

# TACKLING CORRUPTION IN SPORT IN THE 21<sup>ST</sup> CENTURY: HOW BETFAIR CAN HELP

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# Corruption in sport: who can corrupt?

## Only people participating in sport can corrupt sport:

- The only people who can corrupt the outcome of a match are the participants in it – you have to be either playing or officiating
- Education is key: prevention is better than cure
- Upholding integrity is sport's responsibility, because the issue is inherent in sport

# Corruption in sport: who, where and how?

## Corruption in sports originates in illegal betting markets:

- Hansie Cronje, floodlights going out, Chinese students murdered...
- If all betting were trackable, would there be a problem?
- If the legal betting market ceased to exist, the situation regarding sporting corruption would inevitably get worse, not better.

# Tackling Corruption

## Transparency is the key:

- Would you prefer a Hoover or a carpet?
- Transparency has not caused new problems for sport: it has brought problems to light
- In exchange, it provides sports with an increasingly useful tool with which to tackle corruption
  
- British horseracing is leading the field in understanding the role of transparency in tackling corruption:

***"The real watershed for racing was the betting exchanges because they didn't cause the corruption, they brought it out into the open and exposed what was already there"***

Paul Scotney, Director of Integrity Services & Licensing, British Horseracing Authority

# Tackling Corruption

## Who should pay?

- Do calls for the betting industry to pay for integrity teams make sense? If so, on what grounds?
- Do we ask Boots to fight cocaine smuggling?
- The only effective way to tackle corruption is for sports and the gambling industry to work together: but that means that people need to stop pointing fingers.

# How Betfair can help?

- Technology
- Expertise
- Philosophy

# How Betfair can help: technology

**Betfair's audit trail and technological capability are the major tools in tackling corruption, but its business model helps, too:**

- The technology ensures every telephone call and every click of the mouse can be traced, and Betfair has no vested interest in the outcome of the event
- Betfair is a no-risk betting operator. The exchange allows it to manage its risk perfectly as it will only accept a bet if it can immediately off-set that bet else where
- The exchange is the most efficient in the world with over £100 million invested and a 1000+ person years to build
- Betfair is the most transparent wagering system in the world, and set out its stall early as regards wanting to help in this area

# How Betfair can help: expertise

## Betfair's people are the best at what they do:

- Betfair has over 70 people working in its integrity services and invests over £3.5 million annually in these teams and the work they do
- Betfair has experts on the ground in every jurisdiction in which it is licensed
- These people are some of the most knowledgeable and experienced in their field – for example Betfair's Head of Anti Money Laundering is an ex-Detective Chief Inspector with 30 years policing experience including 30 years with Scotland Yards 'Economic and Specialist Crime Directorate'
- The teams works closely with sports bodies, national legislators, government regulators and law enforcement agencies wherever it is licensed

# How Betfair can help: philosophy

**Betfair's Memorandum of Understanding broke the mould in the relationship between betting and sport**

- Betfair currently has 42 MoUs with sports worldwide:



# How Betfair can help: a case study



Nikolay Davydenko

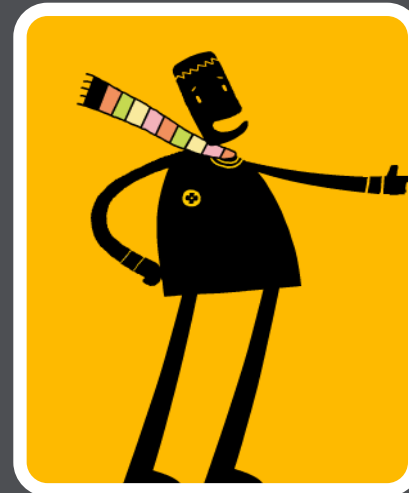


Martin Vassallo Arguello



# Conclusion

- Betfair wants to see clean, fair sport, as much as punters, sports regulators and governments do
- Betfair wants to work with every relevant party to ensure this can be achieved
- Betfair, or at least a model based on Betfair's approach, is the answer to tackling corruption in sport in the 21<sup>st</sup> Century





**BETTING AS IT SHOULD BE.**

