

Play the Game 28 October 2013

My name is Nick Garlick and I have been with the Operations Department at Europol since 2003 and previous to this I worked for the National Criminal Intelligence Service in the UK. It has been a pleasure to be here during this plenary session alongside so many eminent speakers. Those that I have heard so far have been most illuminating and I expect that those to follow will also be.

The manipulation of sports events for the purpose of gambling is not a new phenomenon. There have been many such cases even going back as far as the Black Sox scandal in American baseball in the early part of the last century through to fixing in English football in the 60's and more recent cases in the 80's and 90's in France and Italy. There have also been cases in cricket and celebrated cases in snooker very recently. Indeed the current World Champion stated last month that he was offered money to fix a match and recently a former World No.5 was banned for 12 years.

What has changed in the recent past is that the crime is a truly global issue and the huge rise in Internet gambling has meant that it is now possible for a group of criminals on the other side of the world to lay their bets on a minor sporting event and then send an associate to fix the matches.

In our experience most of the investigations eventually lead to Asia. Europol has built up contacts with UEFA over the past few months and it was reported to us by the Integrity Unit there, that during a junior female

tournament held in some pitches near the UEFA HQ in Nyon various Asian males were observed to be reporting the events presumably to betting companies operating in-play betting on these matches. These betting companies facilitate the betting upon every level of football; the standard is insignificant, it is just important that one is able to bet.

This apparent rise in the manipulation of sports events can therefore be explained by globalisation but also by the fact that culturally gambling is a very major part of life in Asia and obviously amongst the many millions of legitimate bets, there are those persons who wish to ensure that their bets will succeed. In particular the growth of the Chinese economy has led to there being a much greater disposable income and therefore more money with which to gamble.

In the light of what has been mentioned already, a group of EU MS undertook investigations into organised crime related to money laundering and gambling. At an early stage of the investigation links were established with cases in several Member States. In order to coordinate the efforts of the respective law enforcement authorities it was considered by the competent MS authorities that the most appropriate way of doing so was through a Joint Investigation Team (JIT).

A Joint Investigation Team (JIT) is an investigation team set up for a set period, based on an agreement between two or more EU Member States and/or competent authorities, for a specific purpose. The aim of a JIT is by definition to investigate specific cases. As

well as the obvious benefits of being able to take part in other MS investigations, the exchange of expertise and experience, and interviews undertaken in one MS being admissible in another MS, the major benefit is that evidence can be exchanged without the need of a *Commission rogatoire*.

Sophisticated OC structures were involved in these match fixing cases. Further links to other European Union countries were identified and the outcomes of these football matches have been fixed through the corruption of players and officials. A commitment was given by Europol to provide analysis of a significant amount of data.

JIT VETO ran between July 2011 and January 2013. Led by Europol, Germany, Finland, Hungary, Austria and Slovenia, it was also supported by Eurojust, Interpol and investigators from eight other European countries. The investigation coordinated multiple police enquiries across Europe and was facilitated by intelligence reports from Europol, based on the analysis of 13,000 emails and other material, which identified links between matches and suspects and uncovered the nature of the organised crime network behind the illegal activities.

This major investigation involved 13 European countries. A total of 425 match officials, club officials, players, and serious criminals, from more than 15 countries, are suspected of being involved in attempts to fix more than 380 professional football matches.

The current total of arrests amounts to 90 in four of the JIT MS (50 alone in Hungary). These enquiries are

ongoing whilst the cases are being prepared for the trials. The activities formed part of a sophisticated organised crime operation, which generated over €8 million in betting profits and involved over €2 million in corrupt payments to those involved in the matches. This money generated on legal betting sites in Europe is considered to be merely “pocket money” in order to pay the bribes, travel expenses, make payments to associates, etc.

The traced amount of money is considered to be only a fraction of the true amounts generated on the Asian betting markets for the OCG. The amounts that are bet in Asia in general are so vast that the amount bet on fixed matches is dwarfed. Furthermore the Asian betting market is shrouded given the existence of a very complex system of agents, senior agents and master agents that ultimately place their bets. Again the amounts are vast and so once laid, they are very difficult to trace. The big betting companies automatically amend the odds accordingly to ensure that the companies do not lose out. The largest companies will also offset any potential liabilities by hedging with their bets with other bookmakers. A representative from the Hong Kong Jockey Club stated at a conference I attended that in Asia they have a word for \$4billion: Thursday, which clearly indicates the sheer scale of the gambling market in Asia.

The investigation has since led to several prosecutions in the countries involved, including Germany where 14 persons have already been convicted and sentenced to a total of 39 years in prison. Among the 380 or more suspicious matches identified by this case are World Cup and European Championship qualification matches,

two UEFA Champions League matches and several top-flight matches in European national leagues.

In addition up to 300 further suspicious matches were identified outside Europe, mainly in Africa, Asia, South and Central America. Evidence for 150 of these cases has been established, operations were run out of Singapore and bribes of up to €100.000 paid per match.

