

The European Lotteries' Manifesto

LOTTERIES IN EUROPE: AT THE SERVICE OF THE COMMON GOOD

Lotteries in Europe have been operating for the public benefit since 1441, when in Bruges (Belgium) the first model was conceived: organise a prize game with small monetary stakes and use the proceeds to finance projects for the common good. Today's lottery games are still widespread across Europe, and most importantly, they still continue to generate funds for the public benefit. This unique model and the important societal role lotteries play, deserve to be safeguarded at local, national and European level.

The European Lotteries (EL) is the largest and most representative lottery and gambling sector's association in Europe. Present in 39 European countries with a total of 70 members (50 EL members are in the EU and 20 in non-EU member states), EL members are operators of national lotteries and organisers of other games of chance, including sports betting. In 2022 alone, EL members secured more than 22 billion EUR for society and directly supported valuable projects related to sport, cultural heritage, art, healthcare, individuals with disabilities/disadvantages, education, science and many other areas. EL members only operate in those jurisdictions where they are licensed by the state and where they comply with all legal requirements (e. g. anti-money laundering, responsible gaming policies, etc.). They act as the most responsible operators in each jurisdiction where they offer their products and services.

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Gambling services are an economic activity of a peculiar nature, given the considerable moral, religious and cultural differences across each national State. Contrary to most other sectors, when it comes to the offer of gambling services, a free and undistorted competition can have severely detrimental effects by increasing consumers' expenditure on gambling and the risks entailed in terms of addiction, criminal infiltrations or frauds. Due to this peculiar nature, national governments have a wide margin for justified restrictions on the provision of gambling services in their national markets, in order to ensure consumer protection and the protection of public order. A company licensed to offer certain gambling services in a specific national market, does not have any given right to offer such services in any other State(s) if it was not expressly granted such rights by its national authorities.

EL stands for the sound and sustainable lottery and games of chance model for the benefit of society, based on the values of forward-thinking, responsibility and integrity. EL Members are committed to actively preventing harm to consumers and implementing the highest standards of responsible gaming. By doing so, EL members aim to create the highest positive social impact for society.

To shape a secure and thriving future for the lottery sector in Europe, EL has identified 8 focus points to actively contribute to relevant debates at national and European level.



FOCUS POINTS

Maximising Positive Social Impact, While Minimising Harm

Safeguard National Lotteries Unique Role for Society

EL calls on competent authorities – both national and international – to protect the unique role national lotteries play for society in Europe. This includes recognizing not only their economic contributions but also significant societal impact and the cultural heritage enshrined in their historical traditions and principles.

Fight Illegal Operators and Their Online Content

Any operator offering gambling services to consumers in a country where it does not hold a national license, is de facto an illegal operator. Robust enforcement of all the applicable regulations to address illegal operators is crucial to maintaining the integrity of the gambling sector. What is illegal offline, is also illegal online.

Tax Operators in the Consumers' Country

Illegal operators often avoid paying taxes in the countries where they operate. By doing so, they can offer more appealing pay-out rates, creating an unfair competition to the EL members. All gambling operators should pay taxes in the country of the consumer. However, it needs to be noted that operators do not become legal solely by paying taxes.

Strengthen Consumer Protection by Leveraging National Expertise

International collaboration on consumer protection is beneficial, as seen with the Pompidou Group of the Council of Europe and the non-binding recommendations by the European Commission. However, regulation should remain national. National authorities are best placed to address local needs and achieve the highest level of consumer protection in the gambling sector.

Take a Risk Based Approach to Advertising

Advertising plays a crucial role in channelling consumers towards the legal and safer offerings. It should be handled responsibly at national level in strict observance with the risk based approach. High-risk games should be subject to more rigorous rules than the low-risk ones (lottery games).

AI in Digital Gambling: Explore Opportunities, Prevent Misuse

While AI can play an important role in consumer protection and responsible gaming, it also poses risks when misused. To ensure integrity, AI implementations in the lottery sector must be carefully assessed and ethically deployed, in line with all the applicable national and international rules.

Sport Integrity: Urge the ratification of the Macolin Convention

EL supports the Council of Europe's Convention on the Manipulation of Sports Competitions and its key definition of "illegal sports betting" as "any sports betting activity whose type or operator is not allowed under the applicable law of the jurisdiction where the consumer is located". EL invites all eligible countries that have not done so, to ratify the Convention.

Include Lotteries into Environmental and Future Social Taxonomy

Policy makers should consider the unique characteristics of lotteries and their significant societal role in discussions on environmental and possible future social taxonomy. A broad sectoral exclusion would unfairly harm EL members' collaboration with investors and insurers.



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FOR THE BENEFIT OF SOCIETY