

Brussels, 27 June 2007

Free movement of services: Commission acts to remove obstacles to the provision of sports betting services in France, Greece and Sweden

The European Commission has taken action to put an end to obstacles to the free movement of sports betting services in France, Greece and Sweden. The Commission has formally requested France and Sweden to amend their laws following consideration of their replies to letters of formal notice sent in April and October 2006 (see [IP/06/436](#) and [IP/06/1362](#)). These formal requests take the form of "reasoned opinions", the second stage of the infringement procedure laid down in Article 226 of the EC Treaty. If there is no satisfactory reply within two months, the Commission may refer the matter to the European Court of Justice. In relation to Greece the Commission has decided to send an official request for information on national legislation restricting the supply of sports betting services. This takes the form of a letter of formal notice, the first step in the Article 226 infringement procedure. Greece has two months in which to respond.

France and Sweden

In the previous letters of formal notice the Commission had sought to verify whether the restrictions in question are compatible with Article 49 of the EC Treaty, which guarantees the free movement of services. The Commission considers that the restrictions in question are not compatible with existing EU law and that the measures taken by these Member States to restrict the free movement of sports betting services have not been shown to be necessary, proportionate and non-discriminatory. Furthermore, in the Commission's view, existing national operators cannot be regarded as non-profit operations, given that they are subject to strict annual revenue targets and often rely on commercial retail outlets to market their various gambling services. The Commission inquiries cover the cross-border provision of sports betting services, but also deal with issues such as advertising and sponsorship.

In the French situation, on the basis of the national legislation under inquiry, criminal sanctions have been threatened or imposed on the chief executives of sport betting companies licensed in other Member States. The legislation in question has also impacted sponsorship agreements in football and more recently has resulted in a ban on participation in races by a cycling team.

Greece

In line with the other sports betting cases the Commission wishes to verify whether the national measures in question are compatible with Article 49 of the EC Treaty, which guarantees the free movement of services.

Background

The Commission's decision to inquire into the compatibility with EU law of the measures in question is based on complaints against ten Member States made by a number of service providers and on information gathered by Commission staff. The complaints (all except Austria, where the complaint relates to the legislation on casinos) concern restrictions on the provision of sports betting services, including the requirement for a State concession or licence (even where a provider is lawfully licensed in another Member State). In some cases, restrictions also extend to the promotion or advertising of the services and to the participation of nationals of the Member State in question in the games. The Commission has had discussions with all Member States regarding the restrictions imposed and is satisfied that some, notably Italy and Austria, have responded positively so far. Further discussions are envisaged with a view to reaching satisfactory and practical solutions with all the Member States.

The European Court of Justice has previously stated that any restrictions which seek to protect general interest objectives, such as the protection of consumers, must be “consistent and systematic” in how they seek to limit betting activities. A Member State cannot invoke the need to restrict its citizens’ access to betting services if at the same time it incites and encourages them to participate in state lotteries, games of chance or betting which benefit the state’s finances.

The latest information on infringement proceedings concerning all Member States can be found at:

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