

**EPMA expresses strong concerns following the procedure launched by the European Commission towards the French levy to finance the horse racing industry.**

**Brussels, 2<sup>nd</sup> February 2011**

The European Pari Mutuel Association supports the European and French Racing Authorities in their action to defend a sustainable funding of the horse racing sector.

In the procedure launched on 14<sup>th</sup> January 2011 by Directorate-General for Competition, the French levy on online horse race betting could be incompatible with the single market.

**For EPMA members, the whole European horse racing sector will be threatened if the French levy principle is not recognized.**

**Moreover, if the missions of the racing authorities in France are not considered as a service of public interest, the overall benefits of the sector in Europe will be purely ignored.**

Facing such consequences, **EPMA asks the European Commission to find tools to preserve the business model of the horse racing sector** – particularly if the fiscal instrument is put aside.

**Betting remains the main component of horse racing funding.** While most sports are financed by households, broadcasting rights and “match-day contributions”, horse racing is 65% financed by betting. The report **on the economic impact of horse racing**, published in 2009, shows that the **sector’s dynamism depends on a coherent legal framework guaranteeing on a long term basis and at a certain level, the return from betting** through the Prize Money that is paid to the professionals of racing. It also shows that Pari Mutuel contributes much more than the other betting models to the financing of the horseracing industry.

The specific identity of Pari Mutuel operators needs to be recognised as such by all the European governments and therefore preserved on the same basis and arguments that the lotteries are putting forward in the Council conclusions of 10 December 2010<sup>1</sup> “play an important role for society, via for example the funding of good causes”.

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<sup>1</sup> Conclusions on the framework for gambling and betting in the EU member states - 3057th Competitiveness (Internal Market, Industry, Research and Space) Council meeting - Brussels, 10 December 2010

In Europe in 2010, Pari Mutuel betting on horse racing totalled €13 billion. Out of that sum, more than €10 billion returned to the winning punters and as much as € 1.4 billion was reinvested in the European horse industry and racing.

At EU level, competition, fiscal, social and market issues are opposed instead of being mixed in order to establish coherence and long term objectives. It should be the approach and ambition of the European Commission and the announced European Green Paper on gambling.

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- EPMA White Paper explains the values of the Pari Mutuel model (Document published in September 2008)  
Economic impact study of the racing sector in Europe published in September 2009  
<http://www.parimutuel-europe.org/>
  - European Horse Network key figures 2010 -  
<http://www.europeanhorsenetwork.eu/letter.html>

Members of EPMA are present in 10 countries, traditionally active in developing horseracing and horse breeding (Austria, Finland, France, Germany, Ireland, Italy, Norway, 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's 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 - Horserace Totalisator Board, Great Britain - Tote Ireland Limited, Ireland - Unione Nazionale Incremento Razze Equine (U.N.I.R.E.), Italy, Wiener Trabrennverein, Austria, Winrace, Germany**

