



## **Asian Racing Federation launches handbook on addressing illegal betting**

The Asian Racing Federation Council on Anti-Illegal Betting and Related Financial Crime (“the Council”) launched its new publication, *Good Practices in Addressing Illegal Betting: A Handbook for Racing and Other Sports to Uphold Integrity*, via an online webinar on 21 January 2021. More than 100 attendees from racing, other sports, integrity and anti-corruption bodies, and the legal betting industry attended the webinar, with Asia, Europe, North and South America and the Southern Hemisphere represented.

The webinar, which can be viewed in its entirety by clicking on the [link](#), gave an overview of the purpose of the Council, why illegal betting is an issue to racing and other sports, the content of the Handbook, and a deep dive into a key chapter of the Handbook, Bet Monitoring and Analysis, followed by a lively Q&A session from industry experts.

The Handbook is available now as a free download from the [Asian Racing Federation website](#), [Amazon](#), [Google](#), and [Kobo](#).

During the webinar, Mr. Martin Purbrick, the Chairman of the Council, explained that the ARF established an Anti-Illegal Betting Task Force in 2017 to research the growing problem of illegal betting, which is the major threat to racing and sports integrity and if not combatted can undermine public confidence in racing and sports. This was the reason why the Task Force had become a Council, a permanent multi-agency think tank, to strive to foster and enhance international cooperation among horse racing operators, regulators, intergovernmental organisations, government agencies and NGOs in order to better combat the threat of illegal betting and other financial crime risks to horse racing integrity in particular, and sport in general and society at large.

Mr. Douglas Robinson, the Deputy Chairman of the Council and Executive Manager, Due Diligence and Research of The Hong Kong Jockey Club, gave an overview of the key issues and negative impacts of illegal betting, and explained how illegal betting is now a global, transnational and largely online phenomenon which has made it more difficult to effectively monitor and address due to the larger amount of anonymity and flexibility afforded by the internet. The negative impacts of illegal betting include lost tax revenues, lost financial contributions to sport, lost charitable donations, and lost contributions to addressing betting-related addiction.

Mr. Robinson pointed out that illegal betting’s growth is set to continue because technology typically has outpaced regulation: “Some examples of this technological change are the advent of cryptocurrencies in illegal betting, the growing provision of 3<sup>rd</sup>- and 4<sup>th</sup>- party



payment providers which mask identities and fund transfers, and the introduction of ultra-fast 5G telecom networks which will allow for increased illicit live-streaming of sporting events which in turn promotes illegal in-play betting on these,” he said.

Mr. James Porteous, the Council Secretary and Due Diligence & Research Manager of The Hong Kong Jockey Club, gave an overview of the Handbook’s content. He explained that the Handbook provides 40 practical examples of Good Practices in betting monitoring and analysis, intelligence gathering, investigation and collaboration with law enforcement, and stakeholder engagement. “We hope the Handbook will be used by ARF members, and indeed administrators of other sports, both *internally* – to protect the integrity of their racing / other sport and educate their staff and participants - and *externally*, as a platform on which to engage key stakeholders who can impact illegal betting,” he said.

Mr. Tom Chignell, a member of the Council and the Executive Manager of Racing Integrity and Betting Analysis at The Hong Kong Jockey Club, then gave an in-depth overview of bet monitoring and analysis, examples of which are further detailed in the Handbook’s chapter on this topic, jointly written by Mr. Chignell and other Council members including colleagues from the British Horseracing Authority and Racing Victoria. He highlighted that racing authorities and sports integrity units should have in-house expertise in betting and data analytics and bet monitoring teams should work together with sports integrity intelligence functions, and that robust integrity measures increase confidence in the sport.

Mr. Chignell said that betting operators who do not report on suspicious betting activity or who fail to establish sufficient know your customer processes pose a threat to the integrity of racing. Mr. Chignell outlined that transactional level monitoring is the most effective method of bet monitoring as it reduces the need for reporting and the reliance on betting operators to assess and flag incidents, and highlighted that effective communication and sharing between racing and legal betting operators were key.

In summary, Mr. Purbrick highlighted some key areas discussed in the webinar and expanded in Handbook:

“Lay betting – betting on a horse or competitor to lose – on illegal, unregulated exchanges which do not share information with sports is a huge threat to the integrity of sport,” he said.

“Totalisator betting systems are a far better model for integrity management, certainly in horseracing, and potentially in some other sports ... as integrity management and corruption prevention on totalisator systems is far more effective and efficient because of the transparency in bets.



“Monitoring betting on your own sport as employed effectively by racing does also apply to other sports, not just horse racing,” Mr. Purbrick added, “while multi-stakeholder engagement and educating a very broad range of stakeholders about good practices in illegal betting is key for all sports.”

“Illegal betting is not that straightforward – there are very limited accepted definitions of illegal betting and those that exist are contentious – it is very important that the legal licensed market and the illegal market are clearly defined and distinguished, as the key problem with the illegal market is the involvement of organised crime.”

### **Links**

To view the webinar: <https://youtu.be/KyYMkBR6zg0>

Handbook downloads:

Pdf file: [ARF website](#)

Ebook providers: [Amazon](#), [Google](#), and [Kobo](#)

If you have any questions, please let us know by contacting James Porteous, Council Secretary, ([james.ak.porteous@hkjc.org.hk](mailto:james.ak.porteous@hkjc.org.hk)).

Secretariat

Asian Racing Federation Council on Anti-illegal Betting & Related Financial Crime