



## EUROPE/ MIDDLE EAST/ AFRICA

### ONLINE GAMBLING SET TO EXPAND IN ITALY

Riding a wave of poker popularity, Web gambling spend in Italy is skyrocketing, spurring authorities to move ahead with plans to legalize more online games.

AAMS, the national regulatory agency, wants to expand the legal offering to include more cash poker games, casino games and a wider range of betting options. The plan is motivated in part by the need to finance reconstruction of the earthquake-devastated region of Abruzzo. Government is contemplating raising the tax on gross profits to as high as 20 percent, compared with the current level of 4.5 percent on sports betting and 3 percent on tournament poker and skill games, according to industry news site Gaming Intelligence.

Italians lost more than 1.5 billion gambling online during the first five months of this year, an increase of 186 percent over the same period in 2008. Gross revenues in May on poker and skill games alone hit 199.7 million, representing 59 percent of the total online win of 336.8 million.

Italians spent more than 26.3 billion on all forms of gambling through the first six months of the year, according to official figures. Total wagers in June, including gaming machines and betting and lotteries, exceeded 4.1 billion, down 5 percent from May but up nearly 4 percent over June 2008.

Gaming machines generated 48 percent of total spend, followed by scratch cards (18 percent), lotto (12 percent), superenalotto (6 percent), sports betting (5 percent), online (5 percent), race betting (4 percent) and bingo (2 percent).

### BRUSSELS FINDS FRANCE STILL TOO RESTRICTIVE

France is moving toward opening up its remote gambling markets, but not far enough for the European Commission's satisfaction.

The Commission has issued a detailed review of the French legislation that finds it wanting in several areas with respect to EU guarantees of free trade among Member States. Licensing is one area the Commission deems to be too restrictive under the draft law. The Commission also has objected to

## Hard Rock joins €5B. EuroVegas project



Hard Rock International and EuroVegas Hungary plan to develop a themed gambling resort for people who want to party like rock stars in the land of the Magyars.

Hard Rock Hotel and Casino Hungary expects to open in phases beginning in early 2012 in the northwestern part of the country bordering Austria and Slovakia. It will be a "world-class resort," according to an official announcement, with a variety of "Vegas-style" gambling games plus a concert venue and a nightclub, a hotel with 600 rooms and suites, a variety of dining and shopping offerings and a complement of rock 'n'

roll memorabilia and merchandise. Plans for full build-out call for 1,264 hotel rooms, 6,000 slot machines, 400 table games, two 20-table poker rooms and two sports betting outlets, which will easily qualify it as the largest casino in Europe.

The total price is put at €5 billion.

Within a couple hours' drive of Vienna, Bratislava and Budapest, the developers say the property is sure to be one of Europe's "must-experience" destinations.

"Hungary is the perfect location for Hard Rock to continue building on its base of world-class hotel and casino properties, and this development will facilitate further expansion of the Hard Rock brand in Europe," said Jim Allen, chairman of Seminole Hard Rock Entertainment, a subsidiary of the American Indian tribe that owns the Hard Rock International brand and operates casinos in Florida and Mississippi.

Seminole Hard Rock Entertainment has obtained a gaming license from the Hungarian government good for 20 years with a 10-year option.

"Hard Rock International stands for a perfect combination of entertainment and success, having excellent expertise in operating a large world-class hotel and casino as well as offering a unique experience to our guests," said Alfred Supersberger, co-chairman of EuroVegas Hungary, which has been floating plans for several years for a multi-use resort complex with gambling on 335 hectares it controls on THE northwest border.

Credit Suisse is acting as financial advisor to EuroVegas, which is jointly owned by the Supersberger Group and developer Hans Asamer's Asamer Group, both based in Austria.

a provision that requires licensed operators to obtain consents from the rights owners of sporting events, claiming that it constitutes another restriction on freedom of services. Two other requirements under the legislation — one that envisions maximum payback ratios and another that obliges operators to have a fiscal representative in France — are also considered unduly restrictive in light of Internal Market protections.

French authorities were due to respond to the objections last month.

The Commission also has taken issue with draft legislation in Belgium that would restrict online gambling and betting to operators established in the country.

Maarten Haijer, director of regulatory affairs for the European Gaming and Betting Association, a trade group representing online operators, called the restriction "one of the clearest violations of EC Treaty provisions."

"It wrongly denies that many online gaming operators are effectively regulated, licensed and controlled elsewhere in the EU," he said. "As several jurisdictions in the EU already prove, it is possible to guarantee a high level of consumer protection and have a well-regulated and competitive online gaming and betting market at the same time."

Both Belgium and France intend to introduce ISP blocking, which the Commission also is likely to oppose.