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CONCLUSIONS

WORKSHOP ON ON-LINE GAMBLING AND SPORT INTEGRITY (WITH FOCUS ON MATCH-FIXING) 10 MAY 2011 IN BRUSSELS

On 10 May 2011, DG Internal Market and Services held the first expert-based workshop, complementing the Green Paper on On-line Gambling in the Internal Market, with representatives from the relevant sectors: sport bodies, gambling operators, gambling regulators, athlete associations and various betting detection/alert systems. Further to roundtable debates on the pre-determined topics, participants agreed on the following conclusions:

1.1. Problem identification

The *risk of match fixing* is perceived to have increased however:

- the scale and nature of the problem is not well-defined although there is a general recognition of the impact on the reputation of the sport and Member States concerned.
- sport betting is not a threat to the integrity of sport competitions in principle; risks emanate from the use of enabling technologies (internet, mobile commerce, IPTV) by unregulated on-line gambling operators, particularly those coming from the Asian markets;
- match fixing can occur in both the off-line and the on-line gambling markets; and both regulations and self regulations address this threat in the same way, taking account of their technical specificities;
- whilst it is easier to influence the outcome of events of individual sports football is highly exposed to match fixing because of its popularity and the liquidity volume involved.

Further cooperation and concerted efforts to combat the threat of match-fixing are therefore needed between national authorities (inter alia regulators and police), operators and sport bodies, including athlete associations, as there are a number of measures running in parallel.

The EU should coordinate enforcement of national regulations towards non-European countries/operators.

Views were expressed on sport betting not being a threat to sports integrity as far as unfair bets are not placed, that mutual betting may be understood as a less risky betting mode only in terms of bettors not knowing their potential winnings in advance, that amounts spent on on-line gambling offers (given the large access to offers) are much higher than on off-line, that suspicious betting patterns are not proof of betting-related corruption in sport, that not all match-fixing scandals are necessarily betting-related, and that in regulated markets on-line bets are less anonymous than off-line bets (due to identity checks, flow of money etc).

1.2. Preventive measures

Conflict of interest rules

Whilst *limitation/regulation on types of bets and/or types of events* requires further debate given its perceived importance by some it is challenging for regulators to strike the right balance between commercial interests and interests of sport bodies in directing customers away from unregulated markets with more attractive gambling offers.

The identification of events deemed at risk and their associated markets deserve to be further explored, with a view to developing evidence based risk profiles. Increased structured dialogue between gambling regulators, sport bodies and gambling operators is necessary. Such dialogue is also beneficial given the differing regulatory approaches in Member States.

Various regulatory and self-regulatory mechanisms exist in relation to *sponsorship and to ownership of sport events/clubs by gambling operators*, bearing a different degree of restriction across Member States and sport disciplines. Operators seek sponsorship of sport events and clubs within regulated markets because this gives credibility and fair play labels and in this way distinguish them from the unregulated operators.

Betting and self-betting bans exist, based on regulations or self regulations by both sport bodies and betting operators. Hotlines and other whistle-blowing alert mechanisms by sport federations and operators are important support for people faced with match fixing threats or already involved in match fixing; currently these exist to varying degrees.

Support mechanisms and the timeframes involved in responding to alerts deserve further attention. The role of regulators in voiding bets based on information given was explored. There are mechanisms in place for information to be shared, such as between operators and sport bodies, however, *privacy of data* may be an obstacle to more efficient sharing of information and intelligence between state authorities, operators and sport bodies. . Young sportspeople were singled out as vulnerable targets meriting a high degree of protection, although players nearing the end of their career were also signalled as being vulnerable.

Educational and awareness campaigns

There are several good initiatives for athletes, coaches and referees by sport bodies, operators and regulators, either jointly or individually (codes of conducts, training, statutes of sport bodies etc.). However, these may not reaching the targeted audience and a different approach is thereby needed as well as further exchange of best practices at EU level. According to research conducted by the Professional Players Federation in the UK before the start of its education campaign 40% of football players and 60% of rugby

players were not aware of rules/limitations on betting enshrined in statutes or contracts with sport federations. The challenges in communicating effectively with athletes can be facilitated through face-to-face interaction, 'player friendly' websites and written material.

1.3. Detective measures and Monitoring

A number of *detection systems* have been put in place either by betting operators, regulators or some large sport federations. Regulated operators generally sign memoranda of understanding with sport bodies, whilst France was given as an example of having binding contracts between sport bodies and operators regarding the share of information. However existing detection systems tend to be costly; sport generally feels that the costs invested in such systems are detrimental to investment in the sport itself.

Effective monitoring requires cooperation between operators and sport bodies but when a case reaches regulators these are faced with legal challenges in proceeding with a case (since taking cases further involves the police) as well as with timeliness of action from detection of a potential fixed match to garnering evidence and proceeding with a case. Timeliness is important as the sport discipline concerned runs the risk of being tarnished.

Whilst the idea of having an EU-wide or even an international exchange platform was explored, creating central points of intelligence at national level could be a first step.

1.4. Sanctions and Enforcement

Sport federations and betting operators have established their own respective policies and disciplinary rules governing sanctions of sportspeople and employees in relation to betting, including match fixing behaviour. However, the *jurisdiction of sport bodies* is over their members and it is therefore not evident that suspicious match fixing cases can easily be investigated, especially if the criminal networks behind these cases are in non-European jurisdictions. Therefore, cooperation at international level is necessary.

The *integrity of sportspeople* should be protected during investigations so that their careers are not ruined on the basis of false allegations. When setting sanctions sportspeople should be considered and a level of flexibility ensured, taking account of the fact that these may have been forced to fix the outcome of an event by criminal networks. *Disciplinary procedures* of sports bodies to preserve the integrity of sport and *criminal procedures* of state authorities need to be better coordinated. There is also a need for clearer delineation of responsibilities (no "enforcement competition")

1.5. Financing of sports integrity mechanisms/measures

There are *different approaches in the Member States* for the financing of sports integrity mechanisms, whether from licensing fees, legal requirement on operators to contribute or by the sport sector itself. An example given is the initiative by a number of sports betting operators to fund player associations in a select number of sport disciplines in some Member States to deliver educational programmes to athletes. Operators (both lotteries and commercial) have established detection systems and are, despite data protection issues, ready to share intelligence and information with other concerned parties (sport, regulators).

Whilst popular sports such as football or tennis afford to run their own educational campaigns, detection systems and integrity units, smaller or less visible sports do not

have the resources for such measures. Given that the risks of match fixing run across all sport disciplines this is an issue that merits further attention. Participants agreed that there is scope for further discussions on a number of issues where views converged in order to 1) benefit from best practices and 2) explore cooperation further, including maximising resources and expertise.

The list of participants and the workshop agenda are found at:
http://ec.europa.eu/internal_market/services/gambling_en.htm