Online gambling: barriers removed in Italy

The European Commission has ensured that Italian citizens will have access to a wider choice of authorised on-line gambling services as a result of changes made to Italy's laws on online gambling. The Commission has therefore closed a series of legal cases against Italy concerning this legislation. The Commission had previously found that Italy's restrictions on foreign operators were disproportionate and had started legal proceedings against Italy for breaching EU rules on the freedom to provide services. Following the Commission's legal action, the Italian authorities engaged in an open and constructive dialogue with the Commission and amended its online gambling legislation.

Before Italy changed its law, the Italian Olympic Committee (CONI) and the National Horse Breeders Enhancement Society (UNIRE) had the exclusive right to organise sports betting, including online gambling. As a result, other legitimate European gambling operators could not offer their online services in Italy. Moreover, access to their web sites was effectively blocked from Italy.

While EU law permits Member States to restrict the offering of gambling services in the public interest, for example to prevent gambling addiction or organised crime, such restrictions must be coherent with the Member State's own behaviour in offering the very same services. Furthermore, any measures taken by Member States to restrict the market have to be necessary, proportionate and non-discriminatory. Acting upon a complaint, the Commission found that Italy's restrictions on foreign service providers and measures to block access to the web sites at that time were disproportionate. As a result, the Commission started infringement proceedings against Italy in 2006 (IP/06/436 and IP/06/1362).

How will citizens and businesses now benefit?

With its new law, Italy has now opened its online gambling market. Citizens in Italy will now have a broader choice of online gambling services for sports betting, which will continue to be authorised and supervised by the Italian authorities. Meanwhile, other European gambling operators will have the possibility to apply for Italian licences and offer their services in Italy. Nevertheless, gambling will continue to be safeguarded in the general interest in order to protect vulnerable consumers and to prevent gambling addiction as well as criminal activities.

Background

The Commission acted upon receiving a complaint in 2003. After investigating the case, the Commission started infringement proceedings against Italy in 2006 by sending a letter of formal notice, the first stage of an infringement procedure. Following an open and constructive dialogue between the Commission and the Italian authorities, Italy notified the Commission in 2009 it had amended its laws. The Commission welcomes the new Italian law that will allow for the cross border provision of services, with clear rules for the authorisation and the granting of licences to domestic and European operators and has decided to close the case.

More information on the Commission's legal cases against Member States is available at:

http://ec.europa.eu/community_law/index_en.htm