

## **No recognition of contributions to society from lotteries in EC Communication online gambling**

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On October 23 the European Commission published its long awaited Communication on online gambling. The Association of Charity Lotteries in the EU (ACLEU) welcomes many of the initiatives outlined in the Communication, such as the enhancement of administrative cooperation between national regulators and the recommendation of common consumer protection standards. However, ACLEU regrets the fact that the Commission does not recognize the importance of the contributions to good causes from lotteries in areas such as sports, culture, health & well-being, nature & environment, international cooperation and human rights. Neither does the Commission notice that the developing online gambling market could have consequences for land based lotteries, and consequently for the income of the benefitting good causes.

### **Cannibalisation**

ACLEU would like to have seen the Commission pointing out to the Member States the risk of cannibalisation of the income of good causes from land based charity lotteries. This cannot be excluded when online gambling markets change significantly. Charity lotteries donate on average 50% of the turnover to charities. Conversely, only a small percentage is contributed to society by online commercial operators (usually in the form of taxes). As a consequence, charity lotteries have a significant smaller percentage to award as prize money. Cannibalization effects could arise when participants of charity lotteries choose large prize payouts from commercial operators over supporting charities.

### **10 billion euros could be raised for society**

Unfortunately, the national and European debates on gambling are generally focusing on the negative sides of gambling such as gambling addiction, fraud and money laundering. Research however has shown that these issues do not exist when it comes to charity lotteries. ACLEU will continue its efforts in Brussels as well as in the EU member states, to create awareness for the significant contributions to society from charity lotteries. This unique form of independent, non-earmarked & long-term funding is of utmost importance to the existence of hundreds of non-profit organisations in the EU and deserves a more prominent place in the debates on gambling. Over 10 billion euros could be raised for NGOs annually if all 27 member states of the EU allowed charity lotteries.

### **About ACLEU**

The Association of Charity Lotteries in the European Union (ACLEU) is an international non-profit organisation, established in 2007 to promote the charity lottery model and to give a voice to charity lotteries and their beneficiaries in the European debate on games of chance and in all matters relating to fundraising through charity lotteries. ACLEU members contribute a large portion of their sales to hundreds of NGOs, including well-known organisations as Amnesty International, WWF and Unicef, but also to local welfare organisations and grassroots sports. The primary aim of a charity lottery is to raise funds for charitable organisations, the lottery is just a tool, so no private profits are made. A charity lottery is privately operated, with a license from the national government, but not operated nor owned by the state. This is to ensure an independent distribution of funding that is additional to government subsidies, instead of replacing them. A charity lottery supports organisations for the long-term and the funding is institutional, which means the beneficiaries can spend the money as they see fit. More information: [www.acleu.eu](http://www.acleu.eu)

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