

Ladies and Gentlemen,

Welcome to the afternoon session. We will deal with the important issue of integrity of racing and sport competitions and sport wagering.

I am a member of the Board of the European Trotting Association, which consists of the national trotting associations from countries all over Europe, both within and outside the European Union. We represent the owners and organizers of the sport, with several hundred thousands members and employees in the different branches of the industry.

Since horse racing is linked up in a close interplay with betting, which is the foremost contributor of income to our industry, we pay much attention to the way betting is organised and conducted.

The national associations own the rights of the products that are subject to betting. We have strict international and national regulations to this effect. The way betting is organised must reflect the high standards of integrity that we stand for, and which is of utmost importance to maintain the respectability and the credibility that our sport is so dependant upon.

That is why the sports organisations have been so active and helped set up betting companies that can give us best possible guarantee for ensuring the integrity of the sport.

Our sport is founded on century long traditions. The product that we produce, the race horse, is the end product of a long value chain. It starts with breeding, with the small foals that are borne in the spring and summer, and live with their mothers in wide grasslands all over Europe, from Sicily in the south to Lappland and Finnmark north of the Arctic Circle, from the shores of the Atlantic to the plains of Kazan. They represent the love and hope of countless families and sport representatives and fans. They are brought up and trained by professionals all over Europe, by people who represent the fine and long-standing tradition of great equine competence. And they are finally brought to their destination, the racetrack, with proud and hopeful owners and supporters ringside.

It would be intolerable if betting on these outstanding end products of a long value chain should be subject to fraud and greed and unethical behavior. Intolerable because this value chain is so important for sound economy, for social relations involving family and youth, for the maintenance of the cultural landscape – for all the values that our societies should protect and promote.

It would be intolerable for horse racing, as it would be intolerable for any other sport that is built on fair play and decency and integrity. We must therefore demand and expect the same high integrity and decency from the betting systems.

In the vast majority of countries around the world, the pari-mutuel model is the main, if not the only form of betting. A socially and economically responsible attitude of the Pari Mutuel

operators has grown over the years in order to respond in a moderate way to the demand of the players and to ensure the long-term sustainable development of the sport. The values of the Pari Mutuel model, transparency, neutrality and integrity, as well as fairness amongst punters, are now being examined by other sports federations and Olympic organisations.

Over the years, national Pari Mutuel operators have developed strong and consistent programmes to promote responsible gaming through various campaigns, and prevent addiction. They cooperate loyally with the authorities and bring back large amounts of money to the Governments through taxation.

These systems, which are supported by the sports organizations, have been challenged in various ways over the last years, particularly by the introduction of internet gambling.

A large number of gambling sites operate without any license or with licenses from legislation which imposes no serious controls on their activity making them ideal tools for money laundering and other criminal activities. Accordingly, a large portion of the global online gambling market is illegal.

Online operators are introducing to national markets new forms of betting that have been forbidden due to a lack of integrity. As a result, the market has seen an increase in irregular betting patterns which threatens the integrity of sporting competitions.

It is important to protect and support the betting systems that ensure high norms of transparency and integrity, and that serve a decent purpose through a fair return to the sport. Since the challenges are transboundary, the rules have to be applied both at national and international level.

The global financial crises has highlighted the necessity of placing ethical standards and good regulations at the forefront of any reform and modernization capable of restoring confidence and growth. The crises is the worst example we have seen of insufficient regulation, and the unprecedented greed and fraud that accompany such insufficient regulation.

There has always been rules for the market place. In the field of services and trade in services, there are national regulations, as well as international regulations, such as the EU- and WTO-rules. We believe that Europe can take a lead role, and create rules that meet the high standards necessary for betting that the sports organizations and the organizers need, and that the broad public in all our countries will favor. There should be no room for dangerous betting and lacunas for fraud.

We are encouraged with the important initiatives now under way, both in the European Parliament and in consultations among member states of the EU, on the bases of proposals and reports put forward by the very active French Presidency in 2008.

We are pleased with the initiative by the European organisation of pari-mutuel betting operators to this conference, and happy with the great attendance. The European racing authorities welcome the creation of the EPMA, and we believe that it's activities are very important in order to inform policy makers of what pari-mutuel means to our sport, and support the adoption of proper and fair laws.

The first speaker this afternoon is the MEP Christel Schaldemose, who is the Rapporteur on the EP report on the integrity of online gambling. Integrity is first and foremost seen as a set of values which aim at preventing fraud. We are pleased to see that the report emphasizes that a pure Internal Market approach alone is not enough to deal with the issue. And we certainly hope that the sport organizers through the recommendations of this report will be better protected from unauthorized use of their competitions. This could be an important tool to help discourage unserious companies from trying to intrude into these markets.

We are indeed looking forward to the intervention by Mme Schaldemose, and I am happy to give her the floor.