



**Horizon Scanning**  
Betting and Gaming  
quarterly review

Issued: May 2018





# Horizon Scanning

## Betting and Gaming quarterly review

The betting and gaming sector is experiencing significant regulatory and legislative change, presenting risks and opportunities. We've created this interactive guide to keep you updated and informed about the key international developments that are on the horizon.

For each country and legislative development we have identified the possible impact, what action should be undertaken, and provided a RAG status to indicate timescales of when action is required. The guide has been split by RAG status and can be accessed directly by clicking the links below.



Immediate action is required or significant potential impact



Action required in the next six months, moderate potential impact, or in the next 12 months will involve material impact



Minor impact, longer term action required, or for information only

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# Germany

Development	Possible impact	Action required
<p>On the 17th January 2018, the highest German Criminal Court (Bundesgerichtshof) decided that the criminal infringement of an unauthorised organisation of gambling applies when installing and operating a gambling machines without a valid official approval (confirmation of the correctness of technical functions / "Bauartenzulassung") despite fulfilling all substantive and technical requirements requested by law in order to obtain the necessary legal permission as well as technical type approval. Thus, also the expiration of a technical approval/ permission for an existing gambling machine is also punishable.</p>	<p>The technical approval and the legal permission for gambling machines are always limited in time. In some cases, the timeframes differ from each other. The technical approvals for many gambling machines in Germany issued by the relevant national authority have expired.</p>	<p>The decision of the German Criminal Court is of considerable importance. Operators of gambling machines must urgently check the technical approvals and legal permissions for their machines. There is on one hand the high risk of being punishable in accordance with § 284 StGB. On the other hand, such infringement can also lead the operator to losing all his permissions to operate gambling.</p>

## Further detail

More information can be found [here \(German version\)](#).

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Significant  
impact



- Germany
- Mauritius
- The Netherlands
- Poland
- United Kingdom



# Mauritius

Development	Possible impact	Action required
<p>The Gambling Regulatory Authority Act was amended in 2017 to include an additional licence in its list of available licences, namely the “amusement machine license”.</p> <p>An “amusement machine” means an electro-mechanical or other device which, on insertion of a coin, bank note, electronic credit, token or similar object or on payment of any other consideration, enables any person to play a game whereby the person, by reason of skill or of skill coupled with an element of chance, may win a prize. The prize may be one or more non-cash prizes with a combined retail monetary value not exceeding 500 rupees or may be tickets or tokens redeemable for one or more non-cash prizes with a combined retail monetary value not exceeding 500 rupees.</p>	<p>This amendment creates new opportunities for clients in this sector. However, the appropriate license must be obtained from the Authority prior to starting the operation. Further, the amusement machine must be placed at such place as the Authority approves.</p>	<p>This allows businesses in the amusement machine sector to operate in Mauritius.</p>

## Further detail

More information can be found [here \(English verison\)](#).

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**Significant impact**



**Germany**

**Mauritius**

**The Netherlands**

**Poland**

**United Kingdom**



# The Netherlands

Development	Possible impact	Action required
<p><b>Online gambling</b></p> <p>The new Dutch Remote Gambling Bill has still not been approved by the Senate.</p> <p>Meanwhile, at the beginning of February 2018, the Netherlands Gaming Authority ("KSA") sent a letter addressed to other European Union regulators, asking them to urge their licensees to stop offering online betting and casino games to Dutch customers.</p> <p><b>New slot screening form</b></p> <p>On 21 February 2018, the KSA introduced a new simplified form (Bibop-form) used for the screening of (prospective) land-based slot machine operators, as required by the Probity Screening Act.</p>	<p>Online gambling operators pitching to Dutch consumers are subject to KSA enforcement.</p> <p>Online gaming providers, who are in possession of a license in other EU Member State may still be sanctioned by the KSA.</p>	<p>In general, please consider consulting us with regard to:</p> <ul style="list-style-type: none"> <li>– whether a gambling license is necessary</li> <li>– if so, which type of a license is needed</li> <li>– whether the e-commerce exemption applies</li> </ul>

## Further detail

For more information please visit the [Gaming Authority website \(English\)](#), [Ministry of Security and Justice website \(Dutch\)](#).  
The new Bibop-form can be [found here \(Dutch\)](#) and the KSA communication to other EU regulators can be [found here \(Dutch\)](#).

