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European Commission: Adoption of the Communication "Towards a comprehensive European framework for online gambling"

On 23 October, the European Commission adopted the Communication "Towards a comprehensive European framework on online gambling", an initiative presented by Michel Barnier, the European Commissioner in charge of Internal Market and Services. This long-awaited Communication, which had been subject to a public consultation in 2011 through a Green Paper, presents an action plan over two years (until the end of 2014).

It includes five fields of action:

- Compliance of the national regulatory frameworks with EU law,
- Improve the administrative cooperation and the concrete respect of the rules,
- Protection of consumers and citizens, minors and vulnerable groups,
- Prevention of fraud and money laundering,
- Preserving the integrity of sport and the fight against match-fixing

With regard to the latter, the European Commission, based on the observation that increased cooperation between all stakeholders is required, has proposed the following specific actions:

- Adopt a Recommendation on best practices in the prevention and combating of betting related match fixing in 2014,
- Participate in the work of the Council of Europe on a possible Convention against manipulation of sports results,
- Promote international cooperation and dialogue in the prevention of match

fixing. In this context, the European Commission stressed in the Communication that it will continue to participate in and monitor the work of the International Olympic Committee, one of the few initiatives to cover this topic worldwide.

Member States are also invited to:

- Set up national contact points bringing together all relevant actors involved in fighting match fixing,
- Equip national legal and administrative systems with the tools, expertise and resources to combat match fixing,
- Consider sustainable financing of sports integrity measures.

Calendar for the upcoming activities

The European Commission intends to strengthen exchanges amongst all stakeholders. includina the European Institutions. An expert group on online gambling will soon be established by the Commission, its first meeting is scheduled for December 2012. In addition. Commission will organize a conference in 2013 on this topic, bringing together all stakeholders.

At the end of this two year action plan (end of 2014), an evaluation of its implementation and progress will be made by the Commission. It should be noted that the Commission will quickly address inquiries to Member States against which infringement proceedings have been initially launched since 2008, in order to obtain accurate and complete information on the recent changes





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in their national legislation. Information will also be required from Member States where complaints were issued.

The EOC EU Office will closely monitor the implementation of this action plan, parallel to its participation in the work currently conducted by the Council of Europe (convention against manipulation of sport

results) and the Council of the EU (expert group on good governance).

For further information:

Please refer to the Communication, the accompanying working document and the summary of responses to the public consultation launched by the Green Paper in 2011 (including many from sports organizations), on the website of the European Commission, Internal Market Directorate General

State aid policy and professional football

At the beginning of October, the European Commission sent out letters of requests to the Member States in order to gather information on state aids for professional football clubs in Europe. This inquiry gives the Member States two months (until 1 December 2012) to respond to a set of questions that target professional football clubs. Nevertheless, in the long run, other professional sports could be affected as well. The Commission is targeting:

- The financing system of professional clubs, including the tax/social security schemes,
- The conditions under which local authorities, who own the sport infrastructures, make these available for the use of the professional football clubs.

The topic is not quite new since the White Paper on Sport (2007) and the

Communication sport published on January 2011 raised this issue. In the latter the Commission announced "the monitoring of the application of State aid law in the field of sport and consider guidance if the number of sport-related State aid cases increases." Due to several complaints and inspired by "Financial Fair Play" by UEFA the Commission is eager to increase transparency at the European level in the above mentioned areas. At the end of the process it remains to be seen if the EU Commission provide guidelines will summarizing the recent cases regarding the application of state aid provisions in sport. In this context it should be mentioned that at the beginning of 2013 the DG Competition will most likely decide on pending cases regarding the financing of multifunction arenas in Denmark and Sweden.

EU submits second contribution to the revision of the WADA Code

On 4 October the Council approved the text of the second contribution of the European Union to the revision of the World Anti-Doping Code. Consequently the Cyprus Presidency has submitted the EU contribution to the World Anti-Doping

Agency (WADA). The text itself has been discussed, coordinated and approved by the Expert Group on Anti-Doping in September 2012.





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This second contribution is part of the second consultation phase on the WADA Code and the first on the International Standards. The consultation phase ran from 1 June until 10 October. On 1 June the WADA had already published a first draft of the revised WADA Code. As this revised Code continues to have an impact upon different aspects of EU legislation, notably data protection and free movement, a second contribution of the EU was deemed necessary.

The second EU contribution contained the following elements:

- Comments made pertaining to the first draft of the revised Code: on the five headings of the first EU contribution and on two additional elements (appeals and issues related to whereabouts requirements and the ADAMS database),
- Considerations and proposals for the revision of the three International Standards: the International Standards on Testing (IST) 2012, the International Standard of Therapeutic

Use Exemptions (ISTUE) 2011 and the International Standard on the Protection of Privacy and Personal Information (ISPPPI) 2009.

Further procedure

WADA is foreseen to come up with a second draft of the WADA Code and a first draft of the International Standards by 1 December 2012. Subsequently, the next consultation phase on both the WADA Code and the International Standards will start. This final consultation phase will be concluded on 1 March 2013. It is most likely that the EU will again prepare a contribution for this final consultation.

Further information:

<u>Press release European Commission (5 October 2012)</u>

Report meeting Expert Group Anti-Doping (5 September 2012)

WADA Website

WADA Code Review Plan

VAT: EU opens consultation on VAT reduced rates

On 8 October 2012, the European Commission initiated a "Consultation on the review of existing legislation on VAT reduced rates". Until 4 January 2013, citizens, businesses and other stakeholders are invited to submit their opinion on the planned review of the EU VAT system.

