

Public consultation on the Green Paper on on-line gambling in the Internal Market

You are invited to reply to the on-line questionnaire. The questions listed in the Green Paper are reproduced in the same order hereunder. A pdf version of the [Green Paper](#) is available in all EU languages for guidance to the questions.

There are 51 questions in the consultation document. You may reply to those questions in any one of the EU languages. You may focus your contributions on the areas of most interest to you; you are not obliged to answer all the questions.

Please save this document on your computer. Once you have completed the questionnaire, come back to the on-line questionnaire. You will be able to upload your answers on page 3 of the on-line questionnaire.

The consultation will close on 31/07/2011.

We thank you for your participation.

Your name / Your organisation:

Aktiebolaget Trav och Galopp (ATG)

Questions from the Green Paper on on-line Gambling in the Internal Market

1. Regulating on-line gambling in the EU: Recent developments and current challenges from the Internal Market standpoint
 - 1.1. Purpose of the consultation
 - 1.2. On-line gambling in the EU: current situation
- (1) **Are you aware of any available data or studies on the EU on-line gambling market that would assist policy-making at EU and national level? If yes, do the data or study include licensed non-EU operators in the EU market?**
- (2) **Are you aware of any available data or studies relating to the nature and size of the black market for on-line gambling services? (Unlicensed operators)**
- (3) **What, if any, is your experience of EU-based on-line gambling operators licensed in one or more Member State and providing and promoting their services in other EU Member States? What are your views on their impact on the corresponding markets and their consumers?**

ATG has the right to offer horse betting services in the Swedish market in accordance with the conditions and requirements that the Swedish government has decided upon and deemed appropriate for Sweden with a view to the Swedish consumers.

ATG has experience of operators both based in the EU as well as outside the EU who have a non-Swedish license and who offer and market their services in Sweden.

It is ATG's view that both of these two types of operators have the same effect on the Swedish market. There is no difference if the operator's license is from another EU Member State or from outside the EU; the criteria for obtaining licenses can be extremely low and not matching the requirements in Sweden. Furthermore, these operators offer their services without subjecting themselves to the same level of control or taxation of the Swedish government.

In the area of horse betting, gambling companies operating from outside of Sweden often use Swedish horse races (information, databases, results, etc.) as subject for their service offering, and without giving compensation to the organizer of the horse race. Furthermore, the foreign operator does not give any compensation to the Swedish trotting and thoroughbred sports whose existence largely relies on the money from betting that is directed back to them.

In general, it could be said that companies operating from outside of Sweden are taking clients from the Swedish regulated market for trotting and thoroughbred racing. Competition resulting from on-line gambling companies operating from outside of Sweden takes place at uneven rules. These operators from outside of Sweden do not offer gambling services based on the Pari Mutuel Model (Totalisator Model). Furthermore, these operators do not abide by the same regulatory framework as the State regulated companies when it comes to consumer protection, taxes to the Swedish State, payments directed back to the horseracing sport, and limits on the percentage of payments back to players.

(4) What, if any, is your experience of licensed non-EU on-line gambling operators providing and promoting their services in EU Member States? What are your views on their impact on the EU market and on consumers?

ATG has the right to offer horse betting services in the Swedish market in accordance with the conditions and requirements that the Swedish government has decided upon and deemed appropriate for Sweden with a view to the Swedish consumers.

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In the area of horse betting, gambling companies operating from outside of Sweden often use Swedish horse races (information, databases, results, etc.) as subject for their service offering, and without giving compensation to the organizer of the horse race. Furthermore, the foreign operator does not give any compensation to the Swedish trotting and thoroughbred sports whose existence largely relies on the money from betting that is directed back to them.

In general, it could be said that companies operating from outside of Sweden are taking clients from the Swedish regulated market for horse racing. Competition resulting from on-line gambling companies operating from outside of Sweden takes place at uneven rules. These operators from outside of Sweden do not offer gambling services based on the Pari Mutuel Model. Furthermore, these operators do not abide by the same regulatory framework as the State regulated companies when it comes to consumer protection, taxes to the Swedish State, payments directed back to the horseracing sport, and limits on the percentage of payments back to players.

