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Q & A: Paddy Whur

by Rob van der Gaast

Forty-year-old English lawyer Paddy Whur has provided the Greece Cyprus government with a new gambling law. Specialized in betting, gaming and liquor licensing, as well as regulation, Whur got his education at Wolverhampton University and Chester Law School. After that he worked at Gosschalks, at WalkerMorris, Addleshaw Booth, at PopplestonAllen and is now back in Leeds with WalkerMorris, where some 200 lawyers are working.

With some 200,000 inhabitants, Greek Cyprus is a favorite destination for many tourists, many of them from the United Kingdom. KGMC Advocates in Nicosia was also involved with preparing the complete draft of the new law.

IGN: [How did you get involved with the Cyprus government?](#)

Paddy Whur: We had a connection at the British High Commission in Nicosia who had advised us that there was to be a formal tender process for the work to be undertaken. I visited Cyprus to meet with representatives of the Ministry of Finance and then met with various lawyers and accountants before finally putting a team together to put in a bid to win the contract. The government had major concerns about the huge growth in the illegal market and our main directions were to come up with suggestions which would reverse the trend in the growth of the illegal market. The Ministry of Finance were aware how much money was being lost in taxation revenue due to the growth in the illegal market.

IGN: [How long did it take before you could actually start writing?"](#)

PW: We spent several months interviewing all industry groups, betting companies, gaming companies, OPAP, the Nicosia Race Club, the police, governmental representatives, potential Internet operators who wished to set up in Cyprus and service providers. We then had to get approval of the Ministry of Finance to move matters onto the next stage.

IGN: [And then?](#)

PW: We undertook a review and then set out our recommendations for reform, (and they) were then put before the Ministry. There was



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broad agreement with what we were trying to achieve, so we were given the green light to start drafting the legislation

IGN: During the preparing of the law, you moved from PopplestonAllen to WalkerMorris lawyers. Did this create a problem?

PW: I moved to this firm as a partner to give my clients a broader support and depth of experienced resource. Fortunately the whole of the gambling department came with me, along with my clients--one of which being the Ministry of Finance of the Republic of Cyprus. They have copyright in the legislation. I was merely a hired hand.

IGN: Did you have contacts/meetings with EU authorities?

PW: We did not. We looked at the case law that was being generated in EU gambling cases and attempted to draft legislation that was forward looking and compliant with Cyprus becoming an EU member state. We were not given the authority to have meetings with EU authorities.

IGN: When you started, was there an independent regulator in place?

PW: There was no independent regulator in place. We suggested there should be one introduced with the teeth to undertake regulatory investigations and the powers to suspend or revoke any license and for the power to work with the police and courts to impose criminal sanction for breach of regulation.

IGN: How big was the illegal gambling market in Cyprus?

PW: We were given various estimates that ranged from 5:1 to 10:1. On any conservative estimate the loss of revenue in tax collection was huge due to the illegal market. We have suggested a gross profit tax at an initial level of 15 percent to take away the need for people to gamble with the tax free illegal market. We also suggested that betting on European horseracing should be allowed as we were regaled with stories of illegal betting shops setting up with satellite decoders to intercept British horseracing coverage and taking bets.

IGN: What is written in the law on Internet gambling?

PW: We suggested that this should be permitted, properly licensed and regulated. Many operators wish to set up their outlets in Cyprus, and our view was that there was real potential for the development of a well regulated and respected industry generating good taxation revenues for the country.

IGN: And cross-border gambling?

PW: Again we suggested that this should be permissible under the new legislation

IGN: Monopolies?

PW: We attempted to draft legislation which would be fair to all parties and permit development in the gambling sector. Our attention was of course drawn to the case law in relation to monopolies on gaming rights. We took the view that on the whole, monopolies are not good for the customer, and choice leads to better provision of gambling facilities. We suggested to the Ministry that any monopoly could be the subject of challenge by other EU operators wanting to challenge them and that it would be better for the legislation to preempt any challenge.

IGN: Just before the bill became law, the tension was really rising concerning the leveling of the gambling tax to 10 percent. Was OPAP unhappy about this? Shouldn't they have seen this coming?

PW: I think that there is always resistance to change. The legislation creates huge new opportunities for the government, operators and gamblers, and it was on this that we tried to focus.

IGN: Can this law easily be implemented in Northern Cyprus as well? This is, of course, if the two sides come together.

PW: No. There are two legal systems that currently exist. Greater minds than ours have been attempting to solve the Cyprus issue, and I am afraid that it will not be resolved over gambling legislation.

IGN: When will you start writing the next law?

PW: We will have to see if I am invited back . . . or to any other jurisdiction!

IGN: What is your favorite pastime?

PW: My family. My wife and three daughters keep me busy. All sport, but mainly rugby.

IGN: What irritates you most in the gambling industry?

PW: The fact I can't pick a winner in the Grand National.

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About the Author

Rob van der Gaast has a background in sports journalism. He worked for over seven years as the head of sports for Dutch National Radio and has developed new concepts for the TV and the gambling industry. Now he operates from Istanbul as an independent gambling research analyst. He specializes in European gambling matters and in privatizations of gambling operators. Rob has contributed to IGN since Jul 09, 2001.