



Council of Europe

Macolin RoadMap

GLMS Thematic Report

A. Introduction

1.1. brief overview of the situation

GLMS¹ is honoured and delighted to be contributing to the “Macolin Road-Map” which reunites the good-will of national and international actors for the entry into force of the CoE Convention on the Manipulation of Sport Competitions. **Lotteries – Members of EL-WLA- GLMS – are fully supportive of the Macolin Convention and have on many occasions called for its Entry into force.** The need for entry into force of the Convention – but **also the implementation of its basic provisions even before its entry into force** is of key importance. Lotteries, having strong and long experience in betting matters are very well placed to provide expertise in significant

¹ The **Global Lottery Monitoring System (GLMS)** is the state lotteries’ mutualized monitoring system on sports betting. It aims at detecting and analyzing suspicious betting activities that could question the integrity of a sport competition. Building on six years of experience with the establishment in 2009 of ELMS with European Lotteries, GLMS went global in January 2015, and extended its network to other continents. GLMS facilitates the sharing of sports betting information as part of the collective efforts of its members in ensuring sports integrity globally. It is dedicated to effective cooperation with all key stakeholders, namely regulators, law enforcement authorities and sports organizations.

GLMS currently has **27 individual Members** (Österreichische Lotterien – Austria, Loterie Nationale –Belgium, Hrvatska Lutrija – Croatia, Danske Spil – Denmark, Veikkaus – Finland, La Française Des Jeux – France, Staatliche Loterieverwaltung in Bayern – Germany, Opap SA – Greece, Szerencsejatek – Hungary, Israel Sports Betting Board – Israel, Lottomatica – Italy, Sisal – Italy, Norsk Tipping – Norway, Santa Casa De Misericordia da Lisboa – Portugal, Loteria Romana – Romania, Sportna Loterija – Slovenia, Svenska Spel – Sweden, Loterie Romande – Switzerland, Swisloss – Switzerland, Nederlandse Loterij, the Netherlands, Hong Kong Jockey Club – Hong Kong, Singapore Pools – Singapore, Ktoto Co – South Korea, China Sports Lottery – China, Loto-Québec– Canada, Polla Chilena de Beneficencia – Chile, Banca de Quinielas de Montevideo – Uruguay, La Marocaine des Jeux et des Sports, Morocco, Loterie Nationale du Sénégal – Senegal) **and 2 collective Members** (European Lotteries Association and World Lottery Association)



issues and provisions of the Convention. Many of the provisions of the Convention, indeed refer to issues related to sports betting regulation and sports betting operations. Noting that **sports betting does not constitute a problem per se** and recalling that when it comes to sports betting regulation, **states are best placed to decide upon their regulatory model**, Lotteries welcome all relevant provisions of the Convention.

1.2. The Network

GLMS is writing the report on behalf of its individual Members – but also its 2 collective Members (EL and WLA) – therefore this **report unites more than 153 Lotteries world-wide**. All EL-WLA-GLMS are already well connected and brought together within a strong network under the umbrellas of WLA-EL-GLMS.

1.3. Main achievements related to the manipulations of sport competitions & Progress

Lotteries welcome the initiatives coming from different fields and actors but highlight that there is a **need of coordination** of all initiatives both at a national and European level. The Members of EL through their strong involvement in the project “*What national networks in the EU against match-fixing*” (2013–2014), co-funded by the EU, made a strong effort to **enhance the coordination at a national level**, by organising national workshops that brought all stakeholders on the same table for the first time. The opening of the Convention for signatures, the full legal instrument that addresses all relevant matters of match-fixing, has been a huge development and the efforts of the CoE to pave the way towards its entry into force via the creation of networks, and notably networks of national platforms via the Copenhagen Group, networks of public prosecutors (stakeholders that had not been so much involved before), but also networks of sports betting regulators is of vital significance. The KCOOS and KCOOS+ projects in which the Lotteries have been and will be key partners will further work towards this direction.