(5) If any, which are the legal and/or practical problems that arise, in your view, from the jurisprudence of national courts and the CJEU in the field of online

gambling? In particular, are there problems of legal certainty on your national and/or the EU market for such services?

(6) Do you consider that existing national and EU secondary law applicable to on-line gambling services adequately regulates those services? In particular, do you consider that coherence / consistency is ensured between, on one hand, the public policy objectives pursued by Member States in this field and, on the other hand, the national measures in force and/or the actual behaviour of public or private operators providing on-line gambling services?

Other comments on issues raised in section 1

2. Key policy issues subject to the present consultation
- 2.1. Definition and organisation of on-line gambling services

(7) How does the definition of on-line gambling services in the Green Paper differ from definitions at national level?

(8) Are gambling services offered by the media considered as games of chance at national level? Is there a distinction drawn between promotional games and gambling?

(9) Are cross-border on-line gambling services offered in licensed premises dedicated to gambling (e.g. casinos, gambling halls or a bookmaker's shop) at national level?

(10) What are the main advantages/difficulties associated with the coexistence in the EU of differing national systems of, and practices for, the licensing of on-line gambling services?

It is the Swedish government that decides on how the Swedish gambling market shall work and what sort of regulation that shall apply.

In ATG's opinion, national systems allow for a significant advantage; a national regulatory framework that takes into account the country's culture, situation and objectives e.g. in terms of consumer protection, and securing a vital horseracing industry with social, cultural and employment benefits. It is the firm view of ATG that national governments must remain entitled to take their own decisions regarding the national gambling market, now and in the future. Decisions on the rights and obligations of the actors in the market, forms of gambling services allowed, and aims of consumer protection are best done on national level, not on the European level, or in other Member States.

From the Swedish perspective, the main difficulty with parallel systems is that some countries have a completely different and more liberal approach to the granting of licenses to gambling operators. Furthermore, the differing regulatory framework on how these licensed operators may act at a local and at an international gambling market pose problems. These operators can

obtain competitive advantage under their own regulatory frameworks, which they then may use in other Member States where the provisions are different.

Other comments on issues raised in section 2.1

2.2. Related services performed and/or used by on-line gambling services providers

(11) With focus on the categories mentioned in the Green Paper, how are commercial communications for (on-line) gambling services regulated for at national level? Are there specific problems with such cross-border commercial communications?

(12) Are there specific national regulations pertaining to payment systems for on-line gambling services? How do you assess them?

(13) Are players' accounts a necessary requirement for enforcement and player protection reasons?

It is the opinion of ATG that it is very important to protect the consumers and to ensure that gambling operators operating on the Swedish market comply with the Swedish regulatory framework. This is for the benefit of all parties involved.

ATG feels that customer identification is a necessity in betting, independent whether taking place on-line or off-line.

All environments where customer identification is possible can be used to verify that the existing regulations are being followed, regulations related to age, place etc. On-line, when the customer has a direct contact with the operator, a gambling account with a connection to a bank account in the country where the customer lives can work well for identification purposes. Off-line, the players' identification control can work in a similar manner as control with a player account.

(14) What are the existing national rules and practices relating to customer verification, their application to on-line gambling services and their consistency with data protection rules? How do you assess them? Are there specific problems associated with customer verification in a cross-border context?

Other comments on issues raised in section 2.2

2.3. Public interest objectives

2.3.1. Consumer protection

(15) Do you have evidence that the factors listed in the Green Paper are linked to and/or central for the development of problem gambling or excessive use of on-line gambling services? (if possible, please rank them)

(16) Do you have evidence that the instruments listed in the Green Paper are central and/or efficient to prevent or limit problem gambling relating to on-line gambling services? (if possible, please rank them)

ATG offers betting services on trotting and thoroughbred racing according to the Pari Mutuel Model. When using the Pari Mutuel Model, all players bet against each other, and all bets on one race/bettotype are gathered into one pool. A fixed percentage is taken out of this pool as a betting deduction, and the rest is distributed to the winners of the bet. A tax to the state is paid from the betting deduction, as well as a payment to the betting organisers to cover the cost of their work, and the rest is directed to the trotting and thoroughbred racing sports to cover the expenses of their operation, such as prize money, operations and management of the tracks, support for breeding, research, etc.

