



THE  
EUROPEAN  
LOTTERIES

FOR THE BENEFIT OF SOCIETY

THE EUROPEAN LOTTERIES  
**CODE OF CONDUCT  
ON SPORTS BETTING**

LISBON, PORTUGAL  
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# THE EUROPEAN LOTTERIES CODE OF CONDUCT ON SPORTS BETTING

- Considering that EL has adopted a Sport Charter (2012) and a Sports Integrity Action Plan, the 7-point programme (2013), which highlight the States' primary competence in the field of sports betting, for overriding reasons of protecting public order and consumers, and which call for concrete actions for the protection of society and the re-establishment and strengthening of the role and values of sport.
- Considering that the Council of Europe is in the process of developing an International Convention against the manipulation of sports competitions, which EL fully supports.
- Considering that EL Members were the first to develop cooperation to be able to detect irregular betting patterns, which started in 1999 and resulted in the creation of the European Lotteries Monitoring System (ELMS) in 2009.
- Considering that EL Members' sports betting operations are organised in such a way as to create attractive, low risk entertainment and to promote a more active involvement in sporting activities for reasonable consumers.
- Considering that EL, with the present Code of Conduct on Sports Betting, aims to enshrine the fundamental values and principles that EL and its Members have unanimously adopted and act on and that are also reflected in the Sport Charter and Sports Integrity Action Plan: subsidiarity, precaution, solidarity and integrity.

**SUBSIDIARITY:** Member States hold sole competence to organise and regulate gambling activities. They need to work together to guarantee law enforcement against illegal operators and to protect consumers. The European Lotteries are determined to continue fighting together with public authorities against illegal gambling.

**PRECAUTION:** Consumers need to be protected from harmful and unregulated gambling offerings through effective and efficient law enforcement. Given the high financial flows inherent in any gambling activity, gambling is an area with high vulnerability to fraud and money laundering, where not regulated appropriately or where existing regulation is not enforced.

**SOLIDARITY:** The revenue generated by Lotteries in Europe represents an important contribution to States' budgets and specific good causes (around 25 billion euros annually). The specific features of, and the sustainable contributions from, Lotteries to society need to be recognised and taken into account in any coordinated approach at EU level.

**INTEGRITY:** As the historic partners of sport, we defend the European sport model against threats from match-fixing and other criminal activities and call for further measures to protect sports integrity.

The present Code of Conduct is in line with the EL responsible gaming standards, the EL ambitious model for the best protection of consumers and the EL guidelines for responsible advertising and marketing.

The present Code of Conduct should be seen as complementary to the jurisdictional, legal and regulatory requirements within each national jurisdiction.

## FOR THE PURPOSE OF THIS CODE OF CONDUCT THE FOLLOWING TERMS SHALL HAVE THE MEANING AS DEFINED HEREBY:

**European Lotteries (EL):** The European Lotteries is the umbrella organisation of national Lotteries operating games of chance for the public benefit. EL brings together state-owned and private operators, both profit and non-profit, who operate on behalf of the State.

**Sports betting:** any wagering of a stake in the expectation of a prize of monetary value, subject to a future and uncertain occurrence related to a sports competition.

**Illegal sports betting:** all sports betting activity, the type or operator of which is not allowed in accordance with the applicable law of the jurisdiction where the consumer is located.

**Irregular sports betting:** all sports betting activity inconsistent with usual or anticipated patterns of the specific market; or all sports betting activity on sports competition the course of which has unusual characteristics.

**Suspicious sports betting:** all sports betting activity which, according to reliable and consistent evidence, appears to be linked to manipulation of the sports competition on which it is offered.

**Sports:** all forms of physical/mental/motorised activity which, through an organised competition the outcome of which does not rely exclusively on chance, aims at expressing or improving physical fitness and mental well-being, forming social relationships or achieving results in competition at all levels.

**Manipulation of sports competitions:** an intentional arrangement, act or omission aimed at an improper alteration of the result or the course of a sports competition in order to remove all or part of the unpredictable nature of a sports competition and to obtain an undue advantage for oneself or for others.

**EL sports betting Members:** all Members of “European Lotteries” offering sports betting.

**Competent public authority:** local, regional or national authority giving explicit permission to operate and/or supervising and controlling one or various games in a specific territory or jurisdiction.

**Fixed odds betting:** a form of betting where the consumer knows how much he/she is able to win. If the predictions are correct, the odds are first multiplied by each other and then by the amount of the stake.

**Pari-mutuel betting:** a form of betting in which all bets of a particular type are placed together in a pool. The winnings are calculated by sharing the pool among all winning bets.

**Betting exchange:** a form of fixed odds betting, where consumers bet among themselves and the operator takes a commission on the money traded.

