

**SORBONNE-ICSS PROGRAMME
ON ETHICS AND SPORT
SECURITY**

REPORT

**FIGHTING AGAINST THE MANIPULATION
OF SPORTS COMPETITIONS**

**NOVEMBER
2014**

General Conclusion

The object of this conclusion is not to offer a summary of the conclusions provided systematically in the three parts above, but rather to summarise the recommendations and draw perspectives.

Concerning recommendations, we will not evoke those already formulated in the present report and to which we refer the reader. The following six recommendations constitute a partial synthesis and an extension at the same time (**A**).

As for the perspectives and future steps, they represent the works the Research Programme is likely to undertake in the near future and some of which have already been initiated (**B**).

However, before coming to the conclusive remarks, it is important to voice a concern because, since the start of this project, and despite a strong advocacy through the Research Programme's work and the dissemination of the provisional results by its director on several occasions (conferences, symposiums, negotiations, *etc.*), suspected or established cases of manipulations multiplied. This situation is in contrast with the statements collected at the beginning of this research and which often varied between denial and underestimation of the phenomenon, and even perplexity from the part of certain actors who found themselves faced with a phenomenon for which they were ill-prepared. At the time of drafting of this conclusion, we learned that two men were arrested in Latvia, and are facing charges for match-fixing, tax evasion, and aggravated fraud during a Europa League match, opposing the football teams of *Aberdeen* and *FK Daugava Riga*. Six other individuals were arrested and accused of having manipulated competitions organised on Latvian soil, including Champions League matches last year.¹ In Norway, seven individuals (five former players and two bettors) were accused of fraud and aggravated fraud in connection with the 2012 scandal of fixed matches in third division Norwegian football. An employee at the national lottery (*Norsk Tipping*) is also being investigated in the same case.² In Spain, a *Manchester United* player could soon be under investigation for his alleged role in fixing the match in which *Levante U.D* faced *Real Zaragoza*,³ *etc.*

¹ Anthony Joseph, "Two Face Match-Fixing Charges over Dons Europa League Clash", 28 October 2014, Evening Express [<http://www.eveningexpress.co.uk/news/local/two-face-match-fixing-charges-over-dons-europa-league-clash-1.650892>], also appeared in *Interpol Integrity in Sport Weekly Media Recap* (27 October – 2 November 2014).

² "Sept inculpations en Norvège dans une affaire de matches truqués", 20 October 2014, AFP [http://www.eurosport.fr/football/sept-inculpations-en-norvege-dans-une-affaire-de-matches-truques_sto4445090/story.shtml], also appeared in *Interpol Integrity in Sport Weekly Media Recap* (20-26 October 2014).

³ "Ander Herrera also Received Agapito Payout", 21 October 2014, Marca [http://www.marca.com/en/2014/10/21/en/football/spanish_football/1413912209.html].

A. RECOMMENDATIONS

RECOMMENDATION N° 1 – COMPLY WITH THE STANDARDS OF COUNCIL OF EUROPE'S CONVENTION ON THE MANIPULATION OF SPORTS COMPETITIONS AND ACCEPT THE SORBONNE-ICSS GUIDING PRINCIPLES

To date, uncertainty remains as to the number and diversity of the States that will ratify the Convention of the Council of Europe on the Manipulation of Sports Competitions, the transnational legal framework is still fragmentary for lack of unification at the universal level and the coordination of transnational law with domestic laws and international law does not yet allow to effectively fight against manipulation of sports competitions at all levels. Therefore, the Sorbonne-ICSS Research Programme on Ethics and Sport Security has developed, on the basis of the findings of this report, a set of Guidelines on Sport Integrity (Sorbonne-ICSS Guiding Principles on Sport Integrity), presented in Paris on 15 May 2014, which are addressed to public institutions, the sporting movement and betting operators.

