



INTERNATIONAL
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COMMITTEE

European Commission Green Paper of 24 March 2011 On online gambling in the internal market

Joint Position for the International Olympic Committee and the European Olympic Committees

Introduction

The International Olympic Committee (IOC) and the European Olympic Committees (EOC) praise the European Commission for initiating the Green Paper on online gambling of 24 March 2011, which includes some extremely precise questions on the impact of sports betting on sport in general and the integrity of sports competitions in particular. The IOC and the EOC are pleased with the results and conclusions of this, given the highly transparent and open approach by the European Commission to this important subject.

The Green Paper on online gambling includes broad consultation on the different rules on online gambling, and the results of this will be of great importance to the Working Group set up by the IOC on the fight against irregular or illegal sports betting on 1 March this year.

Even if some questions are aimed directly at Member States of the European Union and the regulatory authorities, the comments made by the IOC and the EOC refer to the whole of the consultation, with a very international approach to the subject. This is one of the reasons why this contribution may be of interest to the European Commission.

The IOC and EOC's current findings on online gambling

The Green Paper starts with the observation that online betting operations, either by clandestine operators (or those without a legal licence), or by licensed betting operators in one or more of the Member States but whose services go beyond those territories for which they have a legal licence, are growing fast.

The IOC wishes first of all to confirm that it approves the draft conclusions by the expert workshop held in Brussels on 10 May on sports betting and the integrity of sport in the framework of the consultations on the Green Paper, which it was able to attend.

Although it lacks the means to obtain precise data on this (Q 27 to 29), the IOC has noted, through the press as well as at the Working Group meeting on 1 March at which Commissioner Michel Barnier was present, that the volume of illegal sports betting is increasingly sharply and that the whole of the sports movement is very concerned about the risks linked to these activities.

Indeed, in recent years, the Olympic and sports movement has seen a significant increase in cases of cheating linked to sports betting activity. It notes that several sports are concerned, around the world and particularly in Europe, such as football, tennis, cricket, rugby, table tennis and field hockey, to give just a few examples.

Inventory of measures taken and IOC and EOC recommendations on how to preserve the integrity of sports competitions in the framework of sports betting

- Increase cooperation between everyone involved in online betting: the approach advocated by the IOC since 2006

The Olympic and sports movement notes also that, since 2006, the licensed betting operators have been engaged in cooperation and that, more specifically, agreements have been signed with various



sports organisers to allow for exchanges of information in the event of irregularities in online betting operations.

This cooperation has been strengthened by agreements with international organisations (for example with Interpol since 2006 for the Olympic Games) as well as with national gambling and betting regulators (for example with the UK Gambling Commission for the Olympic Games in London). The issue of enhanced cooperation by everyone involved (Q 49), governments, international organisations, licensed betting operators and the sports movement, is at the heart of the approach by the Working Group created by the IOC on 1 March. The various means of cooperation, both existing and those yet to be devised, will be analysed by groups of experts then discussed in the coming months. In this regard, the IOC adds to this contribution the recommendations made at the meetings of the Working Group on betting on 1 March and 15 June 2011.

- Support for the national legislative measures taken to regulate the online sports betting market and the future role of the EU in this framework

The Olympic and sports movement notes that certain States have introduced specific legislation which could benefit sports organisers, particularly by providing them with greater protection for accessing information in the event of irregularities. However, sports betting activity mostly involves many extraneous elements (actual betting location, headquarters of the operator, competition location or nationality of the athlete). For their part, international sports competitions also include extraneous elements (nationality of athletes, headquarters of International Federations or competition location). In this context, the huge diversity of legislation is naturally part of the complexity of the problem and an aggravating factor in effectively dealing with the problems linked to sports cheating. For this reason, the sports movement supports all the means put in place to facilitate cross-border cooperation within the EU (Q 10).

- Measures taken by the IOC in the framework of the Olympic Games aimed at preserving the integrity of the competitions (2008 OG in Beijing and 2012 OG in London)

As an example of regulation and cooperation, in 2006 the IOC included in its Code of Ethics, which is applicable to all Olympic Games participants, a double prohibition on betting on the Olympic Games and unsporting conduct (including divulging insider information) with a view to influencing the course of, all or part of and the result of any of the sports competitions at the Olympic Games. Since the Games in Beijing in 2008, the IOC has monitored all betting activity on all the sports events of the Games through the intermediary of a monitoring company which has signed cooperation agreements with more than 400 public and private sports betting operators around the world. In addition, to ensure the benefits of applying the UK law during the Olympic Games in London, the IOC has put in place a specific form of cooperation with the national regulatory authority, the UK Gambling Commission. Lastly, to ensure that the participants directly involved in the competitions are as well informed as possible, the IOC has added a reminder about the prohibition on betting on the Olympic Games to the entry form signed by all the National Olympic Committee delegations and the International Federations.

- The crucial issue of conflicts of interests

With regard to the specific question of conflicts of interests (Q 30 to 32), the IOC and the EOC are very much aware of this issue, especially with a view to limiting the risks of match fixing (for example when a betting operator offers bets on a competition when it has a business relationship with the organiser of the competition in question). These risks may also be present in the sponsorship of an event or a team, especially when the means of funding the sponsorship are linked directly to the number of bets made on the competition or team. The IOC and the EOC therefore support all measures taken to limit these risks by means of a specific legal framework.

- Funding of the measures intended to safeguard the integrity of competitions and the issue of a financial return for sports event organisers

On the important issue of channelling revenue back to the organisers of sports events (Q 41 to 43), the IOC and EOC point out that the revenues from national lotteries and sports betting are essential for the funding of sport in general, especially recreational sport, and sports events in particular.



They also draw attention to the need for sports betting operators, whether private or public, to share in the funding of the measures needed to ensure the integrity of the sports competitions for which they offer sports betting.

The sports organisations welcome legal recognition of all their rights to exploit their own events, whatever the activity concerned, including sports betting.

- The preventive measures taken by the IOC and EOC vis-à-vis all those involved in sport

The question (Q 49) about educating the various parties concerned, primarily the athletes, is essential for the IOC and EOC. As a result, at the first edition of the Youth Olympic Games in 2010, the IOC put in place an interactive education programme specifically for young athletes. This active awareness-raising has been extended to the athletes at the Olympic Games via the IOC Athletes' Commission and its forums. And at the next International Athletes' Forum, from 9 to 11 October 2011 in Colorado Springs (USA), sports betting will be one of the main subjects, and the sports movement will certainly take into account the observations and proposals of the athletes themselves on the subject of information and education. Lastly, the intention to pool best practices on education is also a key part of the work of the experts in the Working Group created by the IOC on 1 March this year.

Conclusion

In conclusion, the IOC and EOC, like the rest of the sports movement, are very hopeful about the summary of the contributions which will be made after 31 July 2011 and the conclusions that the European Commission draws from them. These conclusions will be key for the future discussions of the groups of experts and the Working Group coordinated by the IOC. Based on the terms of the current highly fruitful cooperation between the IOC, the EOC and the European online betting institutions, the IOC will endeavour to continue these constant and reciprocal exchanges with the European Union by providing regular information on the progress of its work on this subject.