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WHY SPORT IS NOT IMMUNE TO CORRUPTION

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Why sport is not immune to corruption?

Study prepared by Transparency International – Czech Republic

Compiled by Radim Bureš

Note:

Corruption in sport represents a big issue which cannot be comprehensively analyzed and reported within a time and resources provided by Council of Europe Sport Department contract. Transparency International – Czech Republic, however, understood that it was not a purpose of this study to prepare a comprehensive report. We understand the need for a short paper which would touch on the main issues of corruption in sport, its causes and possible solutions which would only start the debate and further comprehensive studies. We are fully convinced of a need for such discussion both among public officials responsible for sport in European countries and among sport people themselves. Start of such frank debate is – in our view – an important opening tool for prevention of corruption in sport.

We undertake this work even in the risk that there is no chance to even describe precisely the development and conclusions of different corruption causes in sport. There was no time to check the latest development of all these cases. But the purpose of the report is only to use hints from these cases as an example to show the scope of the problem and possible directions for solutions.

Also, according to the terms of reference, the study is focused on match fixing and consequences of betting, and other areas of corruption are only mentioned. It should be noted, however, that these other areas are of great importance as well.

1. How to understand corruption?

The fight against corruption meets the first problem when defining the sole term of corruption. Corruption may be defined in legislation in different European countries by quite different ways or it is even not defined at all. E.g. in the Czech penal code the corruption is not mentioned and only a bribery (active or passive) is defined as a crime. For definition of corruption we have to use numerous international conventions on corruption.

For the purpose of this text we can mention Council of Europe legal texts on corruption, UN Convention on corruption and we will also mention broader definition of corruption used by Transparency International.

Council of Europe adopted in 1999 two complementary conventions on corruption – Criminal Law Convention on corruption and Civil Law Convention on Corruption. For the purpose of the corruption in sport both conventions should be used as sport can be approached both from criminal and civil law.

In the Civil Law Convention "**corruption**" is defined as **“requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or prospect thereof, which distorts the proper performance of any duty or behaviour required of the recipient of the bribe, the undue advantage or the prospect thereof”**. This broad definition is rather sufficient to cover majority of corruption cases in sport.

This convention not only directly defines corruption but also establishes for liability and compensation of damage. Compensation of damage may very powerful instrument in elimination of corruption, see compensation of damage obtained by German Football Association in Hoyzer case.

Relevant articles from these conventions are presented in Annex 2.

UN Convention on corruption

UN Convention on corruption (2003) does not include the definition of corruption as such. It includes, however, then number of acts, which should be punishable according to this convention. These include: bribery of national public officials, bribery of foreign public officials and officials of public international organizations, embezzlement, misappropriation or other diversion of property by a public official, trading in influence, abuse of functions, illicit enrichment, bribery in the private sector, embezzlement of property in the private sector, laundering of proceeds of crime, obstruction of justice and also participation and attempt of these actions.

The importance of this convention lies in a rather broad scope going behind traditional “bribery” definition of corruption and including acts like embezzlement or illicit enrichment or abuse of functions. Again, all these provisions can be used in rather complicated legal aspect of sport.

(see <http://www.unodc.org/unodc/en/treaties/CAC/index.html>)

For operational purposes we will in this study use the meaning of corruption in conformity with **Transparency International definition**:

“Corruption is operationally defined as the misuse of entrusted power for private gain.”

Conclusion

It should be recognized that our definition of corruption is often broader then practices described in penal law as punishable in many countries.

While any single convention or its provision may be not sufficient for prosecution of corruption they altogether represents powerful tool for prevention, investigation, prosecution and punishment of corruption in sport. Convention on corruption, both the Council of Europe and United Nations, were signed and ratified by majority of European countries. Nevertheless, there are a small number of countries which have not ratified some of these conventions yet. Fight for elimination of corruption in sport may be additional reason to start or speed up ratification process in these countries.

At the same time, even with the background of existing convention transferred duly into national legislation, it may appear difficult to prosecution of corruption in sport. Sometimes corruption like practices of persons engaged in sport, whether as an athlete, official, organizer, marketing people or person in any related capability, do not match exactly with individual provisions. It is due mainly to mixture of public and

private elements in sport and it is even more difficult due to strong international dimension of sport. Some of these difficulties will be discussed later.

In its complex, however, international conventions duly transfer into national legislation provide important anti-corruption tool and it is strongly recommended to adhere to these conventions for countries which did not adhere yet.

2. Sport today

Another simple question with difficult answer. We use a simple word of sport, which covers enormous area of social life with very complicated structure. Sport activities goes from a person lonely climbing rocks or diving in sea through group of older village guys playing lowest possible amateur League up to World or European Championships in Football or Olympic Games, which – for their period – are becoming crucial issues for hosting governments. It is estimated that between 800 millions and 1.2 billions people practice sport worldwide, and it involves millions of volunteers.

With this magnitude sport represents also a complicated social structure. This structure goes from harmonic development of body and soul through strong social and community role up to a powerful economic force.

As expressed at 12 Anti-corruption Conference in Guatemala at 2006 (Workshop "The Business of Sport and Corruption") "sport brings people together: It is not only about winning and losing, but also about a common interest or a common love of sport. Sport is not an exclusive area. It is not only for professionals, sport is for everybody. It gives everybody from different backgrounds, generations and abilities a real sense of belonging and a personal fulfillment.

It has also a strong national aspect: for many countries sport is a way of strengthening national identity, pride and a way of attracting international attention on the global stage. Sport news has the power to shapes cultural norms in a way that current affairs and political news can not.

Core values or universal values: The Olympic charter lists them as the follows: Integrity, Fair-Play, peace, friendship and solidarity justifying governmental support and sponsorship."

<http://www.12iacc.org/modules.php?name=Content&pa=showpage&pid=118>

And sport has also very strong educative and formation values. It can be confirm not only by educators but it was highlighted also by decision of Czech Supreme Court (details see below).

But sport is not only area of great values but it is big economic force too.

An estimated EUR 2.5 billion were spent on advertising in connection with the 2006 FIFA World Cup.

The sports industry at large generates on average for between 2.5 and 3.5 of the GDP of countries.

Sport, especially professional sport, attracts money. With money commercialization of sport grows. This leads to contradictory trends: On the one hand possibility of development of sport, build new sport arenas, transmit sport games to TV screens of billions of spectators, and generate funds for providing sport opportunities for youngsters.

On the other hand it leads to alienations with all its adverse reactions like sport spectators violence. It opens a possibility to corruption which always goes hand in hand with huge money. The examples of corruption in sport are enlisted later in this study. It attracts doping, trade of athletes or political abuse of sport.

Despite it is very difficult to judge the scope of corruption in sport it seems that given to the magnitude of sport, only very small part of sport is affected by corruption. This small part, however, is rather visible since it is usually related to top professional sport and related to media.

It may be concluded that corruption is related only to professional sport and perhaps even mostly attractive professional sport. While this hypothesis is likely true we can not neglect some signs of pro-corruption features which may occur in mass and amateur sport as well (see later).