**Spread Betting:** A type of betting where, instead of betting on a definite outcome, the consumer bets on a spread of outcomes.

## 1. LEGALITY

### 1.1. Legal compliance (national laws, national regulations in specific territory)

Signatories only operate in countries where they are authorised. All games offered by Signatories to consumers are in compliance with the regulatory authorisation issued in the jurisdiction where the consumer is located.

### 1.2. Criminal Behaviour & Money Laundering

Signatories are committed to applying and enforcing strict security measures and gaming supervision to prevent fraudulent activity and any transactions suspected of being potentially connected to money laundering or other criminal activity.

## 2. CONSUMER PROTECTION

Signatories are committed to protecting consumers, taking into consideration specific local features – in particular, cultural, historical, social and religious – and the specifics of betting and the risks it may represent for public order (fraud, money laundering and associated criminal activities) and social order (protection of consumers, foremost against betting addiction risks and its dramatic social and financial consequences), while at the same time recognising that betting is an activity of a very special nature.

### 2.1. Identity Verification and Player Account

#### 2.1.1 Player Account Characteristics

Signatories ensure that they have measures in place, according to the specific requirements defined by the State where the consumer is located, that guarantee an efficient and safe identification process before the activation of players' accounts for on-line betting.

### **2.1.2 Activity characteristics**

With due respect to applicable privacy rules, Signatories control and safeguard the privacy of players. This must be done both from a technical perspective so that the player information database is securely stored, and so that all the laws in the jurisdiction are respected.

Signatories ensure prompt and accurate processing of payments, subject to appropriate and necessary checks and verification, in accordance with the regulatory requirements of the State where the consumer is located. The locking of customer accounts is conducted through a formal, written or digital process whereby each step is documented.

If a Signatory adopts a policy of deactivating and/or deleting inactive customer accounts, the customer should be informed beforehand. The Signatory's general terms and conditions should include the relevant information related to the closure/suspension/deactivation/reactivation of a player's account.

Signatories publicise their bet cancellation policies, which are defined in accordance with the regulations of the jurisdiction where the consumer is located.

### **2.2. Protection of minors**

Under no circumstances is an underage person, as defined according to the legislation of the jurisdiction of the consumer, allowed to bet. Signatories take every measure required to prevent underage betting.

Signatories are committed to ensuring that appropriate warning messages and the steps required to verify the age of the player are clearly displayed within every retail/point of sale/outlet and displayed on every registration page for on-line betting.

All Signatories' relevant employees and/or delegates, and/or appointees in charge of sales, are responsible for requesting proof of age if they are uncertain whether a customer is underage. If appropriate verification cannot be performed, the customer is prevented from betting.

For on-line betting, Signatories always put in place age identification and verification procedures through reliable checking systems.

### **2.3. Education and awareness**

Signatories are committed to ensuring that clear information is available for consumers at every retail/point of sale/outlet and on the on-line betting websites.

Signatories are committed to communicating to players the rules of the games in a clear and precise way. The rules should not be changed during the time period between the player placing a bet and the determination and payment of winnings for the bet.

Signatories are committed to providing players with detailed information on the list of sport competitions and the odds of winning for each game which allows them to assess the risks and benefits of playing. Signatories also ensure that assistance to off-line and on-line players is available.

To achieve the above objectives, Signatories are committed to ensuring that their relevant employees or contractors are provided with appropriate training. The education of employees involves awareness and understanding of problem gambling, detection of changes in player behaviour and appropriate interaction with players on the issue.

Signatories aim to have measures in place that guarantee sufficient awareness among the consumers about the risks associated with gambling.

Signatories shall put in place appropriate measures to ensure that players are able to submit complaints to them as well as to the relevant public authority.

#### **2.4. Counselling**

Signatories direct customers to sources of help where they can address concerns about their betting. Where problem gambling treatment services exist in a jurisdiction, Signatories provide relevant information to players and sales agents and co-operate with providers regarding services available for problem gamblers.

This information (contact details/helpline numbers) is available in printed format and is clearly visible in betting venues, as well as on Signatories' websites.

#### **2.5. Protection of persons – responsible control measures**

Signatories shall apply, when applicable, reality checks at regular intervals to avoid addiction.

Signatories make it possible for on-line players to place a limit on the amount that they can lose for a specified period. If the player would like to increase this limit, the operator has to be contacted. The player also has the option of setting a session duration limit.

Players should be able to exclude themselves from placing any stake or bet on a site. Additional tools such as offering cooling-off periods are considered as favourable by Signatories.

For on-line sports betting, an account balance should be continuously visible on the player's screen, and access to recent account activity should be available upon request.

