

Gambling Compliance

Gambling Associations Say EU Action Plan Toothless Without Enforcement

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[Lina Sennevall, Gambling Compliance](#)

Europe's lotteries, casinos and pari-mutuel operators have warned European commissioner Michel Barnier that his online gambling action plan will be "meaningless" without tough enforcement.

In an [open letter](#) to the commissioner, European Lotteries, the European Casino Association and the European Pari Mutuel Association said they had "mixed feelings" about the much vaunted [action plan](#).

They expressed fears that it would not deliver the right results if it fails to focus on the fight against illegal gambling and does not implement strict rules or bans against the riskiest games.

Signed by the presidents of the three associations, the letter said that the consumer protection and advertising recommendations in Barnier's action plan published in October last year would have no effect on unlicensed operators in EU countries, adding that the process "might start on the wrong foot".

It said: "The recommendations will thus obviously have no effect on unlicensed operators, who free themselves from complying with the laws of the member states where they offer their services by operating out of tax havens, just as they also exempt themselves from paying the taxes they should be subject to."

The presidents added that fighting illegal gambling operators should "be placed at the centre" of a planned consumer protection Recommendation from the commission.

They noted that the widespread availability of illegal gambling is a cross-border problem requiring a "strong and joint response at the level of the European Union".

Responding to the letter, Clive Hawkswood of the Remote Gambling Association, which represents Europe's online gambling industry, said: "In contrast we would suggest that the absolute priority for the commission must be to ensure that the regulations and restrictions in place in each member state are compliant with EU law."

The presidents wrote that there was an urgent need to block adverts for illegal gambling offerings and, in particular, on television channels based in countries where operators have a licence but which broadcast into countries where they do not.

This strategy has been used widely by operators in Nordic countries, including Sweden and [Norway](#), as a way to bypass the restrictive gambling monopolies.

The letter also backed further blocking of illegal gambling websites and bank transactions to unlicensed operators.

Hawkswood said: "As for enforcement mechanisms, we know from experience that they all have limited effectiveness and in the commission's own communication it specifically flagged up the failings of each."

Friedrich Stickler for the lotteries, Philippe Germond for Europe's pari-mutuel operators and Ron Goudsmit of the European Casino Association wrote that the gambling sector requires special attention to deal with the risks and dangers in gambling.

They added that they welcomed the initiative to fight against fraud and money laundering, the promotion of the integrity of sports and the initiative to facilitate administrative cooperation between EU gambling regulators.

The three associations said their members together create more than 750.000 jobs through direct and indirect employment in the European Union.