

Sweden's Supreme Court orders test of lottery law

European online gaming companies may soon be able to legally advertise their services in Sweden, following last week's Supreme Court order that the Court of Appeal must hear the cases against two of the country daily newspapers, Aftonbladet and Expressen.

The Supreme Court said that several rulings in the European Court of Justice have brought Sweden's Lottery Law into doubt, and that the Court of Appeal needs to test whether the Lottery Law, which bans advertising by foreign gambling companies, is incompatible with Articles 12, 43 and 49 of the EC treaty.

Over the past four years, both the Chief Editor of Aftonbladet and Expressen have fought for the right to appeal against the verdict of the District Court, which found the newspapers and their editors guilty of breaching the lottery law by accepting advertisements from foreign gaming operators.

Last month, the former and current editor of Aftonbladet wrote to the EU Internal Markets Commissioner, Charlie McCreevy, calling on him to take action against Sweden in order to bring it's lottery law into compliance with its obligations under the EC treaty.

Aftonbladet and Expressen have consistently denied any wrong doing, arguing that the country's ban on advertising by foreign gambling firms is incompatible with Article 12 of the EC Treaty which prohibits discrimination on grounds of nationality.

The Supreme Administrative Court, the Court of Appeal and the District Court had previously found that Swedish lottery did not discriminate against foreign gaming companies, and had refused to test the country's lottery law against EC law.

Yesterday's decision by the Supreme Court for the first time takes into consideration developments in EC law including the Placanica case of 2007, which found Italian legislation to be inconsistent with Article 49 of the EC treaty's freedom to provide cross border services.

The European Commission formally requested Sweden to amend its lottery law to comply with article 49 of the EC treaty in June 2007.