Conclusion

Sport is a big phenomenon of today, it is very important part of today life. However, sport is rather contradictory phenomenon. It is connected with big humanistic values and it formats life and values of billions of people on the one side. It is also connected with dirty business, doping, corruption and violence on the other side.

Corruption in sport should be matter of concern not of pessimism. We are not speaking about decline of sport values. But we are facing of a new challenge. This challenge is higher as the issue is still not dealt with properly.

We may perhaps compare doping in sport with corruption in sport. However, doping has been seriously treated for many years now, with number of experts, scientific background and international co-ordination structures. Nothing of it exists in the area of corruption in sport yet.

3. Where can corruption in sport occur?

For preventing and eliminating corruption it is important to know the scope of corruption and areas where it occurs. Knowing this it is also important to know patterns under which corruption is predominantly performed.

This simple request is not easy to fulfill. When corruption is regarded it is very difficult everywhere, in all sectors of society, to get reliable figures. Especially to get police and judicial statistic, which is successfully used in many other areas of crime and social pathology, do not bring required information. Detected or reported corruption is always only an iceberg of the whole problem and not always indicates correctly areas where corruption is most wide spread.

A comprehensive study of this issue would be most desirable. But even for the short study like this one a survey of international press and Internet provides interesting mapping of the problem.

It appears that corruption can be found in almost any imaginable areas of sport.

The main areas are match fixing, embezzlement or misusing of sport funds, corruption in hosting of games, corruption in changing sport results, corruption in transfers of players, corrupted elections in sporting bodies. We can also mention situations where high sport officials were convicted of corruption in their non-sport activities which is not corruption in sport itself but it certainly influences the sport life.

We also keep aside a role of politics in sport which might be very close to political corruption of sport. It represents another very interesting and controversial issue of sport closely related to the issue of corruption in sport.

Match fixing

Match fixing is a quite common problem in number of sports like football, tennis, basketball, volleyball etc. The reasons for match fixing may be also numerous. Perhaps the most commonly match fixing is connected with betting, legal or illegal. In this cases match fixing is connected with financial profit and it may be connected with organized groups or we can even directly speak about links to organized crime.

Match fixing may also occur in direct links with “sport” life. Matches can be fixed in order to gain better position in sport competition. It often occurs in cases where a club is in a risk of falling to lower league. While the visible purpose is of a purely “sport nature” the underlining causes are often again financial – remaining in a higher league can generate higher income for the club and its owners (TV rights, better value for players). Devastating impact to sport is the same.

Case – match fixing in German Football:

German national-league referee Robert Hoyzer admitted fixing matches in 2003 and 2004. Hoyzer, 25, allegedly received 50,000 and a plasma TV to fix four matches by inventing penalties and sending off a player who complained.

The Berlin state court found Hoyzer guilty of fraud and sentenced him to 29 months in prison (11/05).

Hoyzer acted on behalf of three Croatian brothers, who paid him to rig matches. The mastermind of the scheme, Ante Sapina, also was convicted of fraud and sentenced to 35 months in prison for fixing or attempting to fix games. He started his prison term in May 2007. His brothers Milan and Filip were given suspended sentences. The scam earned them at least €2 million. The three brothers later agreed to compensate the state-run Berlin lottery agency.

Robert Hoyzer started to co-operate with authorities. As a result the Berlin prosecutor’s office says it’s investigating 25 people, including four referees and 14 players, for possible fraud.

The federal appeals court rejected the prosecution's request to overturn Hoyzer’s convictions in 2006. The prosecutor surprisingly had argued that match-fixing could not be legally prosecuted as fraud. Hoyzer’s actions did not clearly break any laws, a federal prosecutor said. The prosecutor was citing a precedent set in a 1961 horse-betting case – there the court ruled it was not fraud in a legal sense. But in 1979 in a similar case the judgment determined it was fraud.

Hoyzer was sued by the German Football federation(DFB) which requested damage compensation for the damage caused to the whole German football reaching 1,8 million EUR. In an out-of-court settlement Hoyzer agreed to pay the federation a monthly sum of €700 (US\$1,110) for 15 years as compensation for damages the federation incurred because of match-fixing. The federation had to compensate a club knocked out of the domestic cup competition in one of the 23 games Hoyzer rigged.

Hoyzer was released in July this year after serving half of the sentence.

Case – Tennis

Series of events connected to gambling in tennis. In August, Betfair nullified all \$7 million in wagers on a loss by fourth-ranked Nikolay Davydenko to Martin Vassallo Arguello, then rated 80 places lower. As the match in Poland progressed, more bets were placed on Davydenko to lose, even after he won the first set, Betfair said.

Davydenko has denied wrongdoing. Davydenko finally withdraw against Arguello, citing a foot injury.

Since the Davydenko match, others have said they have been approached by outsiders trying to influence a match. Belgian player Gilles Elseneer said he was offered - and turned down - more than \$100,000 to lose a first-round match against Potito Starace of Italy at Wimbledon in 2005. Five players, all Italians, have been fined or suspended for betting on tennis.

After these events an independent panel was established for inquiry of possible corruption.

An independent panel concluded on May 2008 that 45 professional tennis matches from 73 matches examined in past five years require further review because of suspicious betting patterns. The International Tennis Federation, the ATP, the WTA Tour and the four Grand Slams published the findings of the panel in a 66-page report. The review said while "**professional tennis is neither institutionally nor systematically corrupt, it is potentially at a crossroads.**"

"That said, we have found no evidence of any 'Mafia' involvement in corrupting the integrity of tennis," the review said. "We do not doubt that criminal elements may be involved in seeking to subvert or corrupt some players-officials and that they may even involve organized criminal gangs."

"There is sufficient cause for concern about the integrity of some players and those outside tennis who seek to corrupt them," the review said.

(International Herald Tribune, 20 May 2008)

Case – Basketball

Tim Donaghy, the former NBA referee whose admissions of gambling on games he officiated led the league to change many of its policies, was sentenced to 15 months in prison, a lenient sentence based on federal guidelines.

When Donaghy pleaded guilty last August to two felony charges stemming from a gambling ring, he agreed to cooperate with the government's investigation. And that cooperation - two of his co-defendants, neither of whom were affiliated with the NBA, accepted guilty pleas - led U.S. District Judge Carol Amon to deliver a lighter sentence Tuesday than the 27 to 33 months the guidelines suggested.

After it came out last July that Donaghy, 41, was under investigation, the integrity of the NBA came into question, and Commissioner David Stern took steps to demonstrate that gambling was not rampant among referees. Stern appointed a former federal prosecutor, Lawrence Pedowitz, to look into gambling among officials. Based on the investigation's early findings, Stern altered many of the league's policies, and he created an executive position to oversee all refereeing.

International Herald Tribune, "Disgraced NBA referee sentenced to prison", by Michael S. Schmidt, published: July 30, 2008.

<http://www.ihf.com/articles/2008/07/30/sports/REF.php>

Managing of international sport federations

International sport federations with their often-enormous wealth and limited external control are of an especially high risk of corruption. Corruption here can take different form from simple misuse or embezzlement of federation funds though corruption related to media rights

up to corruption of federation members. To make picture more structured we take the later two options as separate one.

