Sportradar Security Services

National Sport Forum
THE CHALLENGES OF BETTING
✓ Introduction: Match-fixing and betting information
✓ Methods of manipulation
✓ What are the effects of corruption in sport
✓ Match-fixing a lucrative business for organized crime
✓ What to do to prevent match-fixing?
Introduction:
Match-fixing and betting information
Match-fixing is a global threat!

It can spread in every Country, Sport, Federation and League.

Almost 1% of more than 65,000 matches monitored by Sportradar every year in the world show evidence of match-fixing.

Not only in professional leagues but also in amateur leagues.
Football Match-Fixing World Map
Definition of Match-Fixing

‘Match-fixing is (...) an intentional arrangement, act or omission aimed at an improper alteration of the result or the course of a sports competition in order to remove all or part of the unpredictable nature of sports competition and to obtain an undue advantage for oneself or for others.’

Match-fixing motivations can refer to obtaining direct or indirect economic benefits

This can be linked to betting or non-betting cases.

- **Non betting cases**: Sporting motivations may ‘simply’ involve winning a match or a competition, escaping relegation or qualifying for a higher level of the competition. This is for example the case of the well-known “end-of-season-phenomenon” when deals are made for avoiding relegation or keeping a club in a competition
- Maintaining a position in a division or qualification for higher competition of course have financial consequences, whether for public subsidies, television rights or sponsorship contracts. As these examples lead to economic advantages illegally obtained these sports cases can often fit with our definition of match-fixing

- **Betting cases**: when matches are fixed for betting purpose

* based on the Council of Europe Convention Against the Manipulation of Sports Competitions
Sports Betting Statistics

€1,400 Billion
GLOBAL SPORTS BETTING TURNOVER (EST)

70%
TOTAL BETS PLACED IN ASIA (EST)

€852 Billion
GLOBAL FOOTBALL BET TURNOVER (EST)

€67 Billion
TOTAL EURO2016 BET TURNOVER (EST)
## Estimated Turnover on the “Big Five” Leagues in Europe

<table>
<thead>
<tr>
<th></th>
<th>Premier League</th>
<th>LFP</th>
<th>Serie A</th>
<th>Bundesliga</th>
<th>LFP</th>
</tr>
</thead>
<tbody>
<tr>
<td>PER MATCH / MILLION €</td>
<td>203</td>
<td>121</td>
<td>61</td>
<td>49</td>
<td>26</td>
</tr>
<tr>
<td>PER SEASON / BILLION €</td>
<td>77</td>
<td>46</td>
<td>23</td>
<td>15</td>
<td>10</td>
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</tbody>
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Methods of Manipulation seen in Football
Methods of Manipulation seen in Football Events

Under Performance (Players from one team involved)

Very common and easy to arrange:

- Losing a match
- Losing by a predefined margin
- Losing at half time / full time
- Point shaving

- Losing part of a match:
- Losing the first half of a match
- Conceding a goal
- Conceding a penalty

Collaborative Performance (Players from both teams involved)

Less common, but higher chance of success in arranging:

- Correct score-line
- Winning at half time/ losing at full time
- Draw
Methods of Manipulation seen in Football Events

**Poison**

- Key players drugged before game to reduce performance, energy and well being
  - e.g.: US Cremonese goalkeeper Marco Paolini was instructed to poison several teammates with a sedative to secure profits for his financier Dan Tan by ensuring his team lost. His team still won 2:0 but many players were sick after the match.

**Spot fixing**

There are also further methods to fix a match, some of them strictly related with the so called “side betting markets”.

Spot-fixing, as you know, refers to illegal activity in a sport where a specific part of a game is fixed and it may only require the involvement of one individual.
Methods of Manipulation seen in Football Events

**Ghost Matches (Manipulation of Live Data)**

- Has been known for bettors to have been able to profit on a game that did not take place.
- A fake ‘friendly’ game is set up, and data scouts are paid off to relay false information to bookmakers regarding existence of match: location, match action and scores

  - e.g.: Slutksakhar Slutsk vs Shakhtyor Soligorsk: 03/02/2015 [Belarus]

**Buying a Club Outright**

- One way for a criminal to fix games more easily is to buy the club for this sole purpose and have players instructed according to what will be profitable through betting.

  - e.g.: Wilson Raj Perumal organised fixed games at RoPS since 2009 and the club generated so much cash over the years that partner Dan Tan Seet Eng decided to buy it to guarantee continued income.
What are the effects of corruption?
Integrity – An essential value!

Economical value, made up of:
Public, Commercial, Media
all of which can be affected by match-fixing

Ethics of sport

Integrity
Corruption...

... destroys Integrity and with it the Credibility and reputation of the footballers, referees, clubs, Federations, sports.
Impact on Sponsorships

18 October 2015: Pepsi Cola stopped the sponsorship with IPL cricket after a match-fixing scandal

- PepsiCo broken down a contract for 71 millions dollar for 5 years 2013-18, with the Indian Premier League (IPL)
- Many scandals damaged the IPL
- The consequence: a financial and economic disaster
Match-fixing: EMPTY STADIUM!!!
Match-fixing a lucrative business for organized crime
SERIOUS CRIME - TRANSNATIONAL DIMENSIONS

• High profitability of this business
• Loopholes in existing legislation at EU level
• A widespread sense of impunity
• Inadequate or no perception of the seriousness of this criminal behaviour (match-fixing)

We can say that match-fixing is today one of the most globalised types of crimes in the world!
**Bochum case (Germany 2009)**

“Bochum” match-fixing scandal (Germany 2009) illustrates the cross-border as well as the economic dimensions of match-fixing.

