

March 4, 2019 | Open Letter F1 in the Netherlands

Dear Sir, Madam,

The Netherlands Sports Council (NLsportraad) had a discussion with the management of the racetracks in Zandvoort and Assen in February 2019. The NLsportraad also had an exchange of communication with the Formula One Management (FOM). Those conversations presented new facts for the possible organization of Formula 1 races in the Netherlands. Because of the importance of those new facts, the NLsportraad decided to write an Open Letter to clarify its position. These new facts will also be relevant for the questionnaire that the House of Representatives will organize concerning the Formula 1 in the Netherlands.

### **Role NLsportraad**

The circuit in Zandvoort asked the central government for financial support after signing a letter of intent with FOM on 13 December 2018. In a letter dated 5 February 2019, the government explained to the House of Representatives that it would like to facilitate the organization of Formula 1 races in the Netherlands in terms of infrastructure, security, licenses, etc. However, the government determined that it would not subsidize these races.

During the process leading up to the decision of the government, the NLsportraad had not been into contact with the circuit of Zandvoort or other stakeholders such as FOM and the circuit in Assen. The reason the NLsportraad did not make any contact was because there was a possibility that the national government or the House of Representatives would ask for advice from the NLsportraad concerning the Formula 1 races. In that eventuality the NLsportraad wanted to be completely independent and impartial when that anticipated advice was requested.

After the government made its decision, the NLsportraad decided to collect further information. The NLsportraad was first and foremost interested in the question as to whether the Formula 1 business case could be successful in the Netherlands without financial support from the national government. If that was proven to be the case, the NLsportraad would have been in a position to advise on (optimizing) the impact of the event during a later stage in the process. The NLsportraad has also provided similar advice in the past for several large sport events.

Below is an overview of the findings of the NLsportraad from the conversations which occurred.

**DATUM**  
March 4, 2019

**ONDERWERP**  
Formula 1 in the Netherlands

**KENMERK**  
1495106-188034-NLSR

**ADRES**  
Postbus 184  
2501 CD Den Haag

**TELEFOON**  
+31 70 340 72 73

**E-MAIL**  
secretariaat@NLsportraad.nl

**WEBSITE**  
[www.nederlandse-sportraad.nl](http://www.nederlandse-sportraad.nl)

### **State of Affairs Zandvoort circuit**

Circuit Zandvoort is (currently) trying its best to find large sponsor partners to complete their business case. The date of 31 March 2019 has been set as a hard deadline by FOM. Circuit Zandvoort explained that there are sponsor partners that are interested but their confidence in the business case of Zandvoort might have decreased because the central government chose to only facilitate the plans and not provide subsidy. This explanation is consistent with the findings of the NLsportraad that the confidence of companies increases when the central government is willing to facilitate and invest. Sport events flourish with public-private partnerships.

Furthermore the management of circuit Zandvoort noticed that potential sponsors are becoming increasingly wary because of messages in the media about the (alleged) competition between circuit Zandvoort and circuit Assen.

The Formula 1 business case for the Zandvoort circuit is comprehensive because improvements do need to be made to the circuit. To date the circuit has not received much support from the surrounding cities and the Province of Noord-Holland.

### **State of affairs Assen circuit**

Circuit Assen has in the recent past developed its own plans to bring the Formula 1 event back to the Netherlands. Circuit Assen explained that their business case was complete, partly thanks to a foreign investor who is prepared to vouch for the costs for the fee.

The Assen business case is less extensive than the Zandvoort business case, because the current accommodation, organization and infrastructure of the TT Assen can be used. In addition the Assen circuit has support from the province of Drenthe and the city of Assen. Circuit Assen explained that it does not need sponsoring partners to complete their business case.

### **Contact FOM**

Without further investigation, the NLsportraad is not in a position to judge which of the very different business cases is best for the Formula 1 event, the region or Dutch society as a whole. The NLsportraad recognizes and appreciates the entrepreneurial spirit in Zandvoort as well as the solid heritage in Assen.

However, these matters are not considered relevant from FOM's position. Direct contact between the NLsportraad and the responsible manager of FOM made it clear that circuit Zandvoort is the only candidate in the Netherlands suitable to organize a Formula 1 race in the Netherlands because of the history and the close proximity of big cities and airports. FOM stated that the only possibility of the Formula 1 race being awarded to the Netherlands is if the business case of Zandvoort is completed in time to the deadlines discussed.

### **Crucial collaboration**

The NLsportraad sincerely hopes that Circuit Zandvoort is able to partner with (Dutch) companies for sponsorship at such short notice. The NLsportraad appeals to the national government, provinces and cities to discuss the ways in which the organization of this event can be supported and used in such a way that the social returns are optimized. The NLsportraad is of the opinion that the nation as a whole - including Circuit Assen - can take advantage of the spin off if there is a mutually agreed plan and cooperation. Facilitation by the government is crucial to guarantee infrastructure and security preconditions. Participation by the government is crucial to profit in the fields of

economics, sustainability and of course sport. Cooperation between the different Ministries is indispensable.

The NLsportraad is of the opinion that organizing a Formula 1 race provides a unique opportunity for many Dutch sport fans to enjoy motorsports and their hero Max Verstappen. If utilized well, the Formula 1 race also offers opportunities to develop the region and to promote the Netherlands in many different ways. Cooperation is crucial: cooperation between private and public parties, cooperation within the public sector and cooperation between government departments.

Once again, the NLsportraad would very much like to advise on (optimizing) the impact of the event and the cooperation between parties during a later stage in the process.

Yours sincerely,

The Netherlands Sports Council,

Michael van Praag  
Chairman



Mariëtte van der Voet  
Secretary-General

OPEN LETTER TO:

- Minister of Sport
- Vice minister of Economic Affairs
- Parliament (sports spokesmen)
- Provinces of Noord-Holland and Drenthe
- Cities of Zandvoort en Assen
- Circuits of Zandvoort en Assen
- Cc Formula One Management