



PRESS RELEASE

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## **French remote gambling law fails EU tests**

**The lower House of the French Parliament adopted today the remote gambling law which creates a licensing system for private operators wishing to provide services in France. Hailed by the French government as a “controlled opening” of the market, the bill does little to truly facilitate a competitive and thriving market for such services and ultimately the burden of the bill will fall squarely on the shoulders of French players.**

The Remote Gambling Association (RGA), representing the world’s largest remote gambling operators, repeats its call that the draft law must be amended to adhere to EU rules. *“Even if the European Commission, as guardian of the Treaties, feels that a licensing system is sufficient to satisfy EU rules, the French law makes a mockery of a supposed “controlled opening”. Whether it is the hundred plus pages of technical rules, the false limitation on payouts to players, the ineffective blocking mechanisms or the introduction of an unsubstantiated sports right, this system is, unfortunately, seriously flawed and will make it difficult for any private sector company to be successful, especially in the area of sports betting”*, stated Clive Hawkswood, Chief Executive of the RGA.

The bill will be followed by a set of decrees which, once signed by the Minister, effectively brings the law into force. It is expected that the decrees will be signed in May, thus opening up of the market prior to the World Cup. ARJEL, the regulator in France, has already posted the requirements for an applying operator on its web site.

The decrees, which have remained confidential, were sent to the Commission earlier this year and the European Commission reply is expected at the end of April.

*“While we have no access to the decrees which will define the secondary regulation of this sector, we are fearful that they will simply extrapolate the mechanisms in the primary law into more onerous detail. The technical standards document has heightened these*

*fears with technical issues which raise serious considerations as to the feasibility of the frontal server system. But the greatest fears are reserved for those areas which are nothing more than a smokescreen to protect the incumbent providers,”* stated Mr. Hawkswood.

The RGA has received legal advice on the bill and remains committed to seeking all avenues of redress if the bill and its subsequent regulations appear to deny market opportunities to private operators.

*“Our biggest concern is that this type of system is accepted by courts and the EU institutions as somehow a fair access system. It looks nothing like the Italian system for instance and runs roughshod over EU rules meant to provide operators access to EU markets. We hope the new Commissioner who oversees this dossier will continue to scrutinize this law and its negative effects on market access.”*

**-- Ends --**

The RGA represents the world’s largest licensed, and stock market-listed remote gambling companies. It provides the industry with a single voice on all issues of importance to regulators, legislators, and key decision makers around the world.

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