

Antigua takes U.S. to task over online gambling

Geneva – The tiny Caribbean nation of Antigua and Barbuda asked the World Trade Organization on Tuesday for the right to authorize USD 3.4 billion in commercial sanctions against the United States for its failure to comply with a WTO ruling against its Web gambling restrictions.

Washington acknowledged that its online betting ban was ruled illegal by the WTO, but challenged Antigua's right to retaliate. The U.S. says it is in the process of rewriting its obligations under a 1994 WTO treaty, removing online gambling from the agreement.

The U.S. also rejected the amount requested by Antigua as „patently excessive.“

„The level sought by Antigua and Barbuda is several times higher than Antigua and Barbuda's annual gross domestic product of all goods and services,“ U.S. trade lawyer Juan Millan told the WTO's dispute settlement body.

The WTO set up an arbitration panel to rule on the matter.

In March, the WTO ruled that the U.S. had the right to prevent offshore betting, as a means of protecting public order and public morals. But the trade body said it was illegal to target online gambling, without equally applying the rules to American operators offering remote betting on horse and dog racing.

Antigua has been promoting gambling and other kinds of Internet commerce as a way to end the country's reliance on tourism, which was hurt by a series of hurricanes in the late 1990s. There are 32 licensed online casinos in the former British colony, employing 1,000 people and generating around

USD 130 million in annual revenue.

Last year, Washington stopped U.S. banks and credit card companies from processing payments to online gambling businesses outside the country. The decision closed off the most lucrative region in a market worth USD 15.5 billion: About half of the world's online gamblers are based in U.S.