The police investigation team detected **323 suspicious matches** (75 in Turkey, 69 in Germany and 40 in Switzerland).

The persons involved in match-fixing were spread all over Europe:
- among the **347 suspects** almost half of them were living in Germany (150), in Turkey (66), in Switzerland (29) and others in Croatia, Hungary, Austria, Belgium and Netherlands.
- Around **12 million euro were paid to referees, players, coaches and officials** of sports federations in order to influence the results of matches (Council of Europe 2012) including “bonuses” of up to 1,75 million euro according to German police.

During the investigation some accounts and account movements were detected in Germany, Malaysia, China, Isle of Man, Singapore, Russia, Austria, Turkey, Malta, the Netherlands and Slovenia.
Italy: People arrested for match-fixing

May 2015

Polizia di Stato
The European legal landscape is not uniform!

The European legal landscape is not uniform; it is characterised by myriad solutions, which range from general offences referred to in common law or criminal codes, to specific and very detailed provisions dealing with sport offences.

Whilst some countries focus on general offences of corruption or fraud, others have implemented specific sport offences to cope with match-fixing—contained either in their criminal codes (like Bulgaria, Spain), sports laws (like Cyprus, Poland, Greece) or special criminal laws (like Italy, Malta, Portugal).

This is not the best way to combat match-fixing!!!
What to do to prevent match-fixing?
How to tackle match-fixing?

THE 4 PILLARS OF PREVENTION ARE:

• Education
• Control
• Cooperation
• Effective application of the rules

We need to face this phenomenon with a pragmatic approach; never underestimate it, never exaggerate it!
Education of athletes, coaches, managers, presidents and referees:

We have to dedicate time to them. It’s not a waste of time to show them all the risks and consequences related to this crime:

- How fixers can approach them (both physically or by means of social media or emails etc.)
- How they can be easily convinced to manipulate a match
- How they can be blackmailed for the rest of their career
- How they can be banned from football or sport in general
- How they can be arrested and put in jail
- How they can easily lose everything (money, job, respect, freedom…)

One of the most dangerous and common approaches to this problem is: “it’s not my problem… it’s something that always happened in football… but will never happen to me… I’m too smart….”
Young footballers … in a betting shop
The second pillar of a strategy to combat match-fixing is “control”

In this regard I want to focus on the Sportradar system, called Fraud Detection System, that was built to detect fraud in sport.

The so called FDS tracks the odds movement on the global betting market, in the pre-match and in the live betting markets:
Sportradar’s Fraud Detection System (FDS)

450+ BETTING OPERATORS

5 Billion+ DATASETS PER DAY

12 DIFFERENT SPORTS

65,000+ MATCHES MONITORED

35+ TRADING ANALYSTS

24/7/365 GLOBAL COVERAGE

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The FDS collects and processes real-time odds offered on sporting fixtures. All markets offered by the 450 operators feed into the monitoring system and irregular odds movements are identified.

Where the System identifies any irregular odds movements, an alert is created. Each alert is then analysed by one of the Expert Trading Analysts. That analysis will call on the Analysts’ own industry expertise, the expertise of the other Analysts plus, where necessary, the information collated by our team of freelancers “on the ground”.

In the event that irregular odds movements cannot be legitimately explained, the fixture is escalated and a report is generated.

This Report is provided to the relevant client on a confidential basis, providing a full breakdown of the match statistics, betting markets, movements and concerns.

If the client proceeds with the Report, we are available to support, inform and participate in any sports disciplinary proceedings or criminal investigations and prosecutions.
National Sport Forum

45+ Partners and References from 12 Sports

Football | Basketball | Aussie Rules | Ice Hockey | Handball | Snooker | Cricket | Rugby Union | Rugby League | Tennis | Futsal | eSports

[Logos of various sports organizations]
How does the FDS work?

Friendly Match | 01/06/2011 | Nigeria vs. Argentina | 4-1
Number of escalated matches since 2008/2009

Reported matches from different sports as likely to have been manipulated

Effective: 31st March 2016
Cooperation with Law enforcement agencies and with National Gaming Authorities
Supporting State Authorities and Law Enforcement Agencies
MoUs and Law Enforcement Trainings

**Memorandum of Understandings**

- Europol
- Australian Federal Police
- Austrian Federal Police

**Law Enforcement Trainings**

- Europol
- Eurojust
- Spain
- Lithuania
- Italy
- Netherlands
- Greece
- Austria
Effective application of the rules
The role played by Public Authorities, Federations and Leagues

What is really important is the role played by Public Authorities, Federations and Leagues in this regard!

They must communicate a strong and clear message of “zero tolerance against corruption” to all athletes /managers/ coaches/ referees / player agents etc… It’s essential to win this war!

A concrete example of this is the decision made by a Football Association or Federation to be part of criminal proceedings as an "aggrieved party" against footballers or referees charged with being involved in match fixing!
The role played by Public Authorities, Federations and Leagues

Sanctions against corrupt footballers or referees or managers have to be severe! People involved in football as well as in other sports have to be aware that there is no leniency when rules are broken ...

A strong and clear position and a consequent action is really important as a deterrent. On the contrary indulgence and tolerance create the conditions to spread match-fixing like a disease....
The role played by Public Authorities, Federations and Leagues

All these listed measures are necessary!

Obviously we can’t imagine completely eradicating this kind of crime... we can’t imagine that they represent the perfect solution … but

it’s important to do everything possible to protect the integrity, the reputation and the credibility of sport!
Thankyou for your attention

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