Europol is committed to supporting the MS continues and further JITs are in the pipeline and Europol will continue to assist the MS in combating this crime. In general it can be considered that this form of crime is attractive to serious criminals as the rewards can be enormous and the risks comparatively little. There is certainly evidence that those criminals who are at the top end are also involved in many other areas of crime. There have also been further arrests in Europe in recent months for offences relating to match fixing. 7 were arrested in Hungary in June and 12 current and former players were charged in the Czech Republic in September. Furthermore in September there were 6 more arrests in Australia linked to the Victoria Premier League. A Malaysian national was charged with 10 offences. An attraction of betting upon Australian soccer in Asia is that there is little or no time difference and in-play betting can take place at convenient times. The other 5 persons included two British former non-league players and the 36 year old captain of the team. It is believed that these players had previously been involved in match fixing in the UK before travelling to Australia. In fact the Billericay Town (anyone heard of Billericay Town?) chairman stated that his 6th tier English football team was attracting bets from Asia

which meant that some of these low level matches during last season were in the top 5 of matches upon which bets were placed globally. Clearly it does not need Sherlock Holmes to realise that this is highly suspicious and it is disappointing to note that no action was taken in these cases. And because of this inactivity, this emboldened the criminals and the problem was transferred to Australia where the truly international nature of the activities has become apparent with links to Malaysia and Europe being reported widely. The role of Sportradar has been highlighted in the press and it was the monitoring of betting patterns that first alerted the authorities to the fixing. In short this business appears to be ongoing and until the networks are dismantled completely they will continue.

Many arrests have been made in the EU and there was a recent wave of arrests related to those investigations in Singapore. Singapore must be congratulated for their action in making these arrests and we can expect stiff sentences. However, we should not rest on our laurels as there are huge amounts of money to be made and so there will always be many willing to become involved once the more famous of the match fixers have been sentenced.

A major positive of the recent successful and ongoing investigations has been a much greater awareness of the issue. It should also be remembered that football is not the only target of the criminal groups and there have been allegations of the manipulation of other sports such as cricket, snooker and tennis. The networks based in Asia act as a hub for match fixing globally with these established groups having contacts

with subordinates and associates based all over the world, These associates travel the globe making contacts with players, agents, and officials and acting on behalf of the Asian networks who then utilise the information gleaned and arrangements made to make the bets accordingly, both on the legal betting market but also on the illegal (unregistered) market.

A zero tolerance approach featuring mandatory life bans may not be particularly constructive as this only creates a climate of fear amongst the sportsmen and women and means that there will be a reluctance to report such events to the authorities. It is clear that often it is younger players that are encouraged to take part in these activities by former and senior players who they naturally respect. This was clearly the case in the Pakistani cricket fixing cases and the arrests of various current and ex footballers in Italy suggests that this trend is followed across the sporting world. Of course following the reports of attempts to fix matches, law enforcement should be informed and if appropriate investigations begun.

In my opinion there is a need for law enforcement, sports federations, betting operators and the players unions to work together and share information, create awareness programmes and develop an atmosphere whereby players that are approached to fix matches are happy to do without recrimination and with the ability to continue their careers afterwards without being tarnished as whistle-blowers. For me the victims are the viewing public and most importantly the players themselves. The betting companies make profits that are so vast that fixed matches do not really affect them, and anyway they can hedge their bets so

they do not lose. There is naturally a capacity for law enforcement to intervene in such cases. The sports federations, betting operators and players unions have access to information which indicates that fixing takes place when certain players or officials participate in a game, it is likely to be fixed and through fairly basic analysis one can establish whether this is merely coincidence or an indication of manipulation. At that point traditional police methods such as the use of informants, physical surveillance, interception and analysis of telecommunication devices and a thorough investigation of the lifestyle and financial affairs of the suspects can take place. The players themselves are not criminal masterminds and as the recent case in Australia has shown they have not been particularly clever in concealing what they have been up to. Furthermore the players and officials are merely the end of a very long chain of persons that are involved and to be honest we are not really interested in this level. If a few referees and players get arrested, the criminal networks will just recruit some more and the activity continues. And as nearly all of these cases have international dimensions, there are law enforcement cooperation mechanisms such as Europol and Interpol that can facilitate this vital support and down the line there is the opportunity to involve prosecutors to facilitate judicial cooperation through Eurojust.

Match-fixing is also an opportunity for criminals to launder the proceeds of other areas of serious organised crime, given that the money can be used to generate profits for the criminals concerned rather than the more traditional form of laundering that incurs a commission to be paid to the launderer. If a criminal makes many bets that generate large profits it is

therefore difficult for the financial investigator to establish that the money passing through the betting accounts relates purely or in part to the proceeds of crime.

Many thanks for listening, I hope it was interesting and I am now looking forward to hearing what the other speakers will have to say. One thing I would like to stress before I finish is that we should not overstate the issue and we should strive for a measure of perspective. There are criminals who want to attack our sports by fixing matches to make money but the overwhelming majority of sport embodies all the best principles of our societies, but we should be aware that match fixing **can** happen, and when it does, we should be prepared.