



## European Commission investigation finds U.S. breaking WTO rules

In March, the European Commission launched an intensive investigation into the U.S. Internet gambling regulation law, which accused U.S. authorities of violating international trade obligations, along with allegations that they targeted European companies while ignoring domestic concerns about remote gambling.

In 2006, UIGEA was passed, and most of the European gambling concerns immediately withdrew services from the US market. This has not stopped the US from aggressively pursuing and prosecuting European gambling executives. Peter Diggs, president of Sportingbet, was arrested and jailed in New York, and David Carraders, president of Beton Sports, was arrested in Texas.

The U.S. Department of Justice has also issued subpoenas to several investment banks that have advised some of the companies in question to obtain additional records and evidence of alleged misconduct. [바카라사이트](#)

PartyGaming executive Anurag Dixit pleaded guilty to illegal internet gambling and paid a \$300 million fine to the U.S. government, but PartyGaming was one of the first gambling concerns to pull out of the U.S. market when UIGEA was passed.

"We found that the U.S. law on remote gambling and enforcement of EU companies were obstacles to trade that did not comply with WTO rules," the commission said in a statement released on March 26. "The preliminary conclusions of the report suggest that WTO procedures for U.S. action will be justified."

"The [prosecution] process continues despite the withdrawal of European companies from the U.S. market following a change in the U.S. regulatory framework in 2006. The report concluded that these procedures are not legally justified and discriminatory

"The report found that the US law on remote gambling and law enforcement against EU companies were barriers to market access to EU economic interests."

"In addition, EU companies are discriminated against: European companies and individuals cannot and may even face legal action, while American companies are allowed to freely run

online gambling on horse racing in the United States."

Lady Ashton, the EU Commissioner for Trade, said, "It is true that the United States decides how to regulate Internet gambling in its markets, "This should be done in a way that fully respects WTO obligations," he said. "I hope to find a quick and negotiated solution to this problem."

The willingness of the Commission to discuss and negotiate an equitable solution relates to the change in the administration following Barack Obama's election. If this is not feasible, the Commission has acknowledged the possibility of further procedures under the WTO.