

# European Lotteries: EU Court upholds gambling monopolies in 'Placanica' ruling

Brussels, 6 March 2007 – European Lotteries welcomes today's judgement of the European Court of Justice on the Placanica case which recognises that Member States can decide to limit gambling and betting activities through a licensing system with a single or multiple operators and whereby the licensee(s) must be able to make a sufficiently attractive offer including advertising and the use of new distribution methods to execute its channelling task. (See §55 of the judgement)

The President of European Lotteries, Dr Winfried Wortmann said "The Court has recognised that, in line with the Gambelli judgement<sup>1</sup> Member States can restrict gambling activities. In order to draw players away from illegal offers, authorised operators must represent a reliable, but at the same time attractive alternative to a prohibited activity. This may mean offering an extensive range of games, plus advertising and the use of new distribution techniques.

In line with its ruling on Läärä<sup>2</sup>, the Court confirms that a Member State has the right to decide on whether the number of operators it allows is sufficient. Dr Wortmann stressed that „This includes the option to give an exclusive right to one operator.“

Moreover, the Court holds that a tendering process for licenses may not exclude listed companies. Since there are other means to control listed companies. Member States, therefore, cannot apply criminal sanctions to listed companies which remained illegally excluded from the tendering process.

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