



PRESS RELEASE
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AMPLE FUNDING ALREADY EXISTS FOR INTEGRITY ISSUES

The Remote Gambling Association (RGA) is publishing on Wednesday, 27th January an independent report into the impact of betting on sport, notably from a commercial and integrity perspective within the European Union. It provides a detailed analysis of the available data and will be presented at the Betting Show in London.

Clive Hawkswood, RGA Chief Executive, stated that “we welcome the production of this independent report which aims to cut through the rhetoric surrounding these issues in order that proper evidence-based policies can be developed to address integrity in sport.

‘The licensed gambling industry shares a common aim with sports to safeguard the integrity of sporting events. However, there is no evidence that betting-related corruption is on the increase and it is very clear that there are far greater threats from other sources of non betting related corruption, such as doping.

Unfortunately, many in the sporting world are seeking to use the issue of integrity to persuade legislators to introduce statutory mechanisms to increase the levels of funding from the betting industry. This is often dressed up as the concept of a ‘fair return’ but, as a report by Europe Economics in 2009 highlighted, the gambling industry already provides €3.4bn per annum to EU sport, with €2.1bn (62%) contributed by private companies. In fact is it something of an irony that this figure would be even higher if so many EU Member States had not decided to ban advertising and sponsorship by private sector gambling operators.’

The report also notes the significant economic benefits provided to professional sport through State aids, along with preferential taxation measures that are not

afforded to other industries. To illustrate this, the report states that in 2008 FIFA, UEFA and the IOC had combined revenues that amounted to over €4bn.

Hawkswood added: 'we completely understand why governments wish to support and promote sports and we are not seeking to challenge that. However, given how wealthy many of the major professional sports are, and remembering that licensed gambling remains one of the highest taxed industries, it is galling to many in the betting industry that sports believe that the betting industry should make an even larger contribution than it already does. It is disappointing when so many people at State and EU level appear willing to support them without even looking at the facts or hearing our side of the argument.'

The report concludes that such annual income streams and the €3.4bn contributed annually by licensed gambling operators wholly undermine the argument that a new EU-wide statutory mechanism is required to provide sports greater control over the betting product and to enforce additional payments from gambling operators. Any such proposals do not appear to be valid, necessary or proportionate. There is ample income within the sporting sector; whether it is being distributed in a fair and appropriate manner, and whether a sufficient amount of those resources are being applied to deal with integrity issues is for each sport to determine.

Notes for Editors

The RGA is the largest online gambling trade association in the world. Its members include: bet365; Betfair; Chartwell Games; Cryptologic; Danoptra; Extrabet; Globet; JAXX, Ladbrokes; Microgaming; Paddy Power; PartyGaming; PKR; Playtech; Rank Group; SBObet; Skybet; Sportingbet; Sportech; Stan James; Stanleybet; Talarius; Totesport; Unibet; Victor Chandler; Virgin; William Hill; and 888.com.

The RGA has noted the increasing number of sporting and political forums that have been considering sports betting issues. However, whilst engaging with the sporting movement, they have not engaged with the licensed gambling industry to any meaningful degree, and as such those policymakers are in danger of producing unilateral and flawed policy decisions in this area.

The RGA has frequently called on regulators and governments around Europe and elsewhere to base their approach on evidence-based policy making. It was clear therefore that in developing its own policies in this area it should do exactly that. The report is the culmination of that process and provides an excellent

analysis of all of the available information, mainly derived from data that is in the public arena.

The document was produced by Jason Foley-Train (on secondment from the UK Government's Department for Culture, Media and Sport) for the RGA. Mr Foley-Train has a decade of experience of sporting and betting issues, notably working on the policy for the UK Gambling Act 2005 and the UK's response to the European Commission's White Paper on Sport (2007). However, it must be stressed that the views expressed in the report are solely those of the author and cannot be taken to reflect the position of DCMS or HM Government more generally.

The final report, entitled 'Sports Betting: Legal, Commercial and Integrity issues', was completed following a consultation conducted by Mr Foley-Train that approached 239 stakeholders, including the major international and national sporting bodies, EU Member States and non-RGA gambling operators that offering betting on sporting events.

Given the interest in these subjects it was decided that the report should be published even though it was originally intended solely to be a report to the RGA. Aside from the report, a number of recommendations that flow from it have been made to the RGA. For what should be understandable reasons they are purely for internal consideration and have not been published.

The RGA is now considering how best to take forward the report's recommendations and to engage with stakeholders who wish to participate in a partnership approach with licensed gambling operators. The organisation hopes to make further announcements in the near future. The full report is available at www.rga.eu.com. Any additional media enquiries should be directed to Brian Wright at bwright@rga.eu.com or +44(0)207 831 2195.