Limitation of the Swedish market via a system of exclusive rights combined with all the measures that ATG has taken in order to prevent problem gambling have resulted in a statistical “under-representation” of the problem gambling when looking at our betting volume and compared to other types of games and markets. Today's model for the organization of trotting and thoroughbred racing in Sweden meets the Swedish objectives related to the protection of consumers against excessive gambling.

GENERAL

As a responsible gambling operator, ATG:

- Does not perform activities that could be perceived as risky from a problem gambling perspective, e.g. does not offer:
 - gambling on credit
 - bonus for players
 - signing-up bonus for new customers
 - gambling on fixed odds
 - gambling on losing horses
 - aggressive marketing
- Has an age limit of 18 years for all gambling services;
- Works to prevent money laundry;
- Provides the customer with different tools to help them to keep control over their gambling, and provides them with information about where to turn if they have problems with gambling:
 - Self-limiting
 - Self-tests
- Believes in the responsible marketing of services, e.g.:
 - Promotion only of services with least risk to problem gambling
 - Protection of vulnerable groups, e.g. kids and young people
- Puts a high priority on the continuous education of and communication with employees, authorized sales points and players about the risks related to gambling, about responsible gambling, and about problem gambling.

COOPERATION WITH OTHER ACTORS

ATG is also participating in Oberoende Spelsamverkan, (OSS, “Independent Gambling Collaboration”), which is a forum where the different actors within Swedish gambling industry cooperate on issues related to problem gambling. The National Institute of Public Health is leading the forum’s work. In addition to the licensed Swedish gambling operators, the Lottery Inspection, The Swedish Hotel and Restaurant Association (SHR) as well as the Spelberoendes Riksförbund (“National Association of Problem Gamblers”) are members of the forum.

MARKETING

ATG’s guidelines for marketing are:

- We put the horse in focus – not gambling. By coupling horse racing and betting also in marketing, we want to show the holistic experience of live sports and live betting;
- We communicate directly about large winnings only in the case of a jackpot;
- We advertise mainly V75, a race which takes place only once a week. Rapid daily products, which are more risky from a gambling perspective, are not being advertised. The V75 accounts for about 40% of ATG’s turnover.

ATG is also an active member of Spelmarknadens Etiska Råd (SPER, “Gambling market’s ethical board”), which is a voluntary cooperation of the Swedish gambling operators with an exclusive right. Together, the members of SPER have written common ethical guidelines for the advertising of gambling services. These guidelines say, e.g. that advertisement on games:

- May not be offensive, intrusive or misleading;
- May not claim that the result of a game of chance depends on anything else than luck;
- May not include wrong information regarding the chances of winning;
- May not be directed to under aged or to especially vulnerable groups in the society;
- May not encourage to excessive gambling or claim that the risk of excessive gambling does not exist.

(17) Do you have evidence (e.g. studies, statistical data) on the scale of problem gambling at national or EU level?

(18) Are there recognised studies or evidence demonstrating that on-line gambling is likely to be more or less harmful than other forms of gambling for individuals susceptible to develop a pathological gaming pattern?

(19) Is there evidence to suggest which forms of on-line gambling (types of games) are most problematic in this respect?

(20) What is done at national level to prevent problem gambling? (E.g. to ensure early detection)?

(21) Is treatment for gambling addiction available at national level? If so, to what extent do on-line gambling operators contribute to the funding of such preventive actions and treatment?

In the Swedish model of exclusive rights, it is the Swedish government that is responsible for organizing treatment for problem gamblers.

ATG is contributing about 145 million EUR each year in tax to the state which then in its turn distributes funds to research and to the treatment of problem gamblers. It should be noted that on-line companies operating from outside of Sweden do not participate in this system of financing of treatment to problem gamblers.

ATG fulfils the obligations set upon it by the Swedish gambling system to prevent gambling addiction. This includes giving out information on the risks to consumers, educational activities of key stakeholders, and other measures (possibility for self-limiting and self-tests).