Following case of Ruben Acosta, former president of Volleyball Federation represents a very good example of difficulties regarding possible corruption in sport.

Case - Volleyball

Ruben Acosta is stepping down in May 2008 after 24 years as president of the international volleyball federation.

He survived a challenge to his rule by former colleagues who accused him of corruption. Among these accusation were irregularities related to Volleyball world Championship in Argentina in 2002 or differences between funds paid to the Federation by IOC and amount of these funds declared in federation accounting system.

A Swiss court cleared Acosta two years ago of charges relating to sponsorship and television marketing deals.

However, his handling of the Argentine federation run by one of his accusers prompted an inquiry by the International Olympic Committee ethics commission. Acosta resigned his IOC membership in 2004.

<http://www.iht.com/articles/ap/2008/05/14/sports/EU-SPT-VOL-FIVB-Acosta-Retires.php>

http://playthegame.org/upload/mario_goijman_-_exposing_corruption_in_international_volleyball_-_a_personal_account.pdf

Case 5 – Taekwondo

World Taekwondo chief Kim Un-yong resigned from his post, which he had held for three decades, in 2004. He was convicted of embezzling funds from the World Taekwondo Federation.

As a member and vice-president of International Olympic Committee (IOC) he was also suspected of accepting money from businessmen whom he promised to get membership in the Korean Olympic Committee. In 2005, when he was already suspended, the IOC recommended his expulsion. In May the same year he resigned from his post before an expulsion vote took place, but did not feel guilty.

http://english.people.com.cn/200401/10/eng20040110_132289.shtml

http://www.nytimes.com/2005/02/11/sports/othersports/11olympics.html?_r=1&oref=slogin

„When he was sentenced (...), his lawyer said his actions and business conduct were rooted in South Korea's dictatorship period of the 1970s and 1980s and it was unfair to judge him by present-day values.“ (May 2005)

<http://www.dawn.com/2005/05/21/spt9.htm>

Corruption in relations to TV rights and marketing

Media rights and other marketing activities represents one of major income source of sport, namely of a top international sport.

Case 6 – International Sport and Leisure Company

In March this year, a Swiss court produced evidence that in the period from 1989 to 2001, the now defunct International Sport and Leisure company (ISL) paid officials from a number of sports federations 87.5 million euros to obtain profitable broadcasting rights. Yet, when the court's verdict was published last week, six former ISL executives indicted in the case were cleared of most of the charges against them.

What has been called one of the biggest corruption scandals in sport ended with only three minor convictions. Jean-Marie Weber, described in court documents as the strongman behind the ISL group, was convicted of embezzlement of 90,000 Swiss francs that he transferred into his personal account. And two other ISL executives, Hans-Juerg Schmid and Hans-Peter Weber, were found guilty of deviously obtaining false documents to set up sham companies with the aim of diverting funds from the mother company.

The crux of the other charges was whether the payments were considered bribes or not. There are no doubts that payments were made but they were justified as necessary commissions.

'It was the style of the business. If we didn't pay, we would have had to close our company,' one of the ISL executives, Christoph Malms, told the court.

The money was shipped out to secret accounts in Lichtenstein and the Caribbean and from here they were removed in suitcases full of cash and delivered to sport officials.

Paying officials to secure television and marketing rights would be considered bribery by most people - particularly when such payments are not visible in accounts anywhere - but in the 1990s bribery of this kind was not illegal in Switzerland, although it is now.

According to the Associated Press, the judges in the court case concluded that there was no evidence that the payments had been bribes, but they were clearly linked to the sale of marketing and television rights for major sport events. The defendants were acquitted of most charges and awarded compensation by the court.

(Report by Kirsten Sparre on 9 July 2008 at Playthegame website)

http://www.playthegame.org/News/Up_To_Date/Only_minor_convictions_in_corruption_case_against_ISL_executives_0907001.aspx

Getting better sport results

Case – Figure skating

A huge judging scandal occurred during pairs figure skating competition at the Winter Olympic Games in 2002. A Canadian pair skated a clean program and was expected to win by the audience and commentators alike, since the rival Russian pair made a minor mistake. To much surprise, Canadians were placed second, with only four judges placing them on the first place, compared to five judges who awarded first place to the Russians.

One of the judges, Le Gougne from France, soon admitted she had been forced to vote for the Russians, while in exchange Russian judge would vote for French skaters in the ice dance competition later at the Olympics.

As a result of the controversy, the Canadians were also awarded gold medal instead of silver. The French judge and the head of French skating federation were both suspended from the sport for three years, and later returned.

The scandal revolutionized the system of judging in figure skating. The votes became anonymous, and later, a whole new system of points was implemented, so that no pressure on judges is possible.

Also - the phrase "the French judge" became commonly associated with cheating and corruption, even in non-skating contexts. (http://en.wikipedia.org/wiki/French_judge).

Corruption in order to host of games.

Case – Salt Lake City Olympic Games

Number of IOC (International Olympic Committee) members accepted bribes from Salt Lake City officials, who thus tried to convince them to vote for the city to host the Winter Olympic Games. The city had previously tried to host the Olympics, but without success.

The IOC members were given presents, paid scholarships, ski trips, car repairs and such like.

In 1995, the city was indeed chosen to host the 2002 Olympics. The scandal broke in 1998, when an IOC member informed about the bribery.

“Although nothing strictly illegal had been done, it was felt that the acceptance of the gifts was morally dubious.” (Wikipedia). Only after that stricter rules were adopted concerning how much could be accepted from candidate cities. Several IOC members were expelled or resigned, some others were sanctioned.

Trading of players

Trading of players was seriously investigated in England in 2006 after some allegations and call for English football to clean up its act. Lord Stevens of Kirkwhelpington, former Metropolitan Police Commissioner, and his investigative team of Quest, looked into 362 transfer deals involving 26 Premiership club.

Final report on June 2007 may have posed more questions than answers but at least the finally delivered the names of his chief suspects. Five clubs, three managers and 15 agents were all listed by Lord Stevens and his investigative team from Quest.

There was no any hard proof that club chairmen or chief executives have been on the take.

“But, there, for the first time in black and white, we had a senior public figure of unquestionable authority and reputation telling us that certain individuals in the Premier League, the richest and most successful club competition in the world, had been involved in suspicious transfer dealing.”

(“Stevens puts spotlight on the agents” by David Bond, Telegraph.co.uk, 16 June 2007)

Corruption related to election to sport governing bodies.

