

Olympic Builder Spent \$45 Billion on Sochi Games Construction

By [The Moscow Times](#)

July 01, 2014



The Bolshoi Ice Dome being constructed in the city of Sochi in the run-up to February's Winter Olympic Games.

The Sochi Winter Olympics consumed a total of 1.54 trillion rubles (\$44.9 billion) in government funds through the soon-to-be disbanded state construction company Olimpstroy, according to the firm's accounts.

The price tag for the Games was estimated at 314 billion rubles (\$9 billion) in 2007. Nonetheless, two unidentified federal officials told Vedomosti on Tuesday that it would be inaccurate to say that the event ended up being five times more expensive than planned.

They said that the sum announced in 2007 was nothing but a rough forecast and that the documentation for most Olympic facilities was not ready until 2010, at which point a total expenditure of 1.1 trillion rubles (\$32 billion) was expected, one of the officials said. Even given this caveat, the Games were still about \$13 billion over budget.

A former employee of Olimpstroy — which was responsible for many Olympic building projects and will be liquidated by the end of 2014 — agreed, saying that the initial estimates did not account for the costs of land purchases or that of a combined road and rail link between Sochi and the Krasnaya Polyana ski complex and, therefore, should not be used as a yardstick.

The 1.5 trillion ruble outlay tallies with figure published in January by opposition leader Alexei Navalny, who said costs had been artificially inflated to let officials and businessmen embezzle billions. Navalny said that 96 percent of Olympic spending came from state coffers.

President Vladimir Putin and ministers responsible for the Games had said that a total of 214 billion rubles (\$6.2 billion) were spent on the Olympics, only 100 billion rubles (\$2.9 billion) of which came from the state budget. However, Deputy Prime Minister Dmitry Kozak said that the figure excluded expenditure on infrastructure that would have been needed even if Sochi had not been hosting the Games.

"We have two figures," Navalny said in an interview with sports.ru in January. "The first one — 1.5 trillion rubles — is our estimate. The second one — 214 billion rubles — is Putin's one. Now we can state with certainty that what Putin says is an outrageous lie."

See also:

[Putin Approves Sochi Facilities Swaps](#)

Original url:

<https://www.themoscowtimes.com/2014/07/01/olympic-builder-spent-45-billion-on-sochi-games-construction-a36922>