(22) What is the required level of due diligence in national regulation in this field? (e.g. recording on-line players' behaviour to determine a probable pathological gambler?).

(23) What is the statutory age limit for having access to on-line gambling services in your Member State? Are existing limits adequate to protect minors?

The Swedish State puts a special focus on the Swedish operators strictly controlling that the under aged (under 18 year olds) cannot gamble. Studies show that people who have begun gambling at an early age have a larger risk to be subject to problem gambling compared to others. Therefore, ATG has a special responsibility to protect the under aged from participating in ATG's games.

It is ATG's view that the age limit works well both on-line as well as off-line.

(24) Are on-line age controls imposed and how do these compare to off-line 'face-to-face' identification?

ATG implements age limit controls both on-line and off-line.

Sweden has especially strict rules for on-line gambling services, and the operators are obliged to carefully control the age of the players. The statistics from Swedish Public Health Authority (FHI) shows that a significantly lower amount of people aged 16-18 today show interest in placing bets on horse racing compared to before.

It is ATG's view that age limit controls work well both on-line and off-line.

(25) How are commercial communications for gambling services regulated to protect minors at national or EU level? (e.g. limits on promotional games that are designed as on-line casino games, sports sponsorship, merchandising (e.g. replica jerseys, computer games etc) and use of social on-line networks or video-sharing for marketing purposes.

(26) Which national regulatory provisions on license conditions and commercial communications for on-line gambling services account for the risks described in the Green Paper and seek to protect vulnerable consumers? How do you assess them?

ATG regards with great responsibility its commercial messages to consumers.

ATG's guidelines for marketing are:

- It is the horse in the focus – not gambling. By coupling horse racing and betting, we want to show the holistic experience related live sports and live betting;

- Directly communicating about large winnings happens today only in the case of a jackpot;
- We advertise mainly V75, which takes place once a week. Rapid, daily games, which are more risky from a gambling perspective, are practically not advertised at all.

ATG is an active member of Spelmarknadens Etiska Råd (SPER, “Gambling market’s ethical board”), which is a voluntary cooperation of the Swedish gambling operators with an exclusive right. Together, the members of SPER have written common ethical guidelines for advertising gambling services. These guidelines say, e.g. that advertisement on games:

- May not be offensive, intrusive or misleading;
- May not claim that the result of a game of chance depends on anything else than luck;
- May not include wrong information regarding the chances of winning;
- May not be directed to under aged or to especially vulnerable groups in the society;
- May not encourage to excessive gambling or claim that risk with excessive gambling does not exist.

On-line companies operating from outside of Sweden direct their commercial messages to Swedish customers without abiding to the ethical guidelines that SPER has agreed upon. They abide to rules in other countries that may significantly differ from those in Sweden.

ATG sees that the guidelines that have been agreed upon within SPER for the Swedish gambling market protect the Swedish players and give a good basis for an ethically correct gambling market.

The Swedish gambling law includes certain provisions for operators who want to offer gambling products online: prohibition of underaged gambling, control of customers' resident address etc. If necessary, the Swedish government can require additional conditions.

Other comments on issues raised in section 2.3.1

2.3.2. Public order

(27) Are you aware of studies and/or statistical data relating to fraud and on-line gambling?

(28) Are there rules regarding the control, standardisation and certification of gambling equipment, random generators or other software in your Member State?

(29) What, in your opinion, are the best practices to prevent various types of fraud (by operators against players, players against operators and players against players) and to assist complaint procedures?

(30) As regards sports betting and outcome fixing - what national regulations are imposed on on-line gambling operators and persons involved in sport events/games to address these issues, in particular to prevent 'conflicts of

interest'? Are you aware of any available data or studies relating to the magnitude of this problem?

(31) What issues should in your view be addressed in priority?

(32) What risks are there that a (on-line) sports betting operator, which has entered into a sponsorship agreement with a sports club or an association, will seek to influence the outcome of a sports event directly or indirectly for profitable gain?

(33) What concrete cases are there that have demonstrated how on-line gambling could be used for money laundering purposes?

(34) Which micro-payments systems require specific regulatory control in view of their use for on-line gambling services?

(35) Do you have experience and/or evidence of best practice to detect and prevent money laundering?