Case – FIFA

“Sepp Blatter has repaid the necessary votes with fees of 50.000 dollars each year to the voluntary officials in the Executive Committee; all travel expenses paid plus 500 dollar allowances per day to about 300 committee members. Not to mention promises to developmental help to third world countries with gentle control that the million dollar amounts are distributed to the right purposes.”

http://playthegame.org/Home/Knowledge%20Bank/Articles/Abuse_of_power_dirtier_than_the_worst_tackle.aspx

This is a good example of an acting that lies in a grey zone between clear corruption defined and punishable according penal law in respective countries and normal acting within the autonomy and self-governing of the organization. Above mentioned acting as such, if it were true, may be absolutely justified or may represent a corruption case. According Transparency International definition quoted above there should be a misuse of power for private gain. In above mention it is rather subjective to judge if it is a misuse of power (money of Executive Committee may be well deserved) and if there is a private gain (stay a President with high income). When using Council of Europe conventions definition there should be “distorts the proper performance of any duty or behavior“ which is difficult to prove.

Otherwise are very little proves or appropriate examples on corruption in federations elections. This are more then others belongs to private life of sport organizations and fall under their autonomy and self-government. Any governmental intervention would be very problematic. And even unsatisfied members of sport governing bodies would perhaps prefer to settle their dispute in the “family” then start e.g. civil suit.

On the other hand rumors of corruption in election of sport governing bodies are numerous and cannot be neglected. In any way this is an area where risk of corruption is high. For this reason it may be reasonable to mention this area into the list of areas of corruption in sport.

Conclusions

This overview of corruption cases or possible corruption cases shows that corruption can occur and does occur in all aspects of professional sport.

On this survey we can not conclude to which extends sport as such is corrupted. We can, however, to conclude that corruption or suspicion of corruption appears in many different aspect of sport life so it can not be a case of only limited area of sport, like e.g. relation to betting. We do not know how much sport is corrupt but we know that sport provides a higher risk of corruption or – in other words – it provides number of corruption opportunities. Therefore corruption in sport can not be neglected.

4. The role of betting

International Herald Tribune in the article of 25 May 2008 by Joe Drape describes the issue of sport betting industry on the example of UK based betting company Betfair. Both threads and opportunities derived from recent development of on-line betting together with some suggestions for solution express in this article are describes below.

Scope of issue

With Internet gambling predicted to surpass \$20 billion in 2008, the temptation for those seeking to influence the outcome of games has never been greater. As Internet gambling has boomed from a \$6 billion industry in 2003 to the more than \$20 billion wagered today, according to the Maine-based research firm Christiansen Capital Advisors, Betfair's revenue has grown to \$372 million from \$64 million in 2003. Last year, by taking 2 percent to 5 percent commissions on winning bets, Betfair posted a profit of \$64 million, according to its annual report. Its founders wanted to transplant the fundamentals of investment banking to sports. Now, Betfair handles 15 million transactions a day, or more than all of the European stock exchanges combined.

Sports betting is legal in Britain; 8,000 betting shops are licensed and regulated by the government, as are the Internet gambling sites based there. On the other hand, in United States, China, Japan, Hong Kong or India online gambling is illegal.

A raft of gambling scandals in sports, from cricket to soccer and most recently tennis, has raised uncomfortable questions: Are the games we watch fixed? Is the development of internet betting an only source of match fixing?

Identification of irregularities

While development of on-line betting lead to enormous increase of risk of match fixing it also created a possible tool of identification of them.

Betfair over the past several years has alerted dozens of sports about suspicious betting activity, leading to investigations in horse racing, soccer and tennis.

No one would have suspected match-fixing if improprieties had not been detected by Betfair, which has revolutionized online wagering since its Web site started in June 2000. From its office above the Thames, Betfair has been the de facto watchdog for sports. Computers glow 24 hours a day, and televisions beam in snooker, basketball, soccer and horse racing, among the sports on which Betfair offers 4,000 kinds of bets a week. It is on-line world, with wagers being made in real time, usually after the matches have begun.

During the match between Davidenko and Arguello (see above) Betfair notified the ATP, the men's professional tennis association, that its security team had recognized irregular betting patterns. After the match, Betfair voided \$7 million in bets, the first time in its history that it had taken such a measure. It turned over all of its data to the ATP and investigation started.

What Betfair brought to gambling was transparency. It has agreements with governing bodies of 32 sports and is seeking more, promising to share in real time any unusual betting activity. "We can tell you every single bet ever placed and who made it, from what funds and where those funds are going," said Mark Davies, a Betfair managing director. "It is a complete audit trail, and we want to share it with the governing bodies of sport."

"You're at risk of being victimized by inside information if you're playing these markets," said David Forrest, an economics professor at the University of Salford in England. "While Internet gambling has offered transparency, it has offered temptation as well. There's greater liquidity for the cheats, and new forms of wagering and more money than ever. There are more incentives for athletes or officials to manipulate or fix a game."

Call for global anti-corruption body in sport

Many people in professional tennis are calling for a global anti-corruption body for sport, to run along the lines of the World Anti-Doping Agency. The idea has been embraced by most major sports in Europe.

"Insider trading is a bigger deal in sports than in the financial markets," said Justin Wolfers, a professor of business and public policy at the Wharton School at the University of Pennsylvania, who studies gambling. "We have the Securities and Exchange Commission here. Why not the same for what is a multibillion-dollar sports gambling market?"

But many sports governing bodies have refused Betfair's offer, Davies said, including the International Olympic Committee. "I have been told by one sport that they did not want to sign an agreement because they did not want to know the level of corruption that existed," Davies said. "But it exists, and we're just showing what has always been there."

Still, others say Betfair's "in-running bets," which may not necessarily affect the final outcome, are ripe for manipulation.

This month, for example, the British Horseracing Authority charged nine people, including a prominent trainer, Paul Blockley, and a jockey, Dean McKeown, with corruption, saying they shared inside information that their horses were not going to run well. The bettors, including five who owned racehorses, had put money on horses to lose, which Betfair permits.

"Betting corruption existed before Betfair," said Paul Scotney, the director of integrity services and licensing for the British Horseracing Authority, which has disciplined more than a dozen jockeys, as well as trainers and owners, with the help of Betfair's data. "But Betfair offers other, and more, ways of cheating."

More worrisome for Forrest, the economist and co-author of a recent study, "Risks to the Integrity of Sport From Betting Corruption," are sports like tennis, in which a player can deliberately lose the first set against an inferior opponent so that the odds rise, then go on to win.

"It is a greater incentive for an athlete or official to participate in this type of manipulation," Forrest said. "It is within their control, and they do not have to lose the match."

Wolfers said there was more to worry about in American sports, on which more money was bet illegally and without regulation.

"There is a greater potential for corruption," he said. "Bad guys are going to get away with more stuff unless we channel it into a legitimate economy."

"British Web site puts focus on sports betting", by Joe Drape, May 25, 2008

<http://www.iht.com/articles/2008/05/25/business/betfair26.php>

Professor Christiane Eisenberg, a social and cultural historian at Humboldt University in Berlin, says the globalization of gambling has made it tough for the government to police sports. Even if German state authorities succeeded in bringing in new betting regulations (note: on the reaction on Heyzer case), it's hard for any authority to prevent people from Internet betting, which is a global business," she says.