According to the current EU VAT Directive, the Member States are obliged to apply a VAT standard rate of at least 15 percent. However, they are granted the right to levy reduced taxes on certain goods and services, provided that these are individually

registered in an annex to the directive. Also falling under this category are services in the field of sport. For example, according to the VAT Directive, Member States are either allowed to exempt those services from VAT which are strongly sports-related (e.g. entrance fees) and which are rendered by non-profit institutions; or Member States can give the relevant service providers a choice. Additionally, reduced rates can be applied in specific cases, which however are not determined by the EU but by individual Member States. These rates cannot be less than five percent and allow pre-tax





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deduction, e.g. of income from entry fees for sporting events and the use of sport facilities in exchange for monetary consideration.

This so-called "simple procedure" is hampered by various derogations. In the EU VAT Directive, which the Commission presented at the end of last year, the monitoring of VAT reduced rates was announced to be one of the key elements of EU tax policy. In this regard, the Commission named three key principles while assessing reduced VAT rates:

 The abolition of reduced rates, which constitute an impediment to the smooth functioning of the internal market;

- The abolition of reduced rates on goods and services, whose consumption or use, shall be prevented by other measures at EU level;
- An equal VAT rate on comparable goods and services.

The Commission announced a new proposal on individual VAT rates to be presented in 2013. The EOC EU Office participated in the survey on the new EU VAT strategy in May 2011 by submitting a position paper and asking for the retention of tax exemptions in the field of sport.

Internal and visits

The 15th ENGSO Forum in Copenhagen

On 19th of October the ENGSO Forum began with the traditional ENGSO EU Seminar, which was dedicated to EU sport policy and the future EU funding programme presented by Pedro Velazquez, Deputy Head of the Sport Unit. In this context **ENGSO** emphasized the need for building partnerships in sport.

The first part of the Forum dealt with social inclusion of migrants and ethnic minorities in sport. In the framework of this, Emine Bozkurt, Member of the European Parliament inspirational speech gave an as introduction to the topic, which was followed unconventionally interactive presentation of Gitta Axmann, Expert of Social Inclusion in and through Sport on the results of the ENGSO "Creating a Level Playing Field" project.

During the following day, the main focus was on building partnership to create effective

change. First, representatives of ENGSO partner organisations (EPAS, IRIS, and European Lotteries) introduced their current issues. and then **ENGSO** Member Organisations gave insight into their innovative partnership projects. The ENGSO "Building Partnership to Create Booklet Effective Change", which compiles the projects, will soon be available on the ENGSO website.

The last activity of the Forum was a field study visit to show participants innovative partnership cases in Denmark. ENGSO hopes that this Forum could bring the importance of innovative partnerships into focus and launch a debate in all ENGSO Member Organisation on future partnership possibilities.

Further information:

ENGSO Website





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ENGSO Hearing at the European Parliament in November

ENGSO is organising a Hearing at the European Parliament on 26 November 2012. The Hearing, which will begin at 1:30 p.m., is hosted by MEP Emma McClarkin (ECR, UK), who is a member of the Committee on Culture and Education and one of the most active MEPs in the field of sport. MEP Emine Bozkurt will also honour the Hearing with her presence. The topics covered will include the Sport Chapter of Erasmus for All, the future EU Programme for Education, Training,

Youth and Sport as well as the ENGSO initiative on the European Year of Sport. ENGSO warmly welcomes the active participation of all stakeholders. The Hearing is a chance to raise the voice of sport shortly before the voting on the Erasmus for All at the Committee on Culture and Education, which is planned to take place on 27 November 2012.

Further information:

Registration form

"United against Homophobia in Sports" Conference in Utrecht

On 11-12 October 2012, the European Gay & Lesbian Sport Federation (EGLSF) and the Enlarged Partial Agreement on Sport (EPAS) of the Council of Europe organised the Conference "United against Homophobia in Sports: The contribution of policy-makers, researchers and sport movement" in Utrecht. Mrs. Edith Schippers, Dutch Minister of Health, Welfare and Sport, and Mrs. Snežana Samardžić-Marković, Director General of Democracy of the Council of Europe were among the participants.

The main aim of the Conference was to take stock of the overall situation regarding homophobia and transphobia in sports and to discuss sport-related lesbian, gay, bisexual and transgender (LGBT) issues in general. In this regard different workshops, for instance on the role of governing bodies and public authorities in safeguarding the safety of LGBT athletes, were held.

In his welcome speech Lou Manders, Co-President of EGLSF, also drew attention to the failed attempt of setting up a "Pride House" at the Winter Olympic Games of Sochi 2014. The Russian Ministry of Justice refused to approve the registration. In March this year the ban was also confirmed by a court in Krasnodar. Pride Houses are similar to national houses at major sport events and intend to bring together LGBT friendly athletes and supporters. Previously, Pride Houses were set up at the Vancouver Winter Olympics (2010), the London Summer Olympics (2012) and the European Football Championship in Poland and Ukraine (2012).

Topics, such as social inclusion and equal opportunities, have received increasing attention from the European institutions The recent years. European Commission's proposal establishing "Erasmus for All" Programme for instance mentions the following as one of the specific objectives of the sport chapter: "to promote social inclusion, equal opportunities and health-enhancing physical activity through increased participation in sport."

Further information:

EPAS Website
Website EGLSF





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Dates in November	
5	Council Sport Working Party in Brussels
6	EP CULT Committee Meeting in Brussels
7-8	Special Competence Seminar at the EOC EU Office
14	Council Expert Group "Sustainable Financing of Sport" in Brussels
22	EOC EU Office Board Meeting
22-23	Education, Youth, Culture and Sport Council meeting in Brussels
26	ENGSO Hearing at the European Parliament in Brussels
29-30	Sport Directors Meeting in Cyprus
29-30	European Gender Summit in Brussels



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