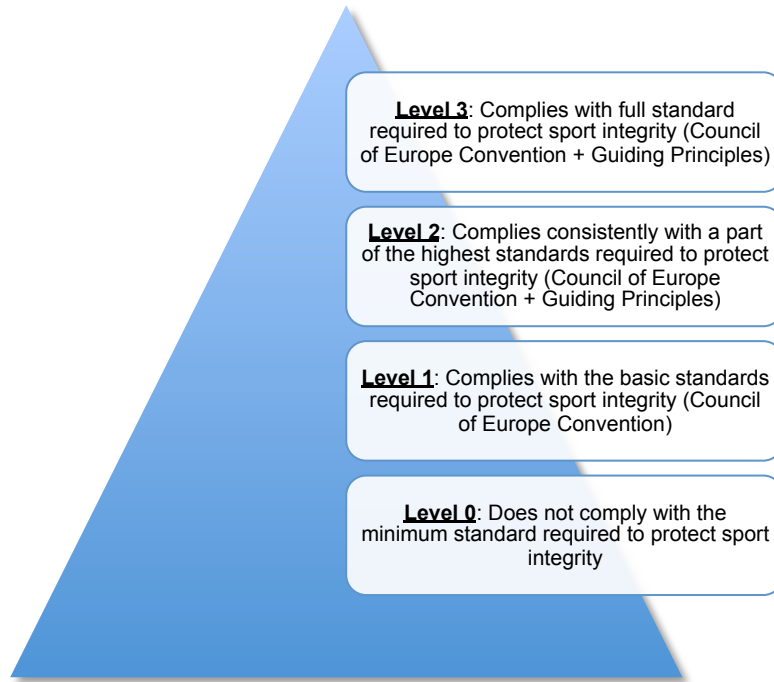
Several countries or organisations, such as the Commonwealth,⁴ have already expressed their support to these Guiding Principles.⁵

Thus, for public authorities, sports organisations or betting operators, the success of the fight against manipulation of sports competitions will need to go through, the application by the actors concerned of the Convention Council of Europe, once transposed into the national laws, and the implementation of the Guidelines.

The figure reproduced below, presented on 15 May 2014 in Paris, summarises the spirit in which the Guiding Principles were elaborated and shows the levels of involvement that can be taken *in abstracto* by the various stakeholders.

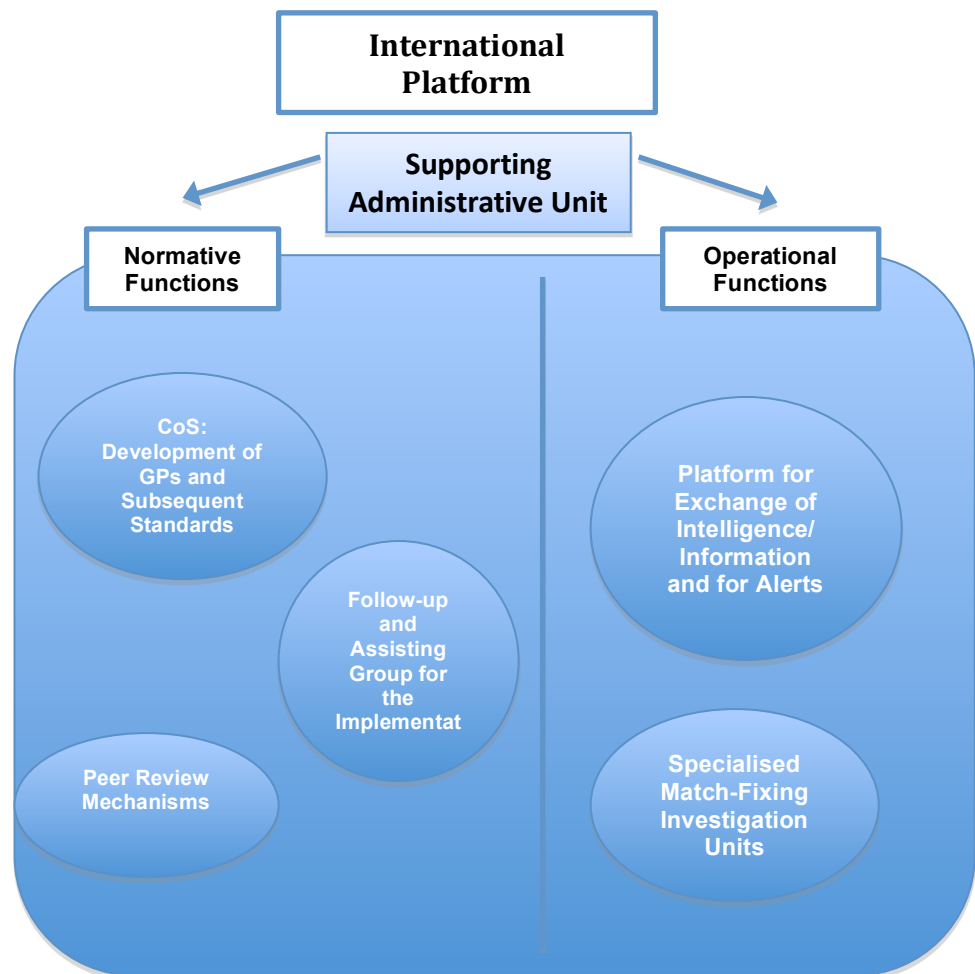
4 [<http://www.dohastadiumplusqatar.com/guiding-principles-indeed/>].

