

File Ref and link to page number at index

Lead topic: Ireland's Bid for Rugby World Cup 2023	Sub-topic: Financial Exposure	Contact: Judith Brady 6045691 087 6893896
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FAST FACTS

- **Current Status:** Ireland, along with France and South Africa, progressed to the current candidate stage of the World Cup. As part of the candidate stage, the bids of each country are currently under discussion with Rugby World Cup Ltd (RWCL). The State's bid is being undertaken jointly with Northern Ireland
- **Governance:** Governance issues have been progressed through a subgroup of the Inter-Department/Agency Group (IDG) comprising TTaS, DOF and PER. The sub-group are supported by NewEra, with Arthur Cox as legal advisors and reports to the IDG which is chaired by the Department of the Taoiseach.
- **Costs:** See Q&A below – Note: given that Ireland is in a competitive tendering process with two other nations, it would not be prudent to reveal the full financial details of the tournament as this would be of advantage to our competitors. Accordingly, these confidential details have been excluded.
- In summary, however, a tournament fee of **£120m** is payable. Any losses on the tournament are underwritten up to a cap of around **€200m**. If the tournament is not loss making, there will be no cost to the State with regard to this underwriting arrangement. If there is a loss, this cap of c€200m applies. A loss of €200m would arise, for example, if no tickets were sold i.e. the tournament generated no revenue. Costs will also be incurred for stadia upgrades and public sector commitments - policing costs etc.
- The arrangements also provide for distribution of any tournament surplus in line with the level of financial support provided by the Irish Government, the NI Executive and the IRFU.
- **Legal:** On the basis of AG advice, statutory authority is required to facilitate payment of the tournament fee and underwriting the tournament budget. The RWC 2023 Bill, which passed all stages in the Dáil last night (5 July 2017), provides the necessary legal basis for the M/TTaS to pay the tournament fee and underwrite the budget.

Q&A'S

What is the financial risk to the State?

- The key determinants of the financial outcome for the tournament are the profit or loss made by the Tournament Company after preparation for and operation of the tournament and the revenue from ticket sale. This would be set against the payment of the tournament fee.
- If the Irish bid is successful, the tournament fee (**£120 million**) the underwrite for the tournament (**around €200m**) and the profit made by the tournament company would be split between Ireland and Northern Ireland along an agreed ratio.
- Costs will also be incurred for stadia upgrades; policing costs; and festival and activation costs.
- The Rugby World Cup would be run by a dedicated Tournament Company. Its main source of revenue would be ticket income and from this it would run the event which World Rugby estimates would cost in the **region of £200m**. This cost will be underwritten by the State. This is the cost of running the tournament if no tickets were sold. If the tournament generates a surplus, there will be no call on this €200m.