B.Challenges/Issues at Stake

The biggest challenge that all stakeholders should focus upon is the **urgent need for the entry into force of the Macolin Convention**. This will create a legal basis that states will be able to use in order to sufficiently fight against the phenomenon. Before that, it is also important that as many states as possible proceed to the setting up of a national platform and join the Group of Copenhagen.

Other issues at stake include:

- **Education and prevention**: Already many different stakeholders at a European, international and national level work in this field. Still a **bigger level of coordination** is



needed for this purpose in order to make all these efforts more impactful. The **national platforms should have a key role in this domain**. And what is important is also to focus on the creation of a **general culture of integrity**, and this comes down to the promotion and dissemination of Olympic and sport values to younger ages as well. To do so, the members of every national platform should set the priority communication targets, build the appropriate education tools and organize implementation plans.

- **Monitoring of betting patterns:** Monitoring of betting patterns is key for the detection of potential betting manipulations. All legal sports betting operators should **be obliged to be part of systems like the GLMS and via them timely** report any irregularity detected.
- **Criminal sanctions:** It is important that states introduce a specific criminal offence for match-fixing. Although there have been numerous relevant studies, still many states have not yet proceeded to the introduction of such a criminal law. It needs to be underlined that each state has the right to choose the way criminal sanctions will be included and the type of criminal offence.
- **Reporting and Whistle-Blowing:** Apart from the monitoring systems, athletes and individuals should be able to report in a safe manner anything suspicious that they notice. It has to be noticed that from a legal point of view, there should be a penalty for people who do not report manipulation facts they know about. Additionally, There should be measures in place to protect the safety of those that report such activity, by ensuring them confidentiality and eventually anonymity. These measures can include hotlines, mobile app, secret location, ombudsman, etc. There are already measures in place. For instance, in Belgium, the police has a hotline where anybody can report anonymously. The Finnish Players' Union has also developed the "red button" which is a mobile app that allows for the reporting of suspicious behaviors anonymously and confidentially. The IOC, UEFA and FIFA have also made available their reporting mechanisms.
- It is important for countries to efficiently communicate the **safe reporting mechanisms** in place, so that athletes and other relevant stakeholders could be well aware of how to report and who is managing the reporting scheme. A **relation of trust** needs to be built up so that interested parties can feel safe to report suspicious activities. National Platforms could in theory be managing such reporting schemes, but this also depends on the country and the culture.
- **Conflict of Interests provisions:** As also provided by the Macolin Convention (article 10), conflict of interests provisions is also a key issue. The **European Lotteries (EL) Code of Conduct** provides indeed strict conflict of interests' provisions and covers all areas mentioned in the relevant article of the Convention. EL Members abstain from acquiring a significant stake in a sports club or links with a sports person, unless they ensure to

never include this club (or sportsperson) in their sports betting offer; EL Members are never 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. EL Members are entitled to use advertising with athletes or sportspersons only when there is no way to influence them in their sports activities; In 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. The EL Code of Conduct also includes strict provisions for employees involved in odds compiling and events selection.

It is submitted **that without safeguarding that all betting operators are legal, we cannot ensure that these provisions are actually implemented.** Therefore, article 11 and the concrete methods for the fight against illegal sports betting is relevant here as well.

- **Side Bets and Live Betting:** There have been numerous discussions regarding the risks posed by side bets or live betting. Although when it comes to side bets, there is limited liquidity when it comes to sports betting, it has to be submitted that **side bets can be the entry point of criminals into sport. Live betting also presents certain risks in particular if betting is made on events that are easy to manipulate, for instance by one person only.**
- **Sports Betting Regulation:** It is important that each state – as also required by the Convention – sets up a strong sports betting regulatory framework (article 9), based on its culture and priorities. This framework needs to be set up by a national regulatory authority, in consultation with sport organisations, law enforcement authorities but also the legal sports betting operator(s).

