



# Trade Facts

Office of the United States Trade Representative  
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## **U.S. Wins Victory on Key Issues in WTO Dispute on Internet Gambling: U.S. Internet Gambling Restrictions Can Stand; No Adverse Finding Against Any State Law**

### **U.S. restrictions on internet gambling can stand.**

- On April 7, 2005, the World Trade Organization (WTO) Appellate Body released its report in a dispute brought by Antigua and Barbuda ("Antigua") over internet gambling services.
- The report is a victory for the United States. The win confirms that WTO Members are entitled to maintain restrictions on internet gambling. U.S. restrictions on internet gambling can stand.

### **The Appellate Body agreed with our position that U.S. gambling laws at issue protect public order and public morals.**

- The Appellate Body agreed with the U.S. view that the concerns addressed by the three U.S. federal gambling laws at issue in this dispute are "necessary to protect public morals or to maintain public order."
- The United States merely needs to clarify one narrow issue concerning internet gambling on horse racing.
- This is a win for our federal and state law enforcement officers, who will continue protecting the public from illegal gambling and its associated risks of money laundering and organized crime.

### **The Appellate Body threw out Antigua's challenge to U.S. state laws as we requested. The dispute ended with no adverse finding against any state law.**

- The United States worked closely with state authorities throughout the dispute to mount a vigorous defense.
- The Appellate Body found that, with respect to all of the state laws at issue in this case, Antigua simply failed to prove that those statutes were inconsistent with WTO rules.

### **Our law enforcement authorities will continue protecting the public from illegal gambling.**

- The Appellate Body found that the United States made a market access commitment under the General Agreement on Trade in Services (GATS) for gambling services during the Uruguay Round. More importantly, however, the Appellate Body affirmed that the United States can nonetheless protect the public from organized crime and other dangers associated with internet gambling.
- The Appellate Body report concludes the appeal for both sides. The WTO is expected to adopt the report within 30 days. There are no further appeals.