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Significant  
impact



- Germany
- Mauritius
- The Netherlands**
- Poland
- United Kingdom



# Poland

Development	Possible impact	Action required
<p>Changes to the Personal Income Tax Act as of 26 February 2018 (RPU 2018 VIII, poz. 2291):</p> <ul style="list-style-type: none"> <li>– giving new wording to art. 21.1.6a - describing prizes in the games of chance, considered as tax exemption</li> <li>– deleting art. 21.1.6b - describing prizes in a poker tournament, considered as tax exemption</li> <li>– deleting art. 21.6a – describing the meaning of one-off value of prizes in in the games of chance, needed to assess if they are subject to tax exemption</li> <li>– changing the article 21.23 by deleting words: and 6b</li> </ul>	<p>Changes in the objective tax exemptions, deletion of definition of one-off value of prizes used while establishing the objective tax exemptions.</p>	<p>Being aware of changes in Polish Tax Law as the proposed changes are amending the legal provisions signalled in the last quarterly.</p>

## Further detail

More information can be found [here \(Polish\)](#).

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**Significant impact**



**Germany**

**Mauritius**

**The Netherlands**

**Poland**

**United Kingdom**



# United Kingdom

Development	Possible impact	Action required
<p><b>LCCP</b></p> <p>The Gambling Commission’s latest Licensing Conditions and Codes of Practice (“LCCPs”) (published in January 2018) applying to all operators came in to effect on 4th April 2018.</p>	<p>A summary of the key changes can be found <a href="#">here</a>.</p>	<p>Operators should have ensured that all revisions are now being applied.</p>
<p><b>Triennial Review of Gaming Machine Stakes</b></p> <p>The outcome of the UK Government’s Triennial Review of Gaming Machine Stakes and prizes is still awaited. The Gambling Commission published its advice to government on 19th March 2018 recommending a reduction of the limit on maximum stakes on FOBT machines to £2. Government is yet however to respond.</p>	<p>It is anticipated that a reduction of the staking levels recommended to by the Gambling Commission could have a significant effect on the retail betting market which is dependent upon FOBT machines for a substantial proportion of their gambling income.</p>	<p>None at this point</p>
<p><b>GDPR</b></p> <p>Ahead of the implementation of the General Data Protection Regulation (GDPR) in the UK (as well as across Europe) the Gambling Commission has now published its information note on the requirements.</p>	<p>The requirements of GDPR apply to all businesses and organisations, changes how they deal with personal data and gives data subjects increased rights in respect of the data held about them.</p>	<p>Businesses should be working towards ensuring their compliance with the new GDPR requirements in time for its implementation date of 25th May 2018.</p>

## Further detail

More information about the developments above can be found here: [LCCP](#), [Triennial Review of Gaming Machine Stakes](#), [GDPR](#)

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Significant impact



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# Italy

Development	Possible impact	Action required
New Italian sports betting and online bingo draft regulations are in the process of being approved.	<p>The Italian Accounting Court has approved the new sports betting draft regulation applicable to both online and land based sports betting.</p> <p>The online bingo draft regulation has been approved by the Italian Ministry of Economy and Finance.</p>	No action required



Moderate impact

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Italy

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## Further detail

More information can be found [here \(Italian\)](#).

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# Malta

Development	Possible impact	Action required
On 9th March 2018, the MGA published a draft of the Gaming Authorisations and Compliance Directive. This directive shall come into force on the 1st July 2018.	<p>The draft is of particular interest in that it defines Key Functions and processes related thereto.</p> <p>It delineates in further detail the specific authorisations and compliance requirements to which authorised persons must adhere to.</p>	None required

## Further detail

More information can be found [here \(English\)](#).

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Moderate  
impact

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Italy

Malta

Romania

Russia

United Kingdom



# Romania

Development	Possible impact	Action required
<p>According to a recent draft Emergency Ordinance amending the Romanian Fiscal Code published by the Ministry of Finance (MoF), revenues from online gambling activities will be taxed at source, including sportsbook bets placed with various operators, so players will no longer hold declaratory obligations. Moreover, the draft Emergency Ordinance mentioned above also provides amendments in what regards the taxation regime of revenues from online gambling activities.</p> <p>Currently, the tax is deducted at source only for earnings obtained on street bets (offline agents), while online earnings must be declared annually by customers at the National Agency for Tax Administration (ANAF). As a result, players will be exempted from the obligation to file the declaration of income and payment of the annual tax, determined by the competent fiscal body on the basis of the taxation decision. In the draft Emergency Ordinance it is provided that these amounts will be collected in full by the organizers and paid monthly to the state budget.</p>	<p>In order to apply a unitary tax regime for all types of gambling, the income tax on online bets will be retained at source for each withdrawal, as is the case with the winnings made at street bets.</p> <p>The draft Emergency Ordinance is not currently applicable, as it represents only a draft. To enter into force, it must first be approved by the Government and published in the Official Gazette.</p>	<p>None required</p>

## Further detail

For more information please visit the [Gaming Authority website \(Romanian\)](#), and the [Ministry of Finance website \(Romanian\)](#).