C. Controversial Issues/pending Problems

- **Illegal sports betting:** The matter of illegal sports betting which is clearly defined by the Convention (article 3 par 5a) is a key matter. The **measures against illegal sports betting by the states (article 11) is a condition sine qua non for other articles**, including the effective sharing of information (article 12), the underage betting (article 10), the reporting and monitoring and even the efficient work of the national platform. Any regulatory decision by the regulatory authority would be undermined as long as there are operators active in a jurisdiction without following the regulatory decisions. The sharing of information cannot be effective as long as external actors are active in the jurisdiction without contributing as well. Therefore, the **concrete measures against illegal sports betting are vital for the whole implementation of the Convention.**

- **National Platforms:** There are often discussions about which should be the **actors active in each national platform**. It should be clear that all basic stakeholders should participate and contribute (public authorities and all relevant ministries, the NOC and all basic federations, athletes' representatives, referees and coaching unions, the police and the prosecution, the regulatory authority and the legal sports betting operators. The contribution of legal and responsible sports betting operators can be vital when they are really willing to support the Council of Europe Convention and its obligations. As an example, they can provide expertise in monitoring and betting issues, as well as key information. **Many Lotteries already participate in national platforms and their contribution has been well appreciated.**
- **Data protection regulation:** Data protection is also dealt with by the Convention, as it is a crucial aspect of the risk assessment process (article 14). There is no conflict with existing Data protection laws, as Parties are required to respect these. The risk aspect refers to the sharing only of necessary data between the relevant stakeholders at the relevant time and that it is not kept longer than necessary (article 14 § 3). Therefore Parties are required by the Convention to ensure legislation to this effect. A method to reduce the possibility of risk could be to set up working committees to ensure that all stakeholders have an input and understand before arriving at a consensus on the methods of data sharing to appropriate share information but also to ensure the security of the data. In this respect, with the new EU GDPR coming into force, ministries and state authorities could liaise with national Data Privacy Law Enforcement Authorities to interpret and apply the new directive in the highest interest of Sports Integrity without jeopardizing the effort to intercept and manage manipulation of sport results effectively.
- **Players identification:** The previous matter is relevant to the issue of players' identification. As an example, it is a request of sport organisations to receive information on athletes who bet on their sport. This request is fully understood in view of the necessary implementation of sports regulation and disciplinary procedures. However, this has to be done fully in accordance with the protection of personal data.
- **Acceptance of bets:** When the likelihood of corruption or abnormality is high, betting operators should immediately stop the acceptance of bets placed on the match in question. This stopping should be however ideally organized, where possible, by the local regulators to ensure the consistency of betting offers to the public.

D. The way forward

- It is important to highlight that only **Collective Actions and Responsibility by all stakeholders** is able to win this fight, which Sports on its own cannot win. The creation of an **environment of trust** is something that all stakeholders should focus on. At a national level – mainly by national platforms – and at a more European/global level – through the networks the Council of Europe is setting up, but also the existing ones from sport and law enforcement agencies, collective actions need to be ensured, as well as much as possible duplication needs to be avoided.
- **Educational programs** to key stakeholders starting from the school level onwards are of significance. The objective should be to create a **general culture of integrity** for the long-term and sustainable tackling of the phenomenon.
- **An effective incentive of whistle-blowers** should be organized. A consistent regulation by country that encourages and protects whistle-blowing would be a key step.
- The **role of the media** is strategic in the fight against the manipulation of sports competition and it is an effective vehicle to develop a culture of integrity among citizens and engage them effectively. Unfortunately, this preventive approach is not considered strategic and effective and in most cases the media would put under their magnifying lens a case only after a manipulation of sports results has occurred, again a reaction rather than a preventive action.
- In general, **regulatory authorities** in consultation with sport, law enforcement and legal betting operators should carefully regulate the **sports betting offer**. Sports betting operators should be focusing on competitions that are well organised and supervised. For live betting, sports betting operators should apply extra cautiousness in the types of bets they offer, as well as the customers' individual gaming pattern given the high risks involved in live betting.
- The **fight against illegal sports betting** with concrete measures, as required by article 11, is also a pre-condition for the smooth implementation of the CoE Convention.