



**8 August 2008**

**Press Release**

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**REMOTE GAMBLING ASSOCIATION ENDORSES UIGEA  
CLARIFICATION ACT**

The Remote Gambling Association (RGA) today endorsed the UIGEA Clarification Act (HR 6663) and expressed strong support for its sponsors for taking positive action to clarify the law.

The fundamental purpose of the UIGEA Clarification Act sponsored by Representative Pete Sessions (R-Tex) is to clarify that online gambling operators who did not offer sports betting and who withdrew completely from the United States market upon passage of UIGEA should no longer be threatened with federal prosecution in the United States.

Since March 2008, the EU has been formally investigating the US prosecution of EU online gambling operators that voluntarily withdrew from the US market, at huge cost, following the passage of UIGEA. Exacerbating this injustice and trade violation by the US is the fact that US companies active today continue to operate with impunity.

The EU investigation is based on the Trade Barriers Regulation and a complaint lodged with the EU by the RGA in December 2007 on the grounds that US prosecutorial policy in relation to EU licensed online gaming operations is both discriminatory and an ongoing breach of the US GATS commitments with respect to gambling services. These are the same commitments that the WTO has already ruled the US to have violated.

The EU Commission is expected to conclude its TBR investigation and reach a decision before the end of this year. The decision will determine whether the case will be sent to the WTO for determination, followed by sanctions awarded against the US if the EU wins. However, if HR6663 becomes law it will go a very long way to meeting the concerns of the RGA and the EU.

Clive Hawkswood, the RGA's Chief Executive, said; "We took our case directly to US legislators who have heard our message, understood the inequity of the Department of Justices' stance, and appreciated both the unfairness in their enforcement policy and the risk to US priority interests and its reputation if the policy was pursued further. This could be a major step in demonstrating that the

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rule of law and the integrity of the WTO are still important in Washington.

Although this is a good sign, unless and until the legislation is passed and comes into force, all EU operators who have ever taken business from the US market are potentially still under threat of prosecution and we will be forced to pursue this matter as far as it needs to go to obtain a sensible solution and fair justice.

As representatives of the EU industry we have nothing but praise for the UIGEA Clarification Act supporters who have acted decisively to rectify an unnecessary and avoidable dispute and safeguard both principles of basic fairness and the trading relationship between the US and the EU."

## **NOTES FOR EDITORS**

The RGA represents the largest licensed, and stock market-listed remote gambling companies and provides the industry with a single voice on all the issues of importance to regulators, legislators, and key decision makers around the world. Further details, including a list of RGA members, can be found at [www.rga.eu.com](http://www.rga.eu.com)

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