



Vnuk - an immediate danger to the future of motorsport

Your Questions Answered

How could the 'Vnuk ruling' of the European Court of Justice damage motorsport?

This ruling, made by the Court of Justice of the European Union (CJEU) in September 2014, is in effect now and requires **unlimited** third-party liability insurance to be carried by anyone using any form of motorised transport, in any location, in all EU Member States - this includes **all participants in all forms of regulated or unregulated motorsport** - cars, motorbikes, go-karts, speedway, drag - from grassroots to Formula One.

This **NEW motorsport insurance is compulsory** and must cover **unlimited third-party damage**. This includes personal injury to fellow motorsport competitors during competition, car to car damage to other competitor vehicles, damage to property, as well as injury to marshals, pit crew or spectators wherever the competition takes place within the UK and EU.

Why is this known as the 'Vnuk' ruling?

Mr. Vnuk was the claimant in a case put before the highest Court in the EU in 2014, the ruling from which substantially affects the European Commission's Motor Insurance Directive (MID). The case is Damijan Vnuk v Zavarovalnica Triglav d.d. (case C-162/13) and involved injury from a tractor and trailer in a farmyard.

Surely current motorsport insurance already covers this?

NO - currently, no motorsport insurance, which meets the compulsory requirements of the Directive, is available in the EU, and is not going to be made available. In addition, the new EU Motor Insurance Directive contains many exacting requirements, **all** of which must be met for the insurance to be compliant.

The MIA and the Department for Transport in the UK have had discussions with London-based motorsport insurance specialists which provide most of the current insurance to motorsport organisers and teams across the EU. They are unable to confirm any company who will write motorsport insurance to meet the unlimited levels of liability required by the Directive - the majority believe such risks are, effectively, uninsurable.

Without this new compulsory insurance cover, can motorsport continue?

NO – if the recommended amendment, as explained below, fails to be put in place by the EU Commission then they are likely to start legal proceedings against all Member States who do not fully comply with this Directive.

By far, the most significant impact will arise from the loss of tens of thousands of motorsport jobs across the EU and the UK. The closure of thousands of motorsport-related businesses, who collectively transact more than €25 billion each year, will add to the loss of a sporting activity enjoyed by millions of European people.

What can I do to keep motorsport alive – BEFORE OCTOBER 20th?

This immediate and real threat to motorsport jobs and businesses can be resolved if motorsport organisations and motorsport employers, across all EU States, individually, and collectively, make a clear case to amend the EC Motor Insurance Directive, as part of their current REFIT review – see below... **before October 20th**.

The EU Commission offered Four Options for Amendments in their August consultation. The only Option which will allow motorsport to continue is OPTION 3 - which would restrict the scope of compulsory third party motor insurance to accidents caused by motor vehicles "**in the context of traffic**".

Here is your link to the vital 'REFIT' review of the Directive which closes on October 20th. The MIA has published easy to follow guidance on how to respond to this on www.the-mia.com so please refer to this ASAP.

Links to background information

- The August 2017 EU Commission [REFIT review of the Motor Insurance Directive](#)
 - Response given by the [Motorsport Industry Association](#)
 - Response given by [Department for Transport \(UK\)](#)
- [The October MIA's complete overview of the Vnuk issue](#)