



Commission investigates Internal Market violations in the sports betting sector in 7 Member States – The European remote gambling industry welcomes the decision taken by the European Commission

Brussels, 4th April 2006. - The European remote gambling industry welcomes the long-awaited decision taken by the European Commission to launch a large-scale investigation into the sports betting market in 7 Member States.

Denmark, Finland, Germany, Hungary, Italy, Sweden and The Netherlands are being investigated over national legislation preventing Community sports betting operators to supply or to advertise their services in the light of the *Gambelli* jurisprudence of the European Court of Justice (ECJ). The Commission has serious doubts whether restrictions in these markets are aimed at reducing gambling opportunities rather than protecting revenues for the State budget.

The Commission has grounds to believe that these Member States violate the Internal Market principle of freedom to provide services (Article 49 of the EU Treaty) in this sector. As Guardian of the Treaty, the Commission has the duty to investigate potential breaches of EU law in all service sectors and has therefore decided to send a Letter of Formal Notice to these Governments, which constitutes the first step of an infringement procedure.

This investigation results from complaints lodged to the Commission in recent years by gambling operators, consumers, media companies, tourism operators, sports organizations and charities, originating from various Member States (Austria, Denmark, Finland, Germany, Greece, Hungary, Italy, Portugal, Sweden and the UK). Complainants include EBA and RGA members who have systematically been victims of discriminatory practices in these Member States and were unable to exercise their legitimate rights to provide these services as confirmed by the ECJ case law.

In a context of rising national protectionism in various Member States, the remote gambling industry welcomes the Commission's strong determination to enforce Internal Market rules in this sector. More notably since both the European Parliament and the Council decided not to address gambling in the Services Directive.

Didier Dewyn, Secretary General of the EBA, urges the Commission "to improve the situation for EBA and RGA members who have been victims of such unfair discriminatory practices across the Union, without having to take Member States to the Court in Luxembourg".

Both associations believe that this investigation sends a clear message to consumers, the industry and Member States on the need to clarify the legal situation in this sector. The EBA and the RGA hope that Governments will take serious heed of the Commission's determination not to tolerate discriminatory practices anymore and provide fair and regulated market access to their members.

Clive Hawkswood, Chief Executive of the RGA, calls upon Member States "to work with our industry and others to identify and adopt fair and sustainable rules for remote gambling within the European Union. Together we can address all of their legitimate concerns about keeping crime out and protecting consumers".

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Notes to Editors:

The RGA and the EBA represent the European remote gambling industry. Our members are mainly public limited companies who offer betting and gaming opportunities via the Internet, telephone and interactive television. Many of them also operate large numbers of bricks and mortar gambling establishments.