

Brussels, 24 November 2010

On-line gambling: Commission welcomes France's decision to open its gambling market and closes infringement procedure

The European Commission has ensured that French citizens will have access to a wider choice of duly authorised on-line gambling services as a result of the changes made to France's laws on on-line gambling. The Commission has therefore closed existing proceedings against France. It had previously taken the view that France's restrictions on on-line gambling activities affected foreign operators and were disproportionate to and not consistent with the objective sought, thereby breaching EU rules on the freedom to provide services.

Before France changed its law, French residents who wished to engage into on-line gambling and betting activities could only choose between two incumbent operators that offered a limited selection of such services, Pari Mutuel Urbain (PMU), for horse racing, and the Français de Jeux, for all other forms of sports betting. Both enjoyed exclusive rights to organise certain forms of sports betting on-line (and in shops). As a result, no other European gambling operator could offer its online services in France. The new on-line gambling law¹ has introduced a national licensing system that allows for the cross border provision of sports betting on a non-discriminatory basis while providing strict controls on gaming.

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 via certain operators. Furthermore, any measures taken by Member States to restrict the market have to be necessary, proportionate and non-discriminatory. Acting upon complaints, the Commission had taken the view that France's restrictions on foreign service providers at that time were disproportionate. As a result, the Commission started infringement proceedings against France in 2006 ([IP/06/1362](#)) and issued a reasoned opinion in 2007 ([IP/07/909](#)).

¹ loi n°2010-476 du 12 mai 2010 relative à l'ouverture à la concurrence et à la régulation du secteur des jeux d'argent et de hasard en ligne

How will citizens and businesses now benefit?

With its new law, France has opened its online gambling market to operators from other EU member states on the basis of a non-discriminatory licensing process. This has allowed a broader choice of online gambling services for sports betting. The new law has also legalised online poker in France. These services are authorised and supervised by a new specific on-line gambling regulator (ARJEL). European gambling operators now have the possibility to apply for French licences and offer their services in France. Nevertheless, gambling continues 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 2005. After investigating the case, the Commission formally requested France in June 2007 to amend its law following consideration of its reply to a letter of formal notice sent in October 2006. France notified the Commission in 2009 it had amended its laws. The Commission welcomes the fact that the new French law now allows 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.

The Commission closed a similar investigation against Italy in May 2010 after the Italian authorities engaged in an open and constructive dialogue with the Commission and amended its on-line gambling legislation ([IP/10/504](#)).

There are still a number of pending investigations as the Commission has asked Denmark, Finland, Greece, Hungary, the Netherlands and Sweden to amend their laws.

More information on EU law and gambling:

http://ec.europa.eu/internal_market/services/gambling_en.htm

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

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

For more information on the EU's infringement procedures, see [MEMO/10/605](#).