5 [<http://www.gulf-times.com/sport/192/details/402328/brazil,-portugal,-seven-others-endorse-icss-guiding-principles>].



RECOMMENDATION N° 2 – CREATE AN INTERNATIONAL INTEGRITY PLATFORM FOR SPORT

This platform's aim would be to fill the normative and operational gaps encountered by the stakeholders in the fight against the manipulation of sports competitions and advance multilateral cooperation. The virtues of such cooperation as well as the institutional tools allowing its concretisation and their architecture have been extensively discussed in this report (see in particular Part 3, Title 3, Chapter 3: "The Search for Effective Coordination Mechanisms for the Fight against the Manipulation of Sports Competitions").



RECOMMENDATION N° 3 – STATES: GO ONE STEP BEYOND

More resources for investigation (Police)

Sports betting tax

Centralisation of all national betting data

Limitation of bets after consulting with sport

Clear alert procedures for betting operators

Strong fight against illegal betting and transnational cooperation

RECOMMENDATION N° 4 – SPORT: GO TWO STEPS BEYOND

Good governance rules
and risk management

Limitation of financial risk:
UEFA Financial Fair-Play

Education of all top
athletes at least once
every two years

Advice on risky bets

Adoption of “comfortable
satisfaction” as standard
of proof

Publication of all
decisions on sport
integrity

RECOMMENDATION N° 5 – BETTING OPERATORS: GO THREE STEPS BEYOND

Be legal in all the jurisdictions where you offer bets

Adopt strong anti-money laundering procedures (FATF / 4th EU Directive)

Support sport (with expertise and money)

RECOMMENDATION N° 6 – ALL STAKEHOLDERS: ADOPT THE COORDINATED GUIDING PRINCIPLES INSPIRED FROM THE SORBONNE/ICCS GUIDING PRINCIPLES

The Guiding Principles on Sport Integrity, whose status is that of a set of proposals from an independent institution to public and private decision-makers, include most of the standards contained in the Council of Europe's Convention on the Manipulation of Sports Competitions. These are brought to the attention of all States, whether or not they wish to adhere to the Convention. But the Guiding Principles also go beyond, on the one hand, by suggesting to the States themselves to adopt more stringent standards than those of the Convention, and on the other hand, submitting to the attention of private stakeholders a set of standards – in coordinated with those of the Convention and consistent with its provisions - which is based on some good practices, while going beyond.

In other words, the Guiding Principles were conceived as an extension to the Council of Europe's Convention. Henceforth, the various stakeholders should use them as a basis for the construction of common standards, whether self-regulating or not, conventional or not, binding or non-binding.

These principles are intended to be used and adapted by government authorities, international and national sports federations, clubs, associations, athletes, betting regulators and operators and all those determined to safeguard sport integrity.

These principles are the following:⁶

Sorbonne-ICSS Sport Integrity Guiding Principles Facilitating Dialogue, Cooperation and Action

1. Encourage an international, multi-stakeholder approach to tackling the manipulation of sport competitions.
2. Identify, assess and manage the risk linked to match-fixing to sport, betting operators and governments.
3. The appointment of an Integrity Officer, Committee, Unit or Platform within governments, international organisations (e.g. Europol, Interpol), sports organisations, betting regulators and coordinators to coordinate a global response to the manipulation of sports competitions.
4. Improve intelligence gathering and information exchange between all stakeholders.
5. Create an International Integrity Platform involving key organisations involved in the fight against the manipulation of sports competitions.
6. Ensure international legal frameworks are ratified and observed e.g. United Nations Convention against Transnational Organised Crime and United Nations Convention against Corruption.
7. Identify and define the conduct to be sanctioned by governments, sports bodies and betting authorities.

⁶ For the full document, see [http://www.theicss.org/wp-content/themes/icss-corp/pdf/SIF14/Sorbonne-ICSS_Report_Guiding_Principles_WEB.pdf].