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Moderate  
impact



Italy

Malta

Romania

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# Russia

Development	Possible impact	Action required
<p>From 27 May 2018, the authorised state authority will maintain a list of Russian and foreign companies that engage in activities in the area of gambling and betting in violation of the legislation of the Russian Federation. This list of companies will be published on the Internet. Credit and other payment companies must refuse all payments from individuals to companies violating the Russian law relating to gambling and betting.</p>	<p>State control in the area of gambling and betting is intensified by the introduction of new restrictions for companies that violate the legislation of the Russian Federation.</p>	<p>Check that the company's activity is in compliance with the legislation of the Russian Federation.</p>

## Further detail

More information can be found [here \(Russian\)](#).

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Moderate  
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Italy

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# United Kingdom



Moderate impact

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### Development

On 26th March the UK Gambling Commission published its "Review of online gambling". The report sets out its policy recommendations in four key policy actions and five areas of further development – indicating its particular current focus as to how it considers that it can make online gambling in Britain safer.

Its policy actions include:

- age verification
- customer identification
- unclear and/or unfair terms and conditions
- ineffective customer interaction

Its areas of further development are:

- assessing effectiveness of consumer protections
- review game/product characteristics for risks of harm
- review protection of customer funds and dormant accounts
- consider if gambling on credit should be permitted
- consider changes to Licensing Conditions and Codes of Practice ("LCCPs") to ensure consumers can withdraw funds more easily

### Possible impact

The policy actions are likely to see further amendments to the LCCPs being consulted on (indeed consultation on revisions in respect of market promotions, unfair terms and complaints and disputes has just closed) and the publication of additional guidance. The "Further Development" issues are also subject to further consideration by the Gambling Commission and may result in it looking to consult on additional amendments and possible restrictions being imposed through the LCCPs at a later date in respect of these matters.

### Action required

Operators will be given the opportunity to respond to the UK Gambling's consultation in respect of any respective proposal to revise the LCCPs when launched.

## Further detail

More information can be found [here](#).

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# Cyprus

Development	Possible impact	Action required
<p>Cyprus has attempted to resubmit the Betting Law of 2017, repealing the already approved 2012 law. The new law, is currently in draft form and was notified to the European Commission in June 2017. However, Malta and the EC lodged opinions against the 2017 draft in September, with Cyprus given three months to respond. The draft that was submitted in June retained most Articles, though it amended two pieces of legislation that aimed to remedy a number of infringements due to the previous law, especially the perceived unequal treatment of OPAP and other gambling operators.</p>	<p>The new draft law states that tax is to be collected as a percentage of gross profits. The state control on the provider and on the services provided will be exercised on an ex-post basis by the National Betting Authority (NBA) and on an ex-ante basis by a three-member control committee.</p> <p>The law provides for the strict regulation, control and supervision of the operation of betting shops used for the provision of gambling services, as well as for the strict regulation of the organisation, operation and provision of gambling services. Further, it authorises the NBA to open disciplinary procedures against the provider in case of non-compliance with the requirements of the draft law and to impose administrative fines; it also includes a number of criminal law provisions regarding offences as defined in the draft law.</p>	<p>No action is required at this stage as the legislation is yet to be approved by the government.</p>

## Further detail

For more information please visit the [National Betting Authority website \(English\)](#).

