

Brussels, 10 September 2013

EPMA, representing the leading tote operators from 10 Member States, expresses its great satisfaction with today's adoption by the European Parliament of its Report on Online Gambling in the Internal Market

EPMA's members take the view that an important step has been taken today in the lead up to the recognition by the European Union of the concepts of a 'betting right' and a 'financial return', which are both essential for strengthening the integrity of sport competitions and key to ensuring the sustainable financing of sport and horse racing.

Taking due account of the specificity of the horse sector in discussions at EU level

Indeed, in response to the European Commission's Communication of 23 October 2012 entitled 'Towards a comprehensive European framework for online gambling', **MEPs reaffirmed that gambling is not an ordinary economic activity**, and one for which **Member States have the right to organise and regulate** the provision of services in accordance with the principle of subsidiarity.

They also recognised – despite it being left out of the Commission's Communication – that in some Member States gambling revenues represent *"a considerable source of income that can be channeled to support publicly beneficial and [...] horse racing and equine sector"* which *"should be acknowledged in discussions at the European level"*.

Securing the development of horse racing in and reinforcing the integrity of sport

Relying on the fact that *"sports bets are a form of commercial use of sporting competitions"*, the European Parliament calls for **the recognition of the property rights of sports event organisers** over the competitions they organise, which naturally results in the establishment of a **fair financial return** obligation on gambling operators.

This business model is key to the development of pari mutuel/tote operators' activities, which are **fully in line with the EU's objective in terms of the integrity of sport**, and enable a **sustainable funding of the horse sector in the EU**. Indeed, out of an aggregated turnover of € 13.5 billion in 2012, the European pari mutuel/tote operators channeled € 1.4 billion into the horse sector at large, beyond the tax money they paid to public authorities.

Towards a consistent EU approach on online gambling

This Report by the European Parliament echoes two decisions recently made by the European Commission¹, in which **the French and German financial return to horseracing from gambling activities were found to be compatible with EU law**. Indeed, these two long-awaited decisions by EC competition services made clear that the "levies" on online horse race betting that are set up under these pieces of legislation in France and Germany are no longer in question in terms of compliance with the single market rules.

The whole European EU horse racing sector hopes that the EU will continue acting with consistency in the field of online gambling, in accordance with the concepts of 'betting right' and 'fair return'. Indeed, stakeholders were eager to see the principle of financing the horseracing and equestrian sectors out of the proceeds made by gambling operators recognised by the European Commission. Today's renewed call from the European Parliament in that direction is seen by the actors of the sector as a key political support for the sustainable development of their activities.

¹ C(2013) 4047 final SA.35200 (2012/N) – Deutschland - Rennwett- und Lotteriewettgesetz (RennwLottG) SA.30753 C34/2010 Amélioration de l'espèce équine et promotion de l'élevage

EPMA: <http://www.parimutuel-europe.org/>

European Horse Network: <http://www.europeanhorsenetwork.eu>

The European Pari Mutual Association aims to protect and promote the business model of its members, which offers a vital support to the equine sector in Europe and contributes to the integrity of horse racing.

Members of EPMA are present in 10 countries, traditionally active in developing horseracing and horse breeding (Belgium, Finland, France, Germany, Ireland, Norway, Spain, Sweden, Switzerland and United Kingdom). They wish to share their common concerns about developing efficient regulations taking into account the promotion of the equine sector and consumer fairness and protection.

AB Trav. Galopp (ATG), Sweden - **Fintoto Oy**, Finland, **German Tote GmbH**, Germany - **Société de la Loterie de la Suisse Romande** Switzerland - **Foundation Norsk Rikstoto**, Norway - **Pari Mutuel Urbain (P.M.U.)**, France - **Totepool**, Great Britain - **Tote Ireland Limited**, Ireland – **RSV**, Germany – **Eurotiercé**, Belgium, **HAHE**, Spain