Guiding Principles for Governmental Authorities

1. In accordance with domestic law, create a National Sport integrity Focal Point e.g. agency, committee or a unit to coordinate action across public authorities.
2. Define the boundary between sport regulation and state legislation.
3. Establish criminal offences concerning the manipulation of sports competitions.
4. Establish criminal offences linked to betting fraud.
5. Punish participatory acts, aiding and abetting.
6. Fight organised criminal activities.
7. Fight money laundering.
8. Ensure whistle-blower and witness protection.
9. Ensure personal data protection.
10. Establish liability of legal persons for their participation in acts of manipulation of sports competitions, irregular betting and related offences.
11. Identify sports organisations as parties to criminal proceedings.
12. Create fair and effective investigative procedures.
13. Establish appropriate sanctions.
14. Establish funding parameters.
15. Ensure financial support to safeguard sport integrity e.g. consider creating 'Sports Betting Tax'.

Guiding Principles for Sports Organisations

1. Adhere to good governance principles.
2. Limit the financial risk to sports organisations.
3. Ensure sport integrity's leaders.
4. Undertake risk assessment and risk management for each sport.
5. Establish a set of suitable risk management tools.
6. Establish a Sport integrity Committee.
7. Undertake measures for raising awareness, education, and prevention.
8. Adopt a Code of Conduct for Athletes and Sports Officials.
9. Adopt and enforce harmonised regulations to fight against the manipulation of sports competitions.
10. Suggest a limitation of the types of betting available on a sports event.
11. Establish or strengthen a reporting mechanism.
12. Establish an obligation to report.
13. Establish the burden and standard of proof.
14. Identify competence.
15. Undertake correct disciplinary proceedings.
16. Guarantee rights for the alleged offender in cases of manipulation of sports competitions.
17. Enable plea bargaining.
18. Grant of amnesty.
19. Establish appropriate sanctions.
20. Publish decisions.
21. Allow a right of appeal.
22. Establish an extensive statute of limitations.
23. Collaborate with or create a monitoring, information/intelligence sharing system.

Guiding Principles for Betting Regulatory Authorities

1. Identify the state authority responsible for sports betting regulation.
2. Establish the parameters for combating illegal betting.
3. Ensure compliance and the enforcement of sports betting legislation.
4. Provide information, collaborate with and support the initiatives of other stakeholders.
5. Support investigations and the prosecution of offences related to sports betting.
6. Monitor individual bets.
7. Determine a list of easily manipulated betting types/competitions/bets.
8. Adopt rules on conflicts of interest.

Guiding Principles for Betting Operators

1. Establish a sports betting focal point.
2. Develop a Code of Conduct on Sports Betting.
3. Determine the types of bets and restrict or suspend bets.
4. Void bets.
5. Establish a Monitoring System.
6. Provide information to sporting organisations and public authorities.
7. Only offer explicitly authorised bets to the consumers of a country in which the operator is authorised.
8. Cooperate with sports organisations.

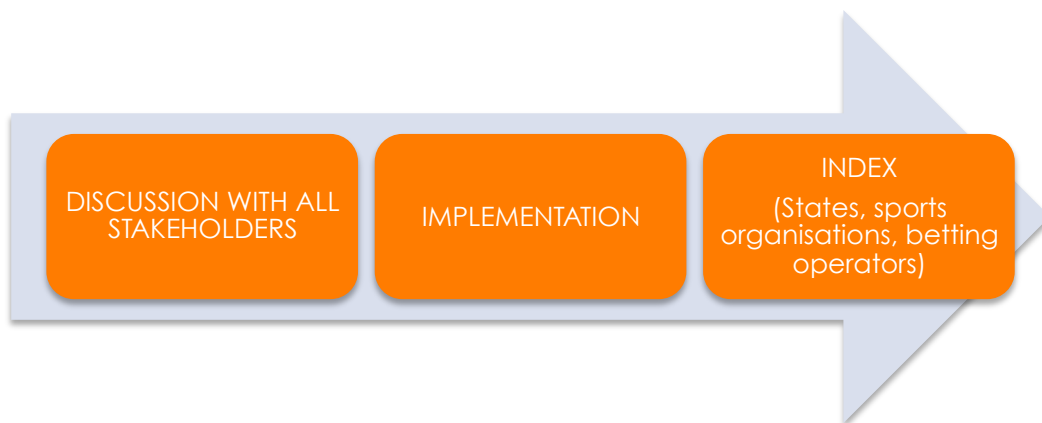
B. NEXT STEPS

The information gathered for the preparation of the present report, such as decrypting, beyond the discourses, the interests and logics of each of the stakeholders, listing the restraints and obstacles facing the fight against the manipulation of sports competitions, as well as proposing solutions, lead to understanding that it is time to undertake the following projects:

- the establishment of an integrity index **(1)**,
- of a matrix of risks, also for sport integrity **(2)**
- and finally, conducting a thorough study on the institutional structure of an international platform for sport integrity **(3)**.