TIME (<http://www.time.com/time/magazine/article/0,9171,901050214-1025089,00.html>)

Also a Report for the Central Council for Physical Recreation "Risks to the integrity of sport from betting corruption" prepared by the Centre for the Study of Gambling, University of Salford does not see a regulation as a feasible approach to betting challenges to sport. Instead the report suggest number of possible measures to be adopted by sport governing

bodies starting from proper education of players, referees and officials about risks connected with betting up to increase remuneration and better scrutiny of referees:

“Because fixing cannot be eliminated through regulation of the betting market in a single jurisdiction, much of the burden of guarding against it will necessarily fall on sport itself. As with doping, some sports will require greater investment than others because they are more likely to generate betting corruption. Football and tennis face the greatest burden because opportunities for fixing to be lucrative exist across a wide range of competitions. Cricket also has a potentially serious corruption problem but it is probably restricted to international matches as betting volumes elsewhere are low.

Some sports already have in place player education programmes similar to those implemented to counter doping. It would be appropriate for all sports to adopt policies for making players aware of the rules against their being involved in betting, the consequences for those who cooperate with betting interests and the high risk of blackmail faced by players who have fixed even once.

Because it is difficult, in terms of betting patterns, to distinguish between fixing and the use of other inside information, sports should adopt rules that deter athletes or their connections from benefiting from any privileged knowledge. This will require prohibition of players, coaches and officials from betting on their own sport, even to back themselves. It will also require restrictions on the passing on of information though these will need to be carefully drafted. If sports wish to permit betting on other activities than their own sport, players, coaches and officials should be required to register any betting accounts they hold.

The standard of proof required to convict a player of underperformance for betting gain is high. Evidence from observing events both in the betting market and on the field/court is needed. This is of course why it is valuable when betting firms and sports governing bodies share information. Nevertheless it is even then not always possible to establish that the unusual betting patterns in the market are linked to the below par performance by a player in the match. Reducing any propensity to fix may therefore require sports to frame and enforce policies against ‘not trying’, just as in horse racing. They should also refine the structure of prizes in tournaments to maximise incentives to effort in matches in different rounds of the competition.

In certain sports, the greatest risk from criminal groups lies in their recruitment of referees. High pay for officials is essential to the minimisation of risk not only because it makes individuals think more carefully about what they stand to lose if found fixing but also because poor rewards, especially compared with players, breeds resentment and a willingness to hit back at the system.

Both the NBA and the Bundesliga responded to corruption amongst referees by adopting explicit measures to make them less vulnerable to bribes and threats. For example, assignment of officials is now made only shortly before each round of matches. This makes it hard for syndicates to make approaches. Where a syndicate has a referee as retainer, it reduces the time available for corrupt money on his match to be dripped into the market, raising the probability that the fix will be detected. This innovation should be considered in all sports where officials have a strong potential to influence outcomes.

In return for high pay, referees should consider agreeing to greater scrutiny. For example, it would be a credible anti-corruption measure if referees were subject to random financial audit to establish that there was no income that could not be attributed to legitimate sources. On the field decisions should also be scrutinized regularly, for example, as in German football, by an expert panel reviewing film replays of goals and penalty calls. Since the motive for an error can be hard to demonstrate, it may be that demotion of all poorly performing referees should follow even though the majority will be innocent of fixing.

We have given some indications of policies sports could adopt. What is feasible and desirable will vary not only according to degree of risk but also with the nature of the sport.

What is certain is that the growing size of the sports betting market raises the threat to integrity and sports governing bodies need to put into place formal ways of addressing the issue in the same way as they have confronted another form of cheating, the use of drugs. Naturally, their ability to police and monitor successfully will be enhanced if they have cooperation and information from betting providers.”

<http://www.ccpr.org.uk/NR/ronlyres/747DBB3A-D7EB-4693-B061-DC685F6686D2/0/CCPRREPORT1408.pdf>

Finally UK Gambling commission in its study “Integrity in Sport Betting” from May 2007 provided direction to enhance integrity in Sport betting. Its suggested 10 point plan is based on intense co-operation of sport authorities among themselves, with Gambling Commission”, with statutory bodies like Revenue offices and with betting operators.

<http://www.gamblingcommission.gov.uk/UploadDocs/publications/Document/Integrity%20in%20Sports%20Betting2205.pdf>

Conclusions

Governmental regulations of betting industry provides a first hand solution. Nevertheless with betting being more and more global on-line industry regulation in one country will have a little impact on betting behavior. The main initiative should come from sport bodies and their adoption can significantly reduce a risks of corruption related to betting and match fixing.

These measures include prohibition of sport people to bet on their own match, organizational measure making it difficult for betting gangs to approach athletes and officials, include principles of transparency and investigation of suspicious betting patterns into their regulations, set appropriate penalties for match fixing and information trading etc.

It is a very positive sign that number of high risk sports, like horseracing, cricket, tennis or football, adopts such measures.

5. Why is sport not immune to corruption?

5.1. Attracting organised crime

Large sum of money attract the fraud and corruption and organised crime. Large amount of money also always attracted organized criminal groups.

At the 12 Anti-corruption conference in November 2006, on workshop “The Business of Sports and Corruption” Henri Roemer, of UEFA, presented part of the findings of a report that he had made to UEFA and which is expected to lead to some reforms of the organization in the next few months:

“There are no ‘sport mafias’ but mafias invest into sports. With the huge potential for financial returns and the generally rather low standards of professionalism in the administration of clubs, football attracts criminal activities such as the trafficking of young players, money laundering, illegal betting etc. The risks for criminals are minimal and control systems are weak. Players are normally young and easy to influence, while by bribing one key player, the outcome of a game can be bought and generate revenues from betting. National laws and systems often have little chances to be effective in relation to the international dimension of illegal activities in sports. There is also a legal vacuum: even the EU itself counts only half as

many members as UEFA. Because player trafficking, money laundering and corruption are bloodless crimes, they tend to be rather accepted socially. One can also see that these problems started to affect amateur sports too. But the risks are great and the loss of interest by fans can already be witnessed in empty Italian stadia.”

http://www.12iacc.org/archivos/WS_5.4_LONG_REPORT.PDF

It should be recognized that sports attracts organised crime. For the definition of organised you can see below the UN convention against Transnational Organised Crime. Number of cases describe above can fit into this definition.

For the definition of organised crime UN Convention Against Organised Crime and relation of organised crime to corruption see Annex III.

5.2. Corruption in sport is difficult to prosecute

Corruption in sport may seem to be of relatively low risk. Number of suspicions or accusations got in vein and sport officials were cleared by courts. It may mean that there was not corruption in these cases or – as many anti-corruption activists suggest – prosecution of corruption in sport meet with serious obstacles.

One of these obstacles may be connected with arguments that sport is a purely private leisure activity and therefore can not be prosecuted through penal legislation requiring breaking obligations in providing PUBLIC SERVICE (see Annex III - UN Convention against Transnational Organised Crime).

Despite common feeling that sport can not be only private activity and that public service of sport is obvious it may not be so clear from purely legal point of view. From this perspective experience from Czech cases of prosecution of corruption (match fixing) in Czech football can represent an interesting example.

Czech Supreme Court ruled out and explained that sport **IS a public issue** and that it is possible to prosecute a serious breaking of Fair play principle in match fixing.