(36) Is there evidence to demonstrate that the risk of money laundering through on-line gambling is particularly high in the context of such operations set up on social web-sites?

(37) Are national e-commerce transparency requirements enforced to allow for illegally operated services to be tracked and closed? How do you assess this situation?

ATG offers betting services on trotting and thoroughbred racing according to the Pari Mutuel Model with a maximised return to players. This includes both on-line and off-line betting at authorised sales points, as well as off-line betting on all the 37 Swedish racing tracks. The Pari Mutuel Model means that the players bet against each other. All bets on one race/bettotype are gathered to one pool. A fixed percentage is taken out of this pool as a betting deduction, and the rest is distributed to the winners of the bet. A tax to the state is paid from the betting deduction, as well as a payment to the service operators to cover the cost of their work, and the rest is directed to the horseracing sport to cover the expenses of their operation, such as price money, operations and management of the tracks, support for breeding, research, etc.

The Pari Mutuel Model with maximised return payments to players includes a number of security arrangements and procedures that provide with transparency. All information about turnover, payments to winners, odds, totals etc. are open and available for the media and general public. All attempts of manipulation and fraud are revealed through this openness that is a part of the Model. Even attempts to wins through fake races and similar frauds are revealed. ATG considers the transparency of its betting offer to be high.

Other comments on issues raised in section 2.3.2

2.3.3. Financing of benevolent and public interest activities as well as events on which on-line sports betting relies

(38) Are there other gambling revenue channeling schemes than those described in the Green Paper for the public interest activities at national or EU level?

(39) Is there a specific mechanism, such as a Fund, for redistributing revenue from public and commercial on-line gambling services to the benefit of society?

ATG is the trotting and thoroughbred racing sports' own betting operator in Sweden. It is owned by trotting and thoroughbred racing federations in the country. ATG offers betting services only on races arranged by horseracing organisations. ATG has an exclusive right to offer betting on horses in Sweden.

THE pari mutuel model

ATG offers betting services according to the Pari Mutuel Model with a maximised return to players. This includes both on-line and offline betting in shops, as well as off-line betting on all the 37 Swedish racing tracks. The Pari Mutuel Model means that the players bet against each other. All bets on one race/bettotype are gathered to one pool. A fixed percentage is taken out of this pool as a betting deduction, and the rest is distributed to the winners of the bet. A tax to the state is paid from the betting deduction, as well as a payment to the service operators to cover the cost of their work, and the rest is directed to the trotting and thoroughbred racing sports to cover the cost of the operations.

It is a model that is based on a close connection between the betting product, the horseracing sport and the economy, and is built on the understanding of a mutual dependence and benefit.

The trotting and thoroughbred racing sports' part of the total turnover is about 13 % (the payments to gamblers constitute 70 % in the form of wins, the State tax is 11% and ATG needs 6 % to cover for its costs). The trotting and thoroughbred racing sports received 180 million EUR from ATG in 2010, which constitutes more or less the whole basis on which the trotting and thoroughbred racing sports lie on in Sweden.

THE TROTTING AND THOROUGHBRED RACING SPORTS

Sweden has today about 280 000 horses and 500 000 followers of the sport. ATG's betting turnover in 2010 was 1,4 billion EUR. In addition to this, the interest towards horses has created a large demand for goods and services related to the horseracing industry, which is assessed to be worth about as much as the betting volume.

The Pari Mutuel Model with maximised return payments to players creates a steady income to stakeholders that is necessary for the trotting and thoroughbred racing sports' survival and continued development. The Model secures that all surplus is invested back to the horseracing industry, and that no private interests can be responsible for redirection of money that otherwise should end with the horseracing industry.

The Pari Mutuel Model with maximised return to players results in ATG being the engine in the Swedish horse economy and a contributor on a regional level. Each year, the total horseracing industry pays 450 million EUR in taxes to the Swedish state and gives employment to 30 000 people. The industry creates 10 000 jobs directly and 20 000 jobs in related economies.

Locally the trotting and thoroughbred racing sports can have a great importance, especially in less populated areas with difficult employment markets.

