

Sports and bookmaking

Sports and sports betting have mutually beneficial interests. As well as generating interest in sports events, betting adds excitement and provides additional revenue streams for a variety of sports at different levels. The internet is a great tool to identify at an early stage suspicious bets.

Sports betting

Throughout Europe, sports fulfil an important social, economic and entertainment role in society. Betting is a complementary and popular form of entertainment and creates increased interest in sports events. It enhances the appeal of competitions. In a regulated and competitive market, online sports betting can generate new and diversified sources of revenue for both grassroots and professional sports.¹

An increasing number of sports clubs and federations around Europe enter into audiovisual rights, live streaming and sponsorship deals with online sports betting operators. Online operators broadcast sports events that no TV station (whether public or private) would broadcast, providing even small and medium sized sports with a broader audience and additional marketing value. To allow the consumer to play, sports betting uses information that is freely available in the public domain. This information includes, for instance, the names of events, score lines and fixture lists that are freely used by other sectors and professions such as the media or the travel and tourism industries.

The online gaming and betting industry is a growing market, but will remain a limited part of the overall European gaming market. The traditional land-based offer is expected to grow from €78.5 billion of Gross Gaming Revenue (GGR) in 2008 to €82 billion GGR in 2012, when it will still have a majority 88 per cent market share.²

Conclusion:

- The development of the online market does not reduce the Member States' tax income or the revenue of national historic gambling operators, and will therefore not deprive grassroots sports from existing revenue streams.
- Through audiovisual rights, live streaming and sponsorship it generates new and diversified sources of revenue for sports.

Sports integrity

When properly regulated, the internet provides a unique opportunity to prevent online betting websites from being abused for match fixing purposes. Initiatives such as the one of the European Sports Security Association (ESSA)³ allows the detection of suspicious betting patterns and alerts sports regulators by providing their disciplinary and legal departments with an electronic trail of data. The costs related to the ESSA system are entirely borne by the betting operators and are provided free of charge to the leading sports federations.

¹ <http://www.eu-ba.org/en/studies/sportsfundingstudy>

² H2 Gambling Capital, January 2009

³ <http://eu-ssa.org>

Corruption in sport is, however, a much broader issue, which can't be looked at simply through the prism of online betting, as proven by recent non-betting scandals (Formula One, Rugby). The Hoyser affair (see story) has also shown that land based state monopolies are not unaffected or better protected to prevent those risks.

The fight against sports corruption will be efficient only if all stakeholders take responsibility to prevent risks. As confirmed recently by UEFA⁴, corruption takes place via people connected to the game: players, coaches, officials, etc and finds its origin outside of Europe.

Conclusion:

- The private EU regulated online industry is not complacent about the risks of corruption in sports and works closely with sports regulators to prevent those risks.
- Corruption in sports goes far beyond the sole remit of sport betting. It is a much a broader issue which will only be tackled efficiently if all stakeholders in the chain uphold their responsibilities, including players, club staff and management as well as betting operators, whether online or offline.
- Corruption is also a global challenge that requires an international answer. That's why EGBA members support a WADA-style (World Anti Doping Agency) body to tackle sports corruption in all its forms at a global level.

⁴ <http://news.sky.com/skynews/Home/World-News/Uefa-Investigate-40-Cases-Of-Alleged-Match-Fixing-Involving-Champions-League-And-UEFA-Cup-Matches/Article/200909415390189>