Case - Czech Supreme Court ruling

Example of the criminal suite against football referee for bribery. According to the Czech law corruption can be prosecuted as bribery according to the provision of 162 a of Czech Penal code which define bribe as a “undue advantage, base on direct property advantage or other advantage , which is received or should receive bribed person or with his/her consent should receive other person.

Defendant of convicted person argued on private character of sport and private activity of self-interest and thus inappropriateness of extensive application of the provision of public interest and state intervention “*Football matches are organized by individual football clubs, which to this end created appropriate football association and endowed to him a possibility to organize matches on different levels. Clubs are managed by rules which are neither created nor enforced by the state, but they are developed in a framework of sport activity, while the state is not entitled to intervene to these relations. Football association does not enjoy a status of public issue and so it can be public interest in a way how the agents of sport matches should behave*”. (Decision of Supreme Court of the Czech Republic of 11 April 2007),

Both elementary courts and appeal courts did not accept this argumentation. They all concluded that activity in case, that is football match, can be subsume under

pandering of matters in public interest. Courts considerations were based on role of sport in society and highlighted economical aspect of sport but also cultural and educational role. Czech Supreme court concluded that football matches are *“important economical phenomenon, which represents important source of income for many subjects, like marketing, medial or advertisement companies and betting companies economical operations of which are significantly linked to football competitions and their results.”* (Supreme courts Decision, ibn).

When speaking about educational role of football Supreme courts declared that *“football has an influence on development of public opinion and formation of moral values especially of young generations. .. It is therefore in the interest.. of the whole society that persons, whose duty is to supervise right, correct and just course of the match, were of a high moral standard and thus ensure regularity of the match. Mass impact of football as a sport, which is based on a principle of fair play, should lead to positive motivation of young generation, and through it to developing basic moral ethical rules for fair and just relations.”*

It is interesting and important to read such strong confirmation of moral values of sport not only from sport enthusiasts and active athletes but also from one of highest judicial authority in a country. Stress given to the mass character of sport and its impact on moral education of a young generation constitute a key turning point of from private to public character of sport.

Czech Supreme Court of justice in considering another case declared: *“the reason for existence of sport, in this case of football, is based on a fact that it is a “fair play” game which is run in a honest way. ... While adherence to sport rules of “fair play” is undoubtedly an ethical issue, it at the same time does not mean ruling out state (government) intervention to this area including intervention in of a criminal justice nature. **The state do not control the “fair play in sport” always and to the full extend, but it should intervene, and even in form of criminal justice, especially in cases which are dangerous for society and which features are enumerate in a penal code”.***

(Czech Supreme Court of Justice decision of 17 October 2007, T do 510/2007)

It can be concluded that by this decision of the Czech Supreme Court for the future the acting of football officials, referees, delegates, players and other persons should be seen as an activity the fair and correct performance of which is a matter of public interest. This constitutes a possibility to prosecute bribery, active of passive, according a penal law.

5.3 Possible corruption background in amateur sport

We may assume that corruption in sport manifests itself solely in top professional sport. Cases described in part 3 would confirm this assumption. However, there some indications that the nature of basic level amateur sport contains some features which sets up conditions and opportunities for “big” corruption in top sport. This features are based in “domestic like” or “family like” nature of sport with loose approach to bookkeeping, financial management, transparency and operations recording. In the situation of feeling that everything is done for a good sake there is no tendency to demand strict adherence to rules similar to business one.

This situation may provide a basic environment which vulnerable to corruption attempts.

Sylvia Schenk, a lawyer, former professional athlete and member of the new working group Transparency International-Germany has set up to combat corruption put in following words:

Corruption can start on a very basic level. “In Germany, but also in other countries, there is a long tradition in the lower league in paying money – not officially, but under the table,” Schenk told DW WORLD. “That’s not corruption per se, but it does show that you have a

situation in the club in which corruption could develop.” Officials in small clubs, for example, do not attend to issues like proper tax declaration and documenting money flow, like how and when players are paid, Schenk said.

<http://www.dw-world.de/dw/article/0,2144,1955485,00.html>

5.4. Psychological a social point of view.

It is difficult to believe that sport is not “clean”. Other areas of social life connected to organized crime usually represents purely illegal activities (drug or human trafficking), social unacceptable activities (prostitution), or areas which are generally perceived like “dirty” (arms trade), or at least neutral (pubic procurement).

Sport is generally perceived as “clean”, connected with positive social values. In this situation is it less perceived as in need for legal regulation or in need for more strict financial control.

Connection to high values make it easy to believe that cases of corruption in sport are isolated acts by morally weak people. It is perceived that it is personal failure which is based in the person and not in the system or in the environment.

In many cases this view may be correct. But in some cases this argumentation is used to hide intentional corruption practices. High values of sport should become a ground for developing anti-corruption education. But it should be avoided to use it as an argument for neglecting of corruption (or corruption opportunities) in sport.

5.5. Self regulation in sport and lack of democracy

One of the alleged causes of corruption in sport is its closed, family like nature, mainly those of international sport federations.

“Sport family” is often used term to describe cordial mutual relations between people engaged in sport. It points to sharing of common values and of common experience. It may, however, have also another connotation. It may indicate closeness towards outer world. “Family” is also a word related to Mafia and indicates a principle of Omerta, a law silence, discretion.

If a certain body is inflicted by corruption it is very difficult to reveal, analyze and describe it from outside. Outsiders just can not get the appropriate information. And whistleblowers are rare in “the family”.

Jens Weinreich, sports journalist said in Transparency Watch – the e-bulletin of anti-corruption movement - of June 2006: “In my books “The Olympic Bog and Corruption in Sports”, I have tried to describe the “family” system in global sport, with its special laws and worldwide tax exemptions.

Just a few examples: senior officials of world sport bodies are often treated like top diplomats or even head of states; they demand such treatment in negotiations regarding the organisation of big events. They also demand tax exemptions for big events like the FIFA World Cup – and they get whatever they ask for from bidding countries. In many federations, there is almost no democratic culture. What one may clearly judge as corruption according to the TI definition is common behaviour in many areas of sport. One has to understand the “republic of cousins”, the deeply and darkly connected networks within the so-called “families” of officials who have had decades to create such informal measures. Is there self reflection? How great is the ability of self detection? We cannot discuss corruption

in sport only as an economic phenomenon. One has to understand the “very special democracy”, the personal and cultural connections as well.

Weinreich finally put the issue very simply in the words of FIFA President: “We don’t go to strangers”, says Mr Blatter, “if we do have problems in our family, we solve the problems in the family.”

http://www.transparency.org/publications/newsletter/2006/june_2006/interview

Conclusions

It can not be concluded that sport is corrupted. It is possible to find number of corruption cases in sport but it is also possible to find a number of actions trying to prevent corruption in sport.

It is stressed by many experts that sport is not corrupted itself, that it is not corrupted system but that it is a target for criminal people and gangs.

There are, therefore, strong indications that sport is vulnerable to corruption. Apparently sport environment contain number of features which make a corruption possible and perhaps easy.