For both on-line and off-line betting, a wager should not be accepted on credit.

#### **2.6. Responsible advertising**

Any advertising and promotion must comply with the laws, regulations, and any relevant codes of practice of the jurisdiction where the consumer is located.

Advertisements should be legal, honest, truthful and factually correct. Signatories should not direct advertisements at underage people through the selection of media, style of presentation, content or context in which they appear. Likewise, persons portrayed betting should not be, nor appear to be, underage.

Advertising should not exploit consumers' lack of experience or knowledge. Advertising should not imply that betting is a solution to unemployment or an alternative to employment.

When a third party is assigned with undertaking the marketing and advertising campaign of a Signatory, the Signatory shall make sure that all the aforementioned principles are fully respected.

### 3. INTEGRITY

Signatories offer their bets in a sustainable way, making sure that any significant risks of corruption are minimised.

#### 3.1. Events

In order to protect the integrity of sport the Signatories are committed to prudently selecting the sport events offered for sports betting.

Signatories refrain from offering betting activities relating to tournaments/championships, sport events or meetings at risk of corruption or potentially vulnerable to influence in an obvious way or not presenting a substantial sports interest.

Signatories never offer bets on sports events involving only minors. "Friendly competitions" are only offered as long as they are authorised and strictly controlled.

#### 3.2. Betting types

With the goal of safeguarding the integrity of sport, Signatories carefully select the types of bet offered, and under no circumstances do they offer types of bet not authorised by the competent public authority of the jurisdiction where the consumer is located.

Signatories understand that certain forms of betting, and particularly the ones offering high pay out rates (e.g. betting exchanges, spread betting and some forms of live betting), entail money-laundering risks which demand and justify strict controls and strict due diligence measures.

In addition, Signatories focus on bets based on final results and goal scoring. Bets on other match details not directly related to the outcome of the competition are offered only when they are authorised in the jurisdiction of the consumer and strictly controlled.

### 3.2.1. Fixed-odds betting

The process of odds compilation is properly logged and audited periodically. Odds offered reflect best knowledge for the probability of the outcome of each event, and are based on facts and not on opportunity or other subjective information.

The process of changing odds is formal and involves several levels of authority. Logs and other audit trails exist to prevent misuse of authority. Controls that prevent fraud are also in place.

### 3.2.2. Live betting

Signatories offer live betting only when authorised in the jurisdiction of the consumer and strictly controlled.

Types of bet offered for live betting are carefully selected to ensure that they are offered fairly, so that risks of fraud are minimised.

### 3.3. Conflict of Interests

The global development of sports betting is creating additional risks that must be taken into account. Financial interests involved in sports betting are often so significant that they sometimes overshadow the sporting issues. In these circumstances, rules must be put in place to prevent partners from deviating in this area:

#### For Signatories, this means:

- abstaining from acquiring a significant stake in a sports club or links with a sportsperson. Should this be the case, however, they must ensure that they never include this club (or sportsperson) in their sports betting offer;
- not being a significant partner of (i.e. such that they may be able to influence) a sports team (or a sportsperson) that might be involved in sports used for the purpose of organising betting. More particularly, this means that an official operator that is the principal sponsor of a professional football club or other sports club (or team) must never have any influence on the sports decisions taken by the club (or team). Should this, however, be the case, the Signatory must make sure that it never includes the club (or sportsperson) in its sports betting offer;
- not acquiring a sportsperson on behalf of a professional team, or hiring a sportsperson at its expense in a competition in which it organises wagers (for example, an athletics meeting or a professional tennis tournament). However, the Signatories are entitled to use advertising with athletes or sportspersons when there is no way to influence them in their sports activities;
- all official operators' sponsorship contracts must state that the official operator plays absolutely no role and has no direct influence on the sport-related decisions taken by the team or the event.



**With regard to the employees of Signatories involved in events and odds selection, they are not allowed:**

- to participate in any capacity, directly or indirectly, in events offered for betting. Direct participation includes players, managers, trainers, and any kind of support roles. Indirect participation includes any direct relationship with leagues, federations or other collective authorities;
- to act as referees or their assistants in events offered for betting;
- to bet on events offered for betting by the lottery organisation. Exceptions are possible under explicit authorisation for purposes related to management of risk, such as hedging;
- to place bets with any operator.

Employees with a relevant criminal record are never to be involved in event selection and compilation of odds.

Signatories support action from football organisers to prevent players and their agents, coaches or club managers from betting on their own teams (or any other team in the same tournament/championship), in line with the agreement signed (as an example) by the European Lotteries and Union des Associations Européennes de Football (UEFA).

