

Helping a mega sporting event keep a clean sheet



The world's eyes will be on Russia in June and July when it hosts the 2018 World Cup. Games will take place in 11 different cities across the country, and thousands of fans will travel to Russia to support their team. Security risks will be high, and billions of dollars will be riding on the success of the event. The London insurance market will play a crucial role in insuring many aspects of the event, and specialist commercial insurer Beazley outlines some of the risks and likely insured values.

Terrorism and acts of violence

Terrorism insurance for physical damage to buildings and third-party liability, 'active shooter' and 'loss of attraction' cover, should attacks occur at venues or hotels, may have been purchased. Evacuating workers and players is another key consideration.

\$1bn estimated physical damage sum insured
\$250m estimated terrorism liability and loss of attraction sums insured
\$100m estimated active shooter sum insured
\$10m estimated sum insured for evacuation cover



Sales promotions

Event-linked sales promotions are popular with retailers, and companies take out insurance to cover the cost of an individual winning the 'big prize' and for over redemption risks.

\$150m estimated promotion values



Cyber attack & data breach

Ticketing companies and event organisers hold valuable financial and personal data. If communications networks are breached and data stolen or networks are brought down there is a risk of lawsuits, and loss of revenue from advertisers and subscribers.



\$200m+ estimated sum insured for an individual ticketing agency
\$100m+ estimated sum insured for a global broadcaster

Kidnap and extortion

Kidnap, extortion and disappearance risks are significant for players' partners, families and the team entourage. Kidnap and ransom cover is likely to have been bought by high profile attendees.

\$25m estimated sum insured per team



Event cancellation

With so much riding on the event financially, from TV rights, sponsorship, advertising and ticket refunds, event cancellation cover is essential for the entire event and key games. Hotels also face huge losses should the event be cancelled, postponed or relocated.



up to **\$1.5bn** estimated event cancellation cover, including TV rights and sponsorship
\$100m overall coverage estimate for hotel booking event cancellation.



Hospitality industry

Corporate hospitality, event companies and souvenir manufacturers could lose significant sums if the event is cancelled, so they too are likely to have event cancellation cover.

\$500m estimated sum insured for event cancellation



Players

With the world's top players on the pitch, serious and sometimes career-ending injuries are a significant risk. Clubs will buy personal accident, loss of player income, payroll protection and even asset/transfer value cover insurance.

up to **\$200m** estimated maximum exposure for a star footballer



Construction

If stadia, player accommodation, transportation systems, hotels or other associated buildings and infrastructure are not built to specification, have damage or are not ready on time, then construction companies face loss of revenue and reputational risk.

up to **\$2bn** in material damage estimated sum insured

up to **\$500m** delay in completion estimated sum insured

RUSSIA WORLD CUP
10 FACTS



The tournament takes place between 14th June and 15th July, and there are 32 teams playing 64 matches. This is the first World Cup to be played in Europe since 2006.



Russia spans one-sixth of the world's land mass, and the distance from the most westerly host city Kaliningrad to the most easterly host city Yekaterinburg is similar to travelling between London and Moscow - it takes 36 hours by train to travel between the two.



Almost 50% of the world's population watched the 2014 World Cup in Brazil, and this World Cup is predicted to attract similar TV audience levels.