Connections with huge amount of money on one hand and autonomy and self-government on the other are perhaps the most serious of these features.

Corruption opportunities and system weaknesses can be prevented. A precondition for effective prevention is acknowledgement of the problem, deep and systematic analysis and proposition of preventive measures.

Focusing on possible corruption in sport is therefore does not mean acknowledgement that sport is deeply corrupt but acknowledgement that conditions for corruption are embedded in sport and that it requires urgent and internationally coordinated action.

6. What to do?

6.1. Acknowledgement of a problem

First, it is important to say that the corruption can be fought. It may be impossible to eliminate it completely but it is certainly possible to minimise it to a reasonable extent. Prevention of and fight against corruption in sport has many similarities with prevention of corruption in other social areas.

As in many areas the first step in fight against corruption in sport is also one of the most difficult. It is acknowledgement that corruption in sport exists. Denying corruption in sport does not protect the core values of sport as it is sometimes declared. Vice versa it only helps corrupted people in sport to hide their interests.

Similarities can be found with prevention of and fight against racism in sport. After being neglected or denied by many sport officials in past it is now acknowledged and important and successful steps are taken against racism. Simila approach should be taken in the area of corruption.

6.2. Discussion and research

Further research and discussion is important to specify possible measures. Since prevention of corruption in sport to the large extend depends on willingness of sport family to fight corruption by themselves, anti-corruption measures can hardly be simply prescribed. Common understanding of a concept of corruption, its manifestation and preventive measures should be reached by discussion and research.

Governments can facilitate these discussions by initiation and financial support.

It can be drawn on the work of number of investigative journalists, on the work of Transparency International and Play the Game initiative.

6.3. Education, training and guidance

Outcomes of above mentioned discussion must reach wide sport audience. They must therefore be transferred into ethical guidelines and training manuals. Ethical and integrity aspect including risk of corruption and corruption prevention principles should become a part of sport education and training.

6.4. Strict enforcement of existing laws

While many manifestation of corruption in sport may be ambiguous there are many acts of corruption in sport which can be prosecuted under existing international legislations.

As Council of Europe and United Nations conventions provide rather sufficient framework for corruption investigation and prosecution it is highly recommended to adhere to these convention for countries which had not done so yet.

6.4. Promotion of transparency

Transparency is one of the most powerful tools against corruption. Any measure which will make sport life, including sport financing, more transparent should be supported and promoted. National subsidies provided by government to sport can be use a tool for requesting increased transparency.

Having in mind limited possibilities of governments to intervene to internal sport life also other measures should be explored.

For instance big sponsors and marketing partners might be encouraged to play an important role in promoting transparency in sport. To avoid risk that they will be perceived negatively together with corrupted sport in the case of corruption scandals they may connect their support to the sport organization with demands on bigger transparency. The power of money can be in this way put to the service of a good purpose.

6.5. Opening of sport family

Despite its mass character a decision making in some sport branches may be rather close. As it may be quite difficult in many countries to intervene in internal sport governing and thus endanger sport autonomy some alternative measures can be found.

Establishing independent ethical commissions or panel may provide a appropriate solution between strict autonomy of sport and strong governmental intervention. Ethical commissions or panels of well known independent persons can provide an important independent feedback to cases and issues where ethical integrity in sport is touched.

6.6. Considering establishing a permanent forum on discussion and coordination of corruption in sport

It is apparently premature to call for new "anti-corruption WADA" despite that some experts describe corruption in sport as similar to doping as regards seriousness but involving more money.

It is not premature, however, to discuss possibility of establishing of a more permanent platform for international discussion on these issues. Council of Europe and EPAS may be suitable body for undertaking this role.

Pilot project may show feasibility of this approach.

Outlines of possible "corruption WADA" can be found in a article "*Speak up for the love of sport - It is high time to found a new global institution to fight corruption in sport*" by Jens Sejer Andersen at *Play the game Magazine 2007*:

"Corruption seems to be growing in its many forms: match fixing, trafficking, money laundering, secret commissions and outright bribery to name a few.

It is high time to get inspired by WADA and found a new world institution to fight corruption in sport.

The institution should be run by different interests: the International Olympic Committee and the international sport federations, by the United Nations, by governments, and by inter governmental organizations like the European Union.

And it should also invite representatives of the media, the fan trusts and the sports business world on board.

1. define minimum standards for transparency, accountability and democratic procedures in sport
2. monitor that the minimum standards are respected
3. actively welcome sports officials and other stakeholders to report irregularities
4. have a mandate to investigate cases of mismanagement and corruption, including the right to search sports offices, archives etc. without prior notice

5. be equipped with right to issue bans against individuals or groups and suspend those who are under investigation
6. be enabled to report supposed violations to national or international legal authorities
7. regularly communicate its findings to the public."

<http://playthegame.org/upload/magazine2007/pdf/pages/playthegamemagazine07pg2.pdf>

6.7. Support of concrete measures at different sports

Number of sport federations nowadays adopts concrete measures to prevent corruption. Those methods include measures to prevent meetings between player or referees and betting agents, appointment of anti-corruption co-coordinators, establishing anti-corruption hot lines etc.

Case of Tennis

The organizers of the Australian Open said that they had established an anti-corruption commission and appointed an investigator to combat gambling and potential match-fixing at the season-opening Grand Slam tennis tournament.

Tennis Australia said it would also set up a telephone hotline to report alleged corruption, ban the unauthorized use of laptop computers courtside and increase restrictions on access to players.

"We don't believe our sport has a corruption problem, but we do recognize that a threat to the integrity of tennis exists," the chief executive of Tennis Australia, Steve Wood, said in a statement.

Other measures include the appointment of Sal Perna, a former Melbourne homicide detective, as the first Tennis Australia investigations officer, and a block on betting Web sites on publicly accessible computers at Melbourne Park.

(International Herald Tribune of 21 December 2007)

Annex I

The Play the Game Statement for integrity and anti-corruption in sport (abbreviated version)

Statement for the integrity and anti-corruption in sport from 2005 is also still fully up-to date and can serve as a detailed guidance for anti-corruption measures in sport.

The Statement was developed and formally adopted by the participants of the 4th Play the Game conference on sport and society in Copenhagen on 10 November 2005.

The Statement is supported by Transparency International, the global anti-corruption coalition.

1. Actions for national sports associations

Sports associations and federations can play a vital role in combating corruption. They provide an avenue through which sports leaders can meet and exchange views. They are the voice of sports nationally, and have a duty to ensure the integrity of their member clubs.