ATG's contributions to the trotting and thoroughbred racing sports help finance competitions in the Swedish tracks, but also support research related to the operations, animal health care, education at universities and vocational schools, appropriations to breeding as well as development projects within the industry.

The Swedish Pari Mutuel Model is deeply rooted with the Swedish people. A survey made in 2009 showed that over 80 % of the people with a resolute view felt it was better that the surplus from betting goes to the trotting and thoroughbred racing sports than stock owners of private gaming operators.

(40) Are funds returned or re-attributed to prevention and treatment of gambling addiction?

ATG fulfils the obligations set upon it within the Swedish gambling system to prevent gambling addiction. This includes giving out information, educational activities, and other measures.

The Swedish system is based on the Swedish state taking responsibility for the treatment of gambling addiction. Through the Pari Mutuel Model and maximised return payments to players, the Swedish State has a relatively high tax income without detrimental consequences to the trotting and thoroughbred racing sports. Through this high taxation the state can make resources available for the treatment of the gambling addicted.

(41) What are the proportions of on-line gambling revenues from sports betting that are redirected back into sports at national level?

ATG is the trotting and thoroughbred racing sports' own betting operator in Sweden. It is owned by trotting and thoroughbred racing federations in the country. ATG offers betting services only on races arranged by horseracing organisations. ATG has an exclusive right to offer betting on horses in Sweden.

THE PARI MUTUEL MODEL

ATG offers its betting services according to the Pari Mutuel Model with a maximised return to players. This includes both on-line and off-line betting in authorised point of sales, as well as off-line betting on all the 37 Swedish racing tracks. The Pari Mutuel Model means that the players bet against each other. All bets on one race/bet type are gathered to one pool. A fixed percentage is taken out of this pool as a betting deduction, and the rest is distributed to the winners of the bet. A tax to the state is paid from the betting deduction, as well as a payment to the service operators to cover the cost of their work, and the rest is directed to the trotting and thoroughbred racing sports to cover the cost of the operations.

The trotting and thoroughbred racing sports' part of the total turnover is about 13 % (the payments to gamblers constitute 70 % in the form of wins, the state tax is 11% and ATG needs 6 % to cover for its costs). The trotting and horse racing sports received 180 million EUR from ATG in 2010, which constitutes more or less the whole basis on which the trotting and horse racing sports lie on in Sweden.

THE TROTTING AND THOROUGHBRED RACING SPORTS

Sweden has today about 280 000 horses and 500 000 followers of the trotting and thoroughbred horse racing sports. ATG's game turnover in 2010 was 1,4 billion EUR. In addition to this, the interest towards horses created a large demand for goods and services related to the horseracing industry, which is assessed to be worth about as much as the betting volume.

The Pari Mutuel Model with maximised return payments to players creates a steady income to stakeholders that is necessary for the trotting and thoroughbred racing sports' survival and

continued development. The Model secures that all surplus is invested back to the horseracing industry, and that no private interests can be responsible for redirection of money that otherwise should end with the horseracing industry.

The Pari Mutuel Model with maximized return payments to the players results in ATG being the engine of the Swedish trotting and thoroughbred racing sports. Every year, the total horseracing industry pays 450 million EUR in taxes to the Swedish state and gives employment to 30 000 people. ATG's contributions to the trotting and thoroughbred racing sports help to finance competitions on the Swedish tracks, but it also supports research related to the operations, animal health care, education at universities and vocational schools, appropriations to breeding as well as development projects within the industry.

The Swedish Pari Mutuel Model is deeply rooted with the Swedish people. A survey made in 2009 showed that over 80 % of the people with a resolute view felt it was better that the surplus from betting goes to the trotting and thoroughbred racing sports than stock owners of private gaming operators.

(42) Do all sports disciplines benefit from on-line gambling exploitation rights in a similar manner to horse-racing and, if so, are those rights exploited?

(43) Do on-line gambling exploitation rights that are exclusively dedicated to ensuring integrity exist?

(44) Is there evidence to suggest that the cross-border "free-riding" risk noted in the Green Paper for on-line gambling services is reducing revenues to national public interest activities that depend on channelling of gambling revenues?

