



ΟΜΟΣΠΟΝΔΙΑ ΣΥΛΛΟΓΩΝ ΗΛΕΚΤΡΟΝΙΚΩΝ ΠΑΙΧΝΙΔΙΩΝ ΕΛΛΑΔΑΣ
GREEK FEDERATION OF ELECTRONIC GAMES ASSOCIATION

THE SITUATION IN THE GREEK GAMING MARKET (MAY 2009)

Despite being ordered to pay millions of Euros in compensation for contravening European law - the Greek Government has drafted a new gaming law, which will also breach EC regulations.

Only last month, in the Action brought on 12 March 2008 – Commission of the European Communities v Hellenic Republic (Case C-109/08) - GENERAL ADVOCATE Y. BOT ANNOUNCED HIS OPINION (THE FINAL JUDGMENT OF THE COURT ON 4 JUNE 2009)

OPINION: "order the Hellenic Republic to pay to the Commission of the European Communities, into the 'European Community Own Resources' account, a penalty payment of EUR 31 798.80 for each day of delay in implementing the measures necessary to ensure full compliance with the abovementioned judgment, from the date of delivery of the judgment to be given in the present case until full compliance with the abovementioned judgment; " order the Hellenic Republic to pay to the Commission of the European Communities, into the 'European Community Own Resources' account, a lump sum of EUR 2 million;

In addition, the Hellenic government has been ordered to pay all legal costs. Yet, leading members of the amusement and gaming industry in Greece and beyond believe that the Greek government has drafted a new and equally damaging new gaming law, which could have further devastating effects on the market. Lawyers working for JVH Hellas S.A., Funnet S.A., Funworld A.G., Stadium Bowling S.A., and Greece Coin S.A., among others have warned that the revised "Draft Provisions on Technical Leisure Games" submitted by the Greek Government to the European Commission are also in breach of the European Community Law, in particular Art. 28, 43, 49 EU and therefore should not be accepted.

In a document provided to Mr. Kallinikidis, President of the Greek Federation, Professor Drossos -the solicitor working on behalf of the COMPANIES - goes further to say: «the Revised Draft does not indicate a genuine intention of the Greek Government to comply with the Judgment of the Court of Justice in the very well known case C-65/05, delivered on October 26th 2006 and condemning Greece for breaches of the European Community Law by the ban of the leisure games stipulated by law 3037/2002 and more generally, with the requirements of the European Law with regard to the free circulation of the leisure games."

ΟΣΗΠΕ - OSIPE

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This is a blow to the consortium of companies who have worked hard to bring the fate of the Greek amusement industry to the attention of the law-makers and the European Courts. The original law, passed in 2002 was widely criticized for its far-reaching ban on all types of electronic games to be played in Greece. Almost overnight, a thriving industry found itself on its knees. And yet, despite the findings of the EC in favor of the industry, the Greek government is refusing to budge. "If this law is passed, it will be devastating for those companies working in the amusement industry in Greece," says Mr. Kallinikidis. "We want the rest of the industry to be aware of what is going on and to back us in our fight for a fair law." One of the main areas of contention in the new Revised Draft is the lack of provision for compensation for those thousands of companies who have lost out due to the Government's ban on electronic machines. This is despite the fact that the Hellenic Government accepts that the current law has contravened European rules on free trade.

Prof. Drossos writes, "The Revised Draft - which is supposed to normalize the situation and restore the legality by abolishing the ban of the electronic leisure games provided by law 3037/2002 - provides nothing for the many hundreds of pending cases before criminal and administrative courts related to criminal prosecutions and administrative sanctions imposed on the basis of law 3037/2002 which has been dismissed by the European Court of Justice." He adds, "It is true that the Greek courts, in general, implement the European legality and acquit the incriminated operators and, in general, annul the administrative sanctions, but thousands of people are still tormented by this unacceptable situation." The Revised Draft submitted by the Greek government will allow electronic games to be played in specially designated establishments. However, the industry points out that this will mean that no machines can then be placed in cafes, bars or restaurants or in cinema foyers, train stations and other normal operations.

Although allowing the operation of electronic games, the Revised Draft imposes strict conditions. "The electronic amusement games cannot be operated freely, even if lawfully circulating in the other Member States of the EU, unless they pass a lengthy, uncertain and complicated licensing system," comments Drossos. He also points out the absurd situation where no games can be played publically via the internet. This has remained in the Revised Draft, although it caused all types of problems for owners of perfectly legitimate internet cafes in Greece, since its inception. Operators found guilty of breaking the draconian 3037/2002 law in Greece face up to a year in prison and a fine of Euros 20,000. Not only do these penalties remain in the new Draft, it forbids the reduction of the sentence, even pending the hearing of an appeal.