



HOUSE OF LORDS

European Union Committee

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16th Report of Session 2010–11

# Grassroots Sport and the European Union

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## CHAPTER 6: SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

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### Chapter 2: The societal role of sport

119. We believe that the EU could gain most from the new competence, particularly at a time of financial constraint, by regarding sport not as a peripheral policy area but as a powerful and effective tool in the delivery of objectives across the policy spectrum, notably in the health, social and educational spheres. We welcome the Commission's focus on this in the Communication (paragraph 25).
120. With particular regard to EU policy, sport can make a strong contribution to the achievement of three out of the five headline targets of the Europe 2020 Strategy, namely those on employment, education and poverty and social exclusion. Increasing levels of participation in grassroots sports should therefore be a priority in the field of sport for the Member States, and for the EU within the limits of its competence (paragraph 26).
121. Our evidence also highlighted that participation in sport can bring particular benefits to groups whose participation rates are lowest. These include women and girls, those with a disability, the unemployed, older people, migrant communities and those from disadvantaged communities. Particular effort should be devoted to increasing participation of these groups. We welcome the Commission's proposal to support projects promoting their inclusion (paragraph 27).

### Chapter 3: Integrating sport into policy making and delivery

122. We consider that the potential of sport to deliver on objectives across the policy spectrum, but particularly in the social sphere, has yet to be fully exploited by policy makers at both EU and Member State level (paragraph 44).
123. Whilst the Commission has had some success in integrating sport into other policies, for example including it in the Disability Strategy and the Strategy for Equality between Men and Women, further work is needed to ensure it is consistently mainstreamed across the work of all relevant Directorates General (paragraph 45).
124. It is also desirable that sport should be further mainstreamed into health, social and educational policies at Member State level. We consider this to be a policy of such significance that we recommend that the Commission draw attention to it by proposing a Council Recommendation for consideration and adoption by the Member States (paragraph 46).
125. While we recognise that there exist different models of sport across the EU we consider the practicalities of mainstreaming to be an area where sharing best practice among Member States would be valuable. Member States could also usefully share information on their methods of increasing participation rates in sport, particularly among under-represented groups (paragraph 47).
126. The Commission acknowledges the potential of sport in delivering social objectives. However, wider scale studies could usefully be undertaken on social returns. If these were to be convincingly demonstrated they would provide a compelling argument for sport to be further integrated into wider policy making and delivery at both EU and Member State level whilst also

strengthening the case for financial investment. We recommend that social returns be specifically included in the Commission's work on evidence-based policy making and work with academia, both of which are action points in the recent Communication. We recommend that the Commission work with Member States and the relevant working groups to identify appropriate data sets in relation to both economic and social aspects of sport and subsequently facilitate work to analyse these (paragraph 48).

#### Chapter 4: Funding and supporting grassroots sports

127. It is clear to us that volunteering is vital to the success of grassroots sport. The Commission should recognise the importance of recruiting and retaining volunteers, ensuring future legislation does not adversely impact on volunteers. Our recommendations in chapter 5 are pertinent in this respect (paragraph 56).
128. The opportunity to gain skills and qualifications through volunteering is an important factor in attracting and retaining volunteers. Volunteering also has the potential to contribute to Europe 2020 objectives, assisting individuals into education and training. We welcome the proposals to incorporate sport-related qualifications when implementing the European Qualifications Framework and to promote and recognise formal and informal learning gained through volunteering (paragraph 57).
129. Volunteering is an area which could benefit from the sharing of best practice at a European level and the Commission should facilitate this (paragraph 58).
130. We consider the EU Year of Volunteering to be a valuable platform for promoting volunteering in sport and considering how to create a favourable climate for it. The integration of sport into such initiatives is important, recognising the ability of sport to contribute to a wide range of policy objectives (paragraph 59).
131. Whilst we accept that the resources are likely to be small, we nevertheless believe there to be value in a Sports Programme and in the transnational links it promotes. In particular, we support the funding of projects in the areas outlined in the Commission's Communication as in line with areas where evidence shows sport can deliver significant outcomes against wider policy objectives (paragraph 71).
132. Creating the right transnational networks will be crucial to the success of a Sports Programme. We urge the Commission to learn lessons from the Preparatory Actions and in particular to explore how the transnational requirement can be made easier for grassroots organisations to fulfil (paragraph 72).
133. In light of the wide range of policy objectives which sport can deliver, general EU funding streams offer significant potential to grassroots sports. Many of these streams have significantly greater resources than would be available through a dedicated Sports Programme. The existence of any specific funding stream for sport should not mean that it is marginalised in other funds. Indeed, sport should be further integrated into EU funding streams. We welcome the Commission's commitment to the principle of mainstreaming sport in funding but found the evidence of the Sport and Recreation Alliance, that in recent years sport has been marginalised in many funds it is eligible to apply to, worrying. We hope that the EU's new formal competence in sport will help redress this situation (paragraph 73).