Signatories are willing to help and advise sports organisations concerning issues related to betting – especially remote betting through internet and mobile phones – and possible scenarios that undermine the integrity of sports due to betting.

### **3.4. Monitoring betting irregularities and manipulation of sport events**

In case of suspicious sports betting activity, Signatories immediately alert the public and sport authorities as well as police and/or law enforcement authorities in a transparent manner.

Signatories are strongly recommended to participate in the European Lotteries Monitoring System (ELMS) and its mission to effectively, and in real time, monitor ELMS Members sports betting data and odds changes on the international betting market, so as to generate alerts in case of irregular betting patterns.

Under these conditions, where the likelihood of corruption or abnormality is high, the Signatories undertake the following:

- for odd-set games, immediately stop the acceptance of bets placed on the match in question;
- for pool games, each official operator will take the necessary action according to its specific national gaming rules.



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## 4. PRO-ACTIVITY & SPORT FUNDING

Signatories work with national stakeholders — including public authorities, non-governmental organisations, researchers, public health professionals, and the general public — to share information, develop research and promote responsible gaming as broadly as possible, and encourage a better understanding of the social impact of betting.

EL Members have been the prime partners of sport for decades, providing sustainable funding of more than two billion EUR to European sport each year. Beyond their legal obligations, Signatories use their best efforts to support sport through various mechanisms (company foundations, sponsorship, advertising etc.).

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Lisbon, Portugal, 4 June 2014

## ANNEX:

### EL DECLARATION ON SPORTS BETTING & SPORTS INTEGRITY

#### Legality – Subsidiarity

All EL Members offering sports betting are without exception licensed in every single country where they operate, respecting regulations and consumer protection standards, and share common ethical principles, values and integrity.

EL considers a bet legal if the sports betting operator who offers it has an explicit authorisation in the jurisdiction of the consumer (e.g. licence, agreement or State monopoly).

EL encourages its Members to promote the inclusion in their national criminal law of a special betting fraud crime (fight against illegal betting through all possible technical and legal means) and, where there is such a law, to contribute to its implementation.

#### Consumer Protection

EL Members seek to profit citizens and society by channelling the desire for sports betting in a responsible manner. EL members guide their offer to the masses and not professional gamblers and their supply is regulated in quantity so as not to stimulate gaming, and in intensity so as not to provoke addictive gaming.

#### Integrity

Some betting formulas present more risks than others for sports integrity. EL and its Members recommend focusing on bets based on the final result and on goal scoring. Bets on other match details that have no relation to the final score might entail risks and should be offered only as long as they are authorised and strictly regulated.

EL Members offering sports betting also consider pool betting less risky in terms of the protection of both public and social order.

Based on their expertise of the sports betting market, several Members of EL are convinced that high pay-out rates may severely increase money laundering and addiction risks.

### **Monitoring**

EL was the first association to develop an international cooperation to be able to detect irregular betting patterns. In 2005 EL began monitoring football matches in cooperation with UEFA in order to safeguard the integrity of football. Since 2005, the European Lotteries Monitoring System (ELMS) has been monitoring sports events for UEFA, FIFA and the IOC with the objective of helping safeguard the integrity of sports against the threat of manipulation of sports events and strengthening the relations between important sport federations and Lotteries.

EL encourages its Members to participate actively in the ELMS and proactively share any information related to a potential fraud or manipulation of sports events.

EL also supports the idea of an obligation to exercise increased vigilance with regard to irregular betting. It is therefore desirable that the competent public authorities oblige those having information on the sports betting market, starting with the operators themselves, to alert the public and sport authorities as well as the police authorities in a transparent manner in the case of suspicion of manipulation of a sports competition.

### **Pro-activity**

EL Members, cooperating with reputable organisations that care about their civil and public obligations and role in society, are on top of information, intelligence and risk management, so that any risks related to their operations are minimised and dealt with in a proactive and effective way.

### **Sports Funding**

Lotteries in Europe have demonstrated over time a strong commitment to sport. The Members of EL have been providing sustainable funding of more than two billion EUR to European sport each year. While the way in which lottery revenue is allocated to specific public interest causes varies from Member State to Member State, the characteristic of redistribution of lottery revenue for sport is common to almost all EU countries.



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53 MEMBERS  
IN THE EUROPEAN UNION

IN 28 EU  
MEMBER STATES

80 MEMBERS

IN 46 COUNTRIES

53

28

80

46

## CONTACTS

### General Secretariat

The General Secretariat oversees the management of the organisation and all our events and seminars.

Secretary General **Bernadette Lobjois**  
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### EU Representation

Our EU Representation represents our interests in Brussels and is the first point of contact for policy makers, stakeholders and the media.

General Delegate **Jutta Buyse**  
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