1. The Establishment of a Sport Integrity Index

It is desirable that a sport integrity index be created and adapted to each of the stakeholders through the following process:

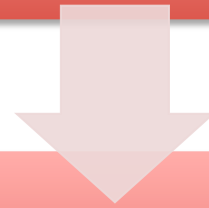


N° 1 – INDEX FOR STATES

The index for States could be achieved by using two "graduated" lines, together forming a plane in which four quadrants can be drawn, the x-axis (1) representing the priority given to sport integrity through the tools developed at the national scale, and the y-axis (2) representing the voluntary character of the actions undertaken at the national level through measures for the preservation of public order by regulating, in particular, the sports betting sector.

The variables below are presented as examples and could constitute the precursors of a more precise method that needs to be determined.

Level of priority given to sports integrity: National action plan, existing education programmes, conflicts of interest rules, sports fraud offence, monitoring of betting, exchange of information betting/sport, *etc.*



Priority given to public/social order (fight illegal betting, restrictions on risky bet, control of operators, *etc.*) or to the dynamic of the betting market (free market, important number of actors, low level of controls, low level of taxes, *etc.*).

N° 2 – INDEX FOR SPORTS ORGANISATIONS

The index for sports organisations could be achieved by using two "graduated" lines forming a plane and drawing four quadrants, the x-axis (1) representing the degree of "proactiveness" predictability of the actions undertaken by sports organisations in the area of sport integrity, and the y-axis (2) representing, in turn, the effectiveness of the tools to preserve integrity, whether aimed at prevention or suppression.

The variables below are presented as examples and could constitute the precursors of a more precise method that needs to be determined.

Proactive behaviour: Anticipation, risk assessment and risk management, crisis management procedures, expertise on betting and Crime, *etc.*



Performing integrity tools: Education programmes, integrity officer/unit, monitoring of betting, investigation procedures, whistle blowing, strong disciplinary rules, *etc.*

N° 3 – INDEX FOR BETTING OPERATORS

The index for betting operators could be established by using two "graduated" lines, together forming a plane, and drawing four quadrants, the x-axis (1) representing the priority given by betting operators to the implementation of tools to protect public order in general from the risks associated with acts damaging sport integrity, and the y-axis (2) representing, in turn, the degree of priority given by betting operators to the implementation of tools to prevent risks to sport integrity.

The variables below are presented as examples and could constitute the precursors of a more precise method that needs to be determined.

High level of priority given to public order risks:
Part of legal activity, level of identification of consumers (online) / winners (offline), betting restrictions (risky bets), AML procedures, *etc.*



High level of priority given to sport integrity:
Sports betting expertise awarded to sport, monitoring and number of alerts, financing of sport integrity/sport, strong support of CoE Convention, *etc.*

2. The Establishment of a Sport Integrity Risk Matrix in Partnership with La Française des Jeux (FDJ)

Sports betting can be an incentive to corruption in sport events: this is a threat to all stakeholders.

Or sports betting operators are in a privileged position to assess, detect and mitigate this risk :

- Supervisors are permanently monitoring the bets and the event;
- Detectors and information circuits exist;
- Dedicated tools exist.

FDJ in partnership with the Sorbonne-ICSS Research Program is thus currently developing an operational risks matrix dedicated to sports betting:

- The goal is to give our sport supervisors team a practical tool to assess risks;
- But also a tool that will evolve towards a standard (results must be as independent as possible of the individual perceptions of supervisors).

Items are classified into 5 main categories:

- Sport event characteristics:
 - Sport, competition, teams, players, ...
- Bet characteristics:
 - Bet type (1X2, live betting, betting exchange, side bets, spread betting,...), odds, market, ...
- Global financial elements:
 - Bets volume, bets patterns (actual v. expected)
- Individual betters behaviour:
 - Area (retailer or IP address), time, amounts, ...
- External information:
 - Police, regulators, sports federations and leagues;
 - Medias, customers, rumours (chats, ...), ...

The multi-criteria approach is well-suited to graphical and intuitive representations e.g. maps;

Example: Inherent risk x Actual risk profile of bets (see below).



