

Brussels, 10 June 2009

EU Commission publishes report on US internet gambling laws

The European Commission has today published its report on US laws on remote gambling and their enforcement against EU companies. This report is the outcome of an investigation into United States measures affecting foreign suppliers of Internet gambling services. The report concludes that the US measures constitute an obstacle to trade that is inconsistent with WTO rules. As a result, WTO proceedings would be justified. At the same time, the report suggests that the issue should be addressed with the US Administration, with a view to finding a negotiated solution.

EU Trade Commissioner Catherine Ashton said: "Internet gambling is a complex and delicate area, and we do not want to dictate how the US should regulate its market. However, the US must respect its WTO obligations. I hope that we will be able to reach an amicable solution to this issue."

The report published today is the result of a formal examination procedure initiated on 11 March 2008, following a complaint lodged by the Remote Gambling Association (RGA). The report concludes that US laws deny access and discriminate against foreign suppliers of gambling and betting services inconsistently with US WTO obligations.

European online gambling and betting companies left the US market in 2006, but still suffer legal proceedings by US authorities based on their past activities on the US market. The report comes to the conclusion that these proceedings are legally unjustified as well as discriminatory, because the activities of EU companies took place under the cover of US WTO commitments.

Although WTO proceedings would be justified on the basis of the report, this is not an automatic consequence. The European Commission will now seek a satisfactory solution to its concerns through dialogue with the US Administration.

The report takes account of the intention of the US to withdraw its WTO commitments on gambling and betting services. Once this withdrawal occurs, the US would no longer be obliged to guarantee future access to its gambling and betting market. However, the report finds that a withdrawal only affects future access to the market, but does not allow the US to disregard its obligations in respect of past activities.

For the full report please see

http://ec.europa.eu/trade/issues/respectrules/tbr/cases/usa_gam.htm

For further information on this case please see the [MEMO/09/269](#).