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Minor  
impact

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- Cyprus
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  - Northern Ireland
  - Republic of Ireland
  - Ukraine



# Isle of Man

Development	Possible impact	Action required
<p>The Isle of Man (IOM) has recently consulted on the Anti-Money Laundering and other Financial Crime (Miscellaneous Amendments) Bill 2018 which makes amendments to current AML/CFT legislation.</p> <p>The IOM is also consulting on the Data Protection Bill 2018. This seeks to implement the provisions of any EU instrument relating to the protection of personal data including the General Data Protection Regulation (GDPR).</p> <p>The operative provisions of the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Act 2018 and the Casino (Amendment) Act 2018 came into force on 24 January 2018. Details of these were contained in the last quarterly review.</p>	<p>The implementation of Anti-Money Laundering and other Financial Crime (Miscellaneous Amendments) Bill 2018 seeks to ensure compliance with international AML/CFT requirements.</p> <p>The Data Protection Bill 2018 seeks to implement legislation which meets the requirements under the GDPR in order for the IOM to keep its existing adequacy rating. As the IOM is not a member of the EU, the GDPR does not automatically apply to it.</p>	<p>All companies incorporated and/or operating on the IOM should be aware of the requirements which will be imposed pursuant to the Data Protection Bill 2018 and must ensure compliance with any changes to the relevant AML/CFT legislation, pursuant to the Anti-Money Laundering and other Financial Crime (Miscellaneous Amendments) Bill 2018.</p>

## Further detail

More information can be found [here](#) and [here](#).

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Cyprus  
Isle of Man  
Northern Ireland  
Republic of Ireland  
Ukraine



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# Northern Ireland

Development	Possible impact	Action required
<p>The continued failure by the NI politicians to reach agreement and restore the legislative Assembly means no prospect of legislative changes any time soon. NI continues to be out of step with the rest of the UK, particularly in terms of legally permitted stakes with the current 1985 legislation permitting a maximum gaming stake of 30p. We await confirmation of whether prosecution is going to proceed against a bookmaker arrested late in 2017 in respect of Fixed Odds Betting Terminals (FOBTs).</p>	<p>If prosecution does proceed against the bookmaker, a court ruling could impact on the operation of FOBTs in NI. Currently, most businesses operate with the police turning a blind eye.</p>	<p>Continue to keep a watching brief on all enforcement developments in NI – periodically the police will take steps to enforce where gambling is taking place outside the parameters of the current legislation however previous police action has been minimal.</p>



Minor impact

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Cyprus

Isle of Man

Northern Ireland

Republic of Ireland

Ukraine

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# Republic of Ireland

Development	Possible impact	Action required
<p>On 10 January 2018, David Stanton, Minister of State at the Dept. of Justice outlined plans for an overhaul of Ireland’s gambling laws.</p> <p>The changes would involve:</p> <ul style="list-style-type: none"> <li>– establishment of a new independent statutory authority to oversee the gambling industry (the “Authority”)</li> <li>– this Authority would have the power to enter and seize documents and computers from licensed operators for any suspected breach of the new legislation</li> <li>– the Authority will have the power to grant licences and oversee compliance by licensed operators</li> </ul> <p>A levy on the industry will go towards a new Social Gambling Fund for research into and treatment for gambling addiction.</p>	<p>Possible impacts should these proposed legislative changes be enacted include:</p> <ul style="list-style-type: none"> <li>– requirement for a licensed operator to comply with inspections by the Authority establishment of a new independent statutory authority to oversee the gambling industry (the “Authority”)</li> <li>– requirement of a licenced operator to pay a levy on their earnings in order to fund the Social Gambling Fund</li> <li>– requirement to interact with the Authority in order to obtain and renew gambling licences and interact with the Authority on a continuous basis in order to ensure compliance with the new gambling regulatory framework is achieved.</li> </ul>	<p>These proposed changes are not due to become law until the end of 2018 at the earliest.</p> <p>Therefore no action is required as of yet as the proposed legislation may be amended and strengthened or diluted as it moves through the legislative process.</p>



Minor impact

- .....
- Cyprus
  - Isle of Man
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# Ukraine

Development	Possible impact	Action required
Draft laws on the legalisation of gambling across Ukraine is awaiting approval from the Ukrainian parliament. Shortly, the Anti-Monopoly Committee of Ukraine will provide its suggestions and comments on the draft law. It is expected that the approval of the new law will see changes to tax regulations in Ukraine.	It is expected that draft changes to tax regulations will be submitted to the Ukrainian parliament for discussion in April 2018.	Once the new law is approved, monitoring of the law-making initiatives is recommended. Suggestions should be submitted by all interested businesses through business associations.

## Further detail

More information can be found in the following articles '[Ukrainian gambling business legalized by 2018](#)', '[Casinos at the racetrack again](#)' and '[Antimonopoly Committee of Ukraine proposes to review law on gambling](#)'.

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