Play the Game recommends that national associations:

1. Demonstrate a strong commitment, within own organisation, to countering corruption and to improving standards of integrity, transparency and accountability in sport
2. Endorse, within own organisation, a strict zero tolerance policy against all forms of corruption
3. Publicly speak out against corruption
4. Hold to account, within own organisation, those in positions of power who abuse these positions for private gain
5. Ensure that corrupt practices do not develop in relationship with the sponsor companies they partner
6. Increase awareness among their leaders and administrators, as well as among the members of sports associations and federations, trainers, players, and sponsors of the issue of corruption and its consequences through publicity and training
7. Adopt and adhere to appropriate corporate codes of conduct that commit them to a strict anti-corruption policy. They must, inter alia:
 - a. Ensure that the integrity of sport management is upheld through strong leadership and by maintaining the highest standards of ethical behaviour
 - b. Adopt measures to ensure protection of whistleblowers (i.e. secure and accessible channels through which players and others can raise concerns and report violations without risk of reprisal)
 - c. Adopt transparent measures to maintain financial accounting, internal controls and independent auditing practices
 - d. Establish independent ethics committees whose role it is to monitor the implementation of the code of conduct within the organisation
 - e. Establish sanctions and means of restitution in the case of breach of the codes of conduct.

8. Encourage members to adopt and adhere to appropriate corporate codes of conduct that commits them to a strict anti-corruption policy. The code should provide a disciplinary mechanism under which members who breach the code are sanctioned.
9. With regard to international sport associations, national sport associations should:
 - a. Assert their rights and legitimate means, laid down in the rules and regulations of the international federations, to influence the good governance of the international organisations
 - b. Work in conjunction with them, both in the developed and the developing world, so as to develop a co-ordinated approach to anti-corruption issues
 - c. Demonstrate a commitment to countering corruption and to improving standards of integrity, transparency and accountability in international sports organisations
 - d. Question and debate the role of international sports leaders and how they interact with the corporate world
 - e. Hold to account those international leaders who abuse their positions for private gain.
10. Work in conjunction with government bodies to ensure that national and international efforts to curb corruption in sport are wellfounded, consistent and effective.

2. Actions for Governments

Action by governments is fundamental to an effective anti-corruption environment in sport.

The perception in sport is that while many governments may have signed international anticorruption conventions, and may have introduced anti-corruption laws, few are taking genuine effective action to prevent corruption.

Play the Game recommends that national authorities:

- Hold to account government officials who, directly or indirectly, are involved in sport corruption. There must be no immunity or impunity for corrupt practices.
- Hold to account government officials who allow, by connivance or complacency, sport administrators to corrupt sport
- Effectively defy any attempt by international sport associations, in criminal matters, to claim superiority over national legislation and national authorities.
- Co-operate with other governments in preventing corruption in international sports
- Increase their efforts to work with appropriate international institutions, to ensure that all countries properly implement their international obligations under the UN, OECD and other international anticorruption conventions and agreements
- Co-operate with the sport sector in effectively implementing national anticorruption initiatives

<http://playthegame.org/upload/magazine%202005/ptgmagazine06%20p18-19001.pdf>

Annex II – Anti corruption conventions

Criminal Law Convention on Corruption (ETS 173)

Following excerpts show the scope of the convention and the possibility to use different articles responding the complex nature of sport. As sport people can be viewed in different countries and different setting as public or private persons and also officials of international organizations all relevant articles are mentioned.

“Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally, the promising, offering or giving by any person, directly or indirectly, of any undue advantage to any of its public officials, for himself or herself or for anyone else, for him or her to act or refrain from acting in the exercise of his or her functions.

Article 3 – Passive bribery of domestic public officials

Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally, the request or receipt by any of its public officials, directly or indirectly, of any undue advantage, for himself or herself or for anyone else, or the acceptance of an offer or a promise of such an advantage, to act or refrain from acting in the exercise of his or her functions.

Article 7 – Active bribery in the private sector

Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally in the course of business activity, the promising, offering or giving, directly or indirectly, of any undue advantage to any persons who direct or work for, in any capacity, private sector entities, for themselves or for anyone else, for them to act, or refrain from acting, in breach of their duties.

Article 8 – Passive bribery in the private sector

Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally, in the course of business activity, the request or receipt, directly or indirectly, by any persons who direct or work for, in any capacity, private sector entities, of any undue advantage or the promise thereof for themselves or for anyone else, or the acceptance of an offer or a promise of such an advantage, to act or refrain from acting in breach of their duties.

Article 9 – Bribery of officials of international organizations

Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law the conduct referred to in Articles 2 and 3, when involving any official or other contracted employee, within the meaning of the staff regulations, of any public international or supranational organization or body of which the Party is a member, and any person, whether seconded or not, carrying out functions corresponding to those performed by such officials or agents.

Article 12 – Trading in influence

Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally, the promising, giving or offering, directly or indirectly, of any undue advantage to anyone who asserts or confirms that he or she is able to exert an improper influence over the decision-making of any person referred to in Articles 2, 4 to 6 and 9 to 11 in consideration thereof, whether the undue advantage is for himself or herself or for anyone else, as well as the request, receipt or the acceptance of the offer or the promise of such an advantage, in

consideration of that influence, whether or not the influence is exerted or whether or not the supposed influence leads to the intended result.”

<http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?NT=173&CM=8&DF=8/7/2008&CL=ENG>

Civil Law Convention on Corruption (ETS 174)

“Article 2 – Definition of corruption

For the purpose of this Convention, "corruption" means requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or prospect thereof, which distorts the proper performance of any duty or behaviour required of the recipient of the bribe, the undue advantage or the prospect thereof.

Article 3 – Compensation for damage

Each Party shall provide in its internal law for persons who have suffered damage as a result of corruption to have the right to initiate an action in order to obtain full compensation for such damage.

Such compensation may cover material damage, loss of profits and non-pecuniary loss.”

<http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?NT=174&CM=8&DF=8/7/2008&CL=ENG>

Annex III

United Nations Convention against Transnational Organized Crime

Article 2

(a) “Organized criminal group” shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit;

Article 8. Criminalization of corruption

1. Each State Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences, when committed intentionally:

(a) The promise, offering or giving to a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties;

(b) The solicitation or acceptance by a public official, directly or indirectly, of an undue advantage, for the official himself or herself or another person or entity, in order that the official act or refrain from acting in the exercise of his or her official duties.

2. Each State Party shall consider adopting such legislative and other measures as may be necessary to establish as criminal offences conduct referred to in paragraph 1 of this article involving a foreign public official or international civil servant. Likewise, each State Party shall consider establishing as criminal offences other forms of corruption.

3. Each State Party shall also adopt such measures as may be necessary to establish as a criminal offence participation as an accomplice in an offence established in accordance with this article.

4. For the purposes of paragraph 1 of this article and article 9 of this Convention, “public official” shall mean a public official or a person who provides a public service as defined in the domestic law and as applied in the criminal law of the State Party in which the person in question performs that function.

Article 9. Measures against corruption

1. In addition to the measures set forth in article 8 of this Convention, each State Party shall, to the extent appropriate and consistent with its legal system, adopt legislative, administrative or other effective measures to promote integrity and to prevent, detect and punish the corruption of public officials.

2. Each State Party shall take measures to ensure effective action by its authorities in the prevention, detection and punishment of the corruption of public officials, including providing such authorities with adequate independence to deter the exertion of inappropriate influence on their actions.

<http://www.unodc.org/documents/treaties/UNTOC/Publications/TOC%20Convention/TOCebok-e.pdf>