134. It is clear to us that the sale of broadcasting rights provides an important source of income for some grassroots sports. We were pleased to note the recent strengthening of the UK Sport and Recreation Alliance's voluntary Code of Conduct on the reinvestment of broadcasting revenues into grassroots sports. Such models of good practice could usefully be shared among Member States, and a Council Recommendation might be considered to achieve this (paragraph 85).
135. Commercial arrangements have developed allowing sports to derive substantial income from broadcasting, namely collective selling and territoriality. Both have been the focus of attention for their compliance with the competition and internal market aspects of EU law. In our evidence, we heard a difference of views on the extent to which Article 165 requires the specific nature of sport to be taken into account when assessing such arrangements for compliance with EU law. We conclude that the inclusion of the specificity of sport in the Article and therefore in the Treaty may inform the EU's legal assessment of commercial arrangements, such as collective selling of broadcasting rights and territorial restrictions, which often lead to the re-investment of revenues at the grassroots (paragraph 86).
136. We welcome the Commission's recognition in its Communication of the potential benefits to be derived from collective selling, while complying with competition law. On territoriality, we take note of the Advocate General's recent Opinion, in which the principle was not upheld, and observe that the implications for the funding of grassroots sports, if supported by the Court, are not clear (paragraph 87).
137. As case law develops following the entry into force of the Lisbon Treaty, we recommend that the Commission analyses the Court's judgments relating to the specific nature of sport within Article 165, with a view to producing its own interpretation of the principle. This, we consider, would offer a useful basis for further discussion and movement towards a consensus among the other EU institutions and stakeholders (paragraph 88).
138. Digital piracy of sporting events is clearly a matter of concern. We recommend that sport be included within the Commission's work on the Digital Agenda, including its forthcoming Proposal for a Framework Directive on the management of copyright (paragraph 89).
139. Our evidence was divergent on the question of requiring the gambling industry to pay a fair return for its use of sports' intellectual property. The Commission should analyse the evidence in this area, particularly the levy introduced by the French government and with reference to the results of the forthcoming study on the funding of grassroots sport. Some witnesses were concerned that consultation has been unbalanced. We recommend that the Government and the Commission consult both sports bodies and the industry on the merits of such a system (paragraph 90).
140. Online gambling services do not respect national borders, and may often be based outside the EU. Should concerns be identified and upheld, including in relation to the link between gambling and the funding of grassroots sport, there might consequently be a case in principle for the EU to act. Any future EU action relating to online gambling services in the Internal Market should address sport, and particularly the funding of grassroots sport, into account (paragraph 91).

## Chapter 5: Effective and representative dialogue

141. It is important to ensure that EU legislation and initiatives across the policy spectrum do not adversely affect sport. The Communication does not specifically address this aspect of mainstreaming, but we consider it vital to the effectiveness and success of sport in delivering policy objectives. The Commission should make full use of the impact assessment process to safeguard against unintended damage to sport and we urge vigilance on the part of both the Commission and the Government. We consider it probable the new competence will add weight to this. The Commission should, in consultation with stakeholders, conduct a full review of existing EU legislation with a view to identifying existing regulatory burdens on sport. Particular attention should be given to those impacting upon volunteers, as recommended in chapter 4 (paragraph 112).
142. The various forms of dialogue between the Commission and stakeholders need to ensure that grassroots sport is adequately represented. The Commission should monitor the extent to which structured dialogue, including attendance at the Sport Forum, is representative, and should take remedial action as necessary. Where expanding the range of stakeholders would make dialogue unwieldy, the Commission should facilitate an exchange of views with sport on a theme by theme basis (paragraph 113).
143. Member States should be encouraged to seek the views of all relevant stakeholders. The DCMS EU Sport Stakeholder Group is a good example of this. However, we find it surprising that Sport England is represented whilst Sport Northern Ireland, sportscotland and Sport Wales are not. We recommend they be invited to join the stakeholder group (paragraph 114).
144. Witnesses were critical of the composition and functioning of the working groups, although they acknowledged their potential. The Commission should encourage Member States to give proper consideration to the most appropriate organisations or individuals to sit on the working groups. The participation of smaller specialist groups should also be encouraged on an *ad hoc* basis (paragraph 115).
145. Further thought should be given to a more strategic and joined up approach to the different forms of dialogue between stakeholders and the Commission, for example using the Sport Forum as a medium to disseminate the findings and conclusions of the working groups to a wider audience (paragraph 116).
146. We agree with witnesses that fulfilling the potential of the new Treaty competence relies on communication and inclusion. Many grassroots sports organisations have a limited awareness of Brussels, and of the funding opportunities available. We recommend that both the Government and the Commission give thought to how they can individually and jointly publicise the opportunities at EU level which are open to grassroots sports, including funding, opportunities for the sharing of best practice and dialogue with the Commission (paragraph 117).
147. We recommend that the Commission establish a European webportal to facilitate the sharing of best practice and the formation of pan-European links between grassroots sports organisations. Although we acknowledge the Minister's point regarding the need for it to be adequately publicised we consider there is sufficient evidence that such a tool would be welcomed by stakeholders, it would provide genuine EU added value, ensure accessibility by engaging grassroots sports at all levels and offer good value for money (paragraph 118).