have been adopted.

As for the economic impact of expenditure on production and value added, the analysis has been carried out by using the classical input-output model in which the change in the final demand induced by the increase in public and private expenditure is propagated to the matrix of multipliers to obtain changes in production and hence in value added. Impacts calculated by using this methodology can be divided into:

- **direct economic impacts**, resulting from the expenditure associated with constructing and operating the games (labour, materials, supplies, capital);
- **indirect economic impacts**, resulting from the expenditure of suppliers of the Milano-Cortina 2026 purchasing goods and services and hiring workers to meet demand;
- **induced economic impacts**, resulting from the expenditure of workers employed for the Olympic Games purchasing goods and services at a household level.

In the case of the Milano-Cortina 2026 Olympic Games, the vector of changes in the final demand has been calculated by considering several “moments” of the games: public investment, public expenditure for operations, private expenditure for attending games as tourists. As for the investment and operations, data from official plans were gathered and divided across sectors, so that the final figures amounted to:

- a) investment cost: 321.194.000 €;
- b) operating cost: 473.907.200 €
- c) tourists and athletes expenditure: 357.821.820 €

It should be noted that as for tourists and athletes expenditure, potential demand and average expenditure have been estimated by considering information from past Winter Olympics and from the tourism satellite account.

Given the structure of the economy of Lombardia, results point at an **increase in production by 2.849.214.996 euros, an increase in valued added by 1.218.857.920 euros, and a subsequent increase in employment by 22.170 full time equivalent jobs.**

Table 1: Summary of the socio-economic impacts

	Production (In €)	Value Added (In €)	Employment (FTE)
Investment cost	867.762.642	312.126.246	5.673
Operating Cost	951.804.286	460.859.043	8.401
Tourists and athletes expenditure	1.029.648.068	445.872.631	8.096
Total	2.849.214.996	1.218.857.920	22.170

The evaluation of the impact of Milano-Cortina 2026 games has also considered tax revenues generated at different government scales. To this end, effective tax rates at city, region and national levels have been estimated and applied to production generated by the increase in public and private expenditure. Given these parameters, **the total fiscal impact has been estimated in 304.174.180 euros.**

Table 2: Summary of fiscal impacts

	Effective tax rate	Tax revenues (in €)
IRPEF	11,86%	144.565.055
Regional additionality	0,78%	9.544.294
City-level additionality	0,30%	3.607.621
IRAP	1,50%	18.289.482
VAT	8,19%	99.856.896
IRES	2,32%	28.310.831
Total	24,96%	304.174.180