

# Press release: FDP calls for reform of the Interstate Treaty. Experts in the fields of addiction, economics and law all opposed to internet ban.

Conference of FDP parliamentary party leaders, 3 September 2009 in Berlin

The discussion on reform of the gambling market was reignited at the conference of FDP parliamentary party leaders, who this time cast their sights abroad. International experts in the fields of addiction research, economics, gambling regulation and law came together on Thursday in Berlin for the conference, entitled "The impact of the Interstate Gambling Treaty – consequences of the monopoly and opportunities for liberalising the gambling market." The purpose of the event was to draw attention to the consequences of the Interstate Gambling Treaty and to evaluate new, alternative models in place in other EU countries.

On paper, the state monopoly on gambling serves to protect players and was achieved by way of a general prohibition of Internet gambling. **Jörg Bode MdL** (Member of the Landtag), chairman of the FDP faction of the Lower Saxony federal state parliament and the event's patron, is opposed to the current ruling and, in view of the ongoing evaluation of the Interstate Gambling Treaty, has demanded an in-depth study into the impact of the Treaty.

**Detlef Parr MdB** (Member of the Bundestag), the FDP Bundestag faction's spokesperson for sports affairs, addiction and

illegal drugs, also recognises the need for reform and has called for the Interstate Gambling Treaty to be terminated ahead of schedule by the Federal States, so that suitable reform measures can be brought in without delay, decriminalising Internet games such as sports betting and online poker for players and organisers, while continuing to protect players and simultaneously securing funding for good causes.

**Dr. Wulf Hambach**, partner of gambling law specialists Hambach & Hambach, pointed out that the aims were identical to those pursued by other countries with more liberal models in place. He explained that the objective of establishing an attractive, controlled and regulated gambling market had been thwarted by the German Internet ban, since online players were being driven to the black market. In particular, the legal aims pursued by the Interstate Gambling Treaty (namely combating addiction and associated crime, and channelling players' desire to play) are compromised by an Internet ban. He went on to say that Germany was alone in adopting such a model, since Internet gambling is permitted by law in 21 of the 27 EU Member States and is regulated, or at least tolerated.

Specialist lawyers from France (Thibault Verbiest) and Italy (Quirino Mancini) and legal advisers from Norway (Rolf Sims) and Gibraltar (Phill Brear) presented the models adopted by their respective home countries to the audience and offered advice on reform. Quirino Mancini, lawyer and partner of Sinisi, Ceschini, Mancini & Partners Law Offices, put forward the view that Germany ought to introduce a uniform supervisory authority and policy, since separate policies for each individual Federal State are simply not workable in practice. In particular, he highlighted Italy's leading role in regulating online poker, where the game is classified as a game of skill and thus permitted by law.

Behavioural scientist **Prof. Iver Hand** (director of the player project Verhaltenstherapie Falkenried MVZ GmbH) criticised the

over-use and consequent trivialisation of the term “compulsive gambling”. He said that the typical warning given, “gambling can be addictive”, was more reminiscent of an advertising slogan. Committing to the concept of compulsive gambling blocks any funding for behavioural research, although behavioural disorders cannot simply be lumped together with physical dependencies such as alcoholism. He added that psychotherapeutic training was an essential requirement for successful treatment, and that all therapists employed needed to receive adequate sponsorship and training, a path that as yet remains untrodden in Germany for political reasons.

**Prof. Friedrich Schneider** analysed the drop in turnover in the public gambling sector in 2008 (between 12% and 30%), as well as the simultaneous growth of the black market. He pointed out that those who are intent on gambling on the Internet will not be deterred by a written ban, but will continue to do so. The associated loss of jobs, tax revenue and added value for the German economy due to lack of advertising revenue led him to urgently recommend at least a partial liberalisation.

In the concluding panel discussion, the consequences described above were discussed with **Wolfgang Angenendt**, representative of the Deutsche Toto- und Lottoblock (the association of federal state lottery companies), and **Christian Kipper**, executive director of the ARD Fernsehlotterie (television lottery). Wolfgang Angenendt qualified the drop in turnover and said that he sees no alternative to the current monopoly, due to the rules laid down by the Federal Constitutional Court. Mr Kipper criticised the advertising restrictions and the prohibition of Internet sales, which he said seriously compromised numerous charitable projects supported by the ARD Fernsehlotterie. As a result, he said, the dual aims of “helping and winning” can no longer be communicated and particularly younger members of the public for whom the Internet is a primary sales medium cannot be reached as a result of the ban.

By way of conclusion, **Detlef Parr MdB** explained that emergency reform on a national level would be required if the necessary steps are not taken at the Federal State level. He said that a reform of this kind was conceivable for both sports betting and online games such as online poker, so that members of the public are no longer persecuted by bans and driven to crime.

For the FDP, so much is certain: The Internet ban included in the Interstate Gambling Treaty is a dangerous path for Germany to go down, due in no small part to its ineffectiveness at combating addiction and the fact that it puts charitable projects such as those supported by the ARD Fernsehlotterie and professional and amateur sport at risk. Consequently, reform and alignment to EU standards are desperately needed.

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