Next steps:

- Completion and real-life tests of risk matrix;
- Work toward an international standard.

3. In-Depth Study of the Institutional Architecture of a Sport Integrity Platform

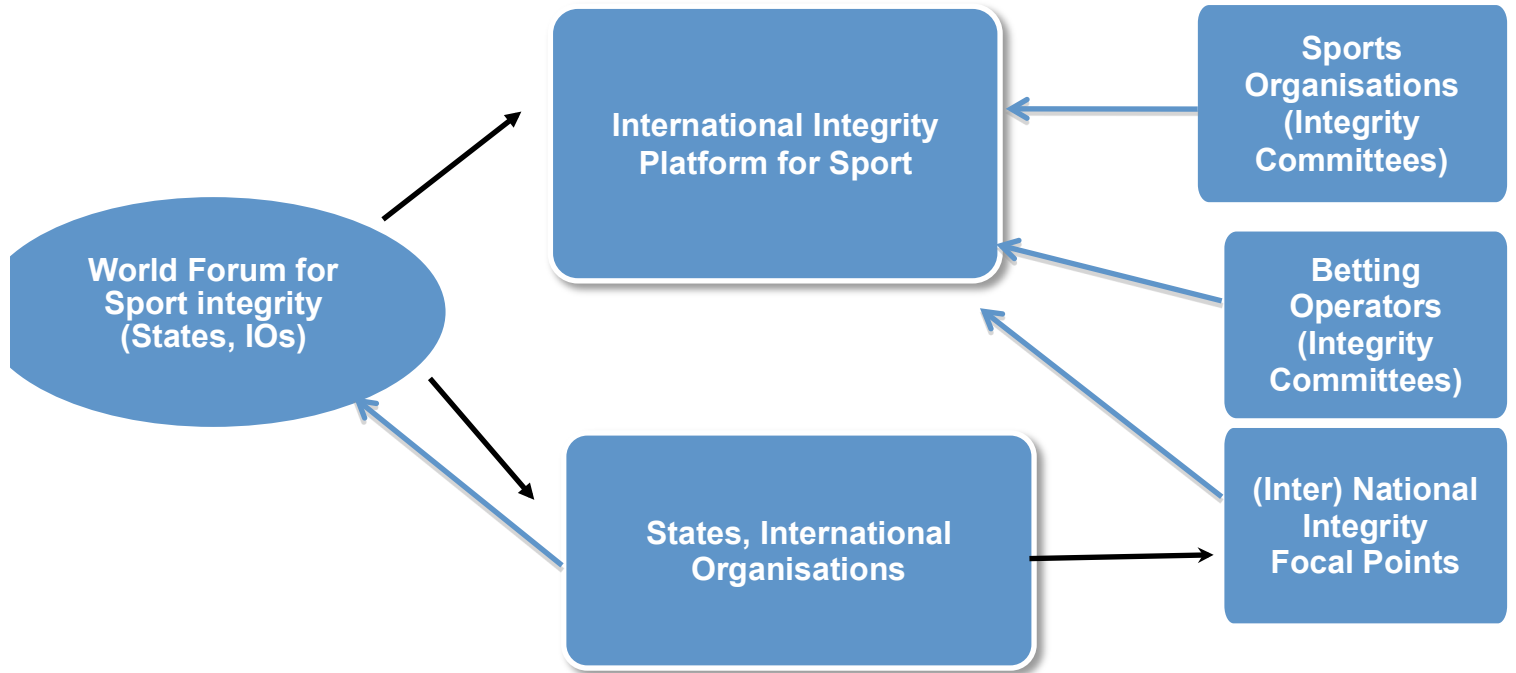
International cooperation in the fight against the manipulation of sports competitions (coordination and harmonisation of the standards to be applied respectively by public authorities and private stakeholders, timely information exchange, detection, effective prevention and repression of acts of manipulation) requires a minimum level of formalisation of the relationships between the various entities involved. An institutional framework - among other possibilities - was devised as part of this report (see in particular Part 3, Title 3, Chapter 3: "The Search for Effective Mechanisms to Coordinate the Fight against the Manipulation of Sports Competitions").

The approaches represented below should allow the establishment of an initial working basis.

Methods for adopting guiding principles and the founding instrument for an international sport integrity platform



Types of relationships to be established within the framework of a multiparty system



- Legend:**
- (General) Impulse, agenda setting
 - Participation

IOs: International Organisations

Functions of the international platform and methods of cooperation between competent institutions (details)