ATG is the trotting and thoroughbred racing sports' own betting operator in Sweden. It is owned by the Swedish trotting and thoroughbred racing federations. ATG offers betting services only on races arranged by horseracing organisations. ATG has an exclusive right to offer betting on trotting and horse racing in Sweden.

GENERAL

Gambling companies from outside of Sweden offer betting services on Swedish races to Swedish players without a permit. This means that gambling volume intended for ATG's betting pools ends up with other operators instead. The Swedish trotting and thoroughbred racing sports get their financing from ATG's revenues while no money is directed back to the horseracing sport from companies operating outside of Sweden. For every bet placed on a foreign game, the Swedish trotting and thoroughbred racing sports loose 13% of the bet's value.

This results in free riding by operators offering services from outside of Sweden on something that is financed by ATG and the Swedish trotting and thoroughbred racing sports. These foreign operators are not paying for the use of databases, information etc. that belong to ATG and the Swedish trotting and thoroughbred racing sports.

CASE EXAMPLE

As an example we can mention the ongoing legal dispute between ATG and the Maltese gambling company Unibet. Unibet has, without a permission or a license, offered betting services on Swedish trotting races to Swedish players since 1998. ATG estimates that the turnover generated by Unibet (between 1/1 – 2000 and 30/6 – 2007) that otherwise could have been placed on ATG's games, sums up to 250 million EUR. Modest calculations show that the Swedish trotting and horse racing sports have lost about 22 million EUR that now has

been distributed to Unibet's shareholders. This development can be devastating for the Swedish trotting and thoroughbred racing sports in the long term. Therefore, for ATG it is of great importance that all possible revenues are being directed back to the horseracing sport.

The Swedish Pari Mutuel Model is deeply rooted with the Swedish people. A survey made in 2009 showed that over 80 % of the people with a resolute view felt it was better that the surplus from betting goes to the trotting and thoroughbred racing sports than stock owners of private gambling operators.

(45) Do there exist transparency obligations that allow for gamblers to be made aware of whether and how much gambling service providers are channelling revenues back into public interest activities?

There is no obligation by law for ATG to be transparent about the distribution of revenues to the public interest. However, Sweden has chosen to use the Pari Mutuel Model with maximized return payments to players. Therefore, ATG has made it praxis to give this information to the public; it has a moral responsibility to share this information with all stakeholders.

Other comments on issues raised in section 2.3.3

2.4. Enforcement and related matters

(46) Which form of regulatory body exists in your Member State and what are its competences, its scope of action across the on-line gambling services as defined in the Green Paper?

(47) Is there a national register of licensed operators of gambling services? If so, is it publicly accessible? Who is responsible for keeping it up to date?

(48) Which forms of cross-border administrative cooperation are you aware of in the domain of gambling and which specific issues are covered?

(49) Are you aware of enhanced cooperation, educational programmes or early warning systems as described in the Green Paper that are aimed at strengthening integrity in sport and/or increase awareness among other stakeholders?

(50) Are any of the methods mentioned in the Green Paper, or any other technical means, applied at national level to limit access to on-line gambling services or to restrict payment services? Are you aware of any cross-border initiative(s) aimed at enforcing such methods? How do you assess their effectiveness in the field of on-line gambling?

(51) What are your views on the relative merits [in terms of suitability and efficiency] of the methods mentioned in the Green Paper as well as any other technical means to limit access to gambling services or payment services?

Other comments on issues raised in section 2.4

Other comments on issues raised in the Green Paper

The EU's gambling policy needs to pay attention to the specific preconditions of the trotting and thoroughbred racing sports that differentiates them from other sports subject to betting. National traditions and the trotting and thoroughbred racing sports' unique preconditions require that possible EU level actions in the field of gambling are flexible enough to allow for national solutions utilising the Pari Mutuel Model and solutions that make provision for a viable sport in Europe.

Offering gambling on-line is only a technical solution to make gambling available to the consumers. Technologies available are changing constantly over time. On-line is, as defined in the Green Paper, one of many distribution channels to gambling that may also be on offer off-line. Therefore, ATG is of the opinion that the same regulations must apply to gambling on-line and off-line. It is impossible to have differing political goals or regulatory frameworks for the physical and digital environments.