NEWSletter



October

INSTITUTE
FOR GAMBLING
REGULATION

2024

THE FIGHT AGAINST MATCH-FIXING GAINS MOMENTUM INTERPOL CONFERENCE IN PRAGUE



Sports match-fixing, or "match-fixing ", is a worldwide problem, the scale and impact of which is growing. Under the auspices of Interpol, a conference was held in Prague in mid-October with the aim of bringing new ways to combat this phenomenon. The three-day meeting, which brought together more than 150 experts from nearly 50 countries, provided a forum for exchanging experiences, deepening cooperation and formulating new approaches in the fight against illegal influence on sports results.

Betting and manipulation in sport

Organised groups, often operating internationally, not only choose globally popular sports such as football and basketball for manipulation, but also target lesser watched sports such as table tennis. These groups often operate in an online environment, which makes it very difficult to investigate and prove guilt. Czech Police representative Martin Vondrášek pointed out that the activities take place at different levels: bets may be taken in a third country while the matches themselves take place elsewhere. "We have cases where bets on Czech matches are accepted in Asia, where the registration of bettors is not as strict as in the Czech Republic," he said.

Data from Sportradar, a company that monitors suspicious activity around the world, shows that the Czech Republic ranked second in the number of suspected cases of manipulation, just behind Brazil. The Czech Republic was linked to 67 cases, while Brazil was linked to 109 cases. According to Vondrášek, the manipulation is almost always organised and often involves links between people from the sports and betting environment.

Jiří Kejval, President of the Czech Olympic Committee, is also attending the 14th annual conference. *"Match fixing is a crucial thing for us because sport is based on the principles of fair play and such things destroy the essence of sport. We try to work not only on fighting crime, but also on prevention in sport. This conference is not only a great opportunity for us to go deeper into the issue, but also to welcome the biggest experts,"* Kejval said.



The need for prevention and national cooperation

One of the main outcomes of the conference was the recommendation to create a national platform that would enable closer cooperation between individual entities, including sports associations, the Police of the Czech Republic and the National Sports Agency. Ondřej Šebek, the head of the NSA, confirmed that the issue of match-fixing is one of the main priorities of the agency, which aims to create a safe sporting environment. The NSA is considering the establishment of a national "safeguarder" position to monitor risky behaviour related to match-fixing and match-fixing.

The importance of international cooperation

Interpol and Europol play a key role in coordinating international investigations, as the problem often transcends national borders. Interpol's Financial Crime Coordi-

nator Tomonobu Kaja attended the conference in Prague to share the modus operandi of other Interpol member states and to improve the possibilities for communication between investigative authorities and sporting institutions.

NEW INSTITUTE FOR GAMBLING REGULATION IN SLOVAKIA



Twenty-first October has gone down in history as a significant milestone in the field of gambling in Slovakia. After months of preparation and persistent efforts, the Institute for the Regulation of Gambling (IFGR SK) was established, an institution that aims to strengthen a modern and professional approach to gambling regulation.

This project was created in response to the growing demand not only from companies operating in the field of gambling in Slovakia, but also from the Office for the Regulation of Gambling. To contribute in cooperation with the public administration, addictionologists and local government to a unified, conceptual and modern development of gambling in Slovakia. It is headed as Executive Director by JUDr. Dávid Lenčéš, LL.M., who served for many years as Director General of the Office for the Regulation of Gambling.

Partnership with the Czech Institute

The newly established Slovak institute builds on the long-standing experience of its partner organisation, the Institute for Gambling Regulation in the Czech Republic, which has successfully established itself as a professional and expert partner of the public administration and the market. The Czech institute has gained a respected position in the development of policy and legislative standards in the field of gambling, thus creating a model for the Slovak partners.

The Slovak IFGR SK will thus rely on the proven methods and experience of its Czech partner, adapting these approaches to the local conditions and specifics of the Slovak market.

The mission and ambitions of the Institute

The main mission of IFGR SK is to create a stable and predictable environment for all those operating in the gambling industry. Following the example of the Czech Institute, IFGR SK plans to actively contribute to assessing the impact of regulation or increasing social responsibility and reducing the risks associated with gambling.

DEBATES OVER STRICTER ADVERTISING REGULATIONS CONTINUE

On 23 October 2024, a key meeting on the regulation of advertising in the field of gambling took place at the Office of the Government of the Czech Republic. The invitation to the meeting was addressed by Ing. Lucie Kiššová, Director of the Drug Policy Department of the Government Office of the Czech Republic, and the event was attended by experts, representatives of the state administration, politicians and industry representatives.

The main topic was an analysis of the current regulation of gambling advertising, based on the Addictions Policy Action Plan 2023-2025, which aims to consider possible tightening of advertising rules and, where appropriate, adjusting the legislative framework to better address the risks associated with marketing and sponsorship in this area. The preliminary analysis includes proposals for

restrictions in all major channels and areas of advertising - TV and radio advertising, online campaigns, social media advertising, outdoor advertising, affiliate marketing and cross-selling.

Participants from industry pointed out that the government's analysis represented a summary of possible restrictions rather than a comprehensive approach with regard to the practical feasibility and expected impact of individual measures.

Industry representatives declared their readiness to work together on proposals for meaningful regulation and stressed the need for time to process quality feedback. At the end of the meeting, a deadline of 15 December was negotiated for the sector to submit a single proposal for self-regulation. This proposal is to include solutions for the different areas of advertising and suggestions on what legal measures can be taken to effectively regulate advertising within the sector in practice.

The roadmap and the working group for the preparation of the proposal

After agreeing to extend the deadline, a working group was immediately formed whose members will focus on preparing concrete proposals for self-regulation and legal regulation of advertising. The group is made up of representatives of major organisations in the gambling sector, including Mark Herman (APKURS), Jan Chudoba (Sazka), Jakub Kolomicenko (Betano), Tomas Kment (Association of Casinos), Ladislav Vojtek (CbData) and Jaroslav Sita (GTO Solution and the Association of Poker and Sports Betting Players). The first working meeting of this group took place at the end of October.

A chance for change: the sector can demonstrate a willingness to self-regulate

This is a crucial opportunity for the industry to demonstrate its willingness and ability to regulate itself before the government moves to across-the-board restrictions. *"It has taken considerable effort, but we have a unique opportunity to show that we can be constructive and come up with effective self-regulation,"* was said during the latest meeting.

Regulation of gambling advertising that reflects not only the views of the state, but also the data and experience of the sector itself, could provide long-term effective solutions that suit all stakeholders.

THE WORRYING GROWTH OF THE ONLINE GAMBLING BLACK MARKET IN THE UK: RISKS AND CONSEQUENCES



According to new research commissioned by the Betting and Gaming Council (BGC), younger and older players in the UK are most at risk from illegal online gambling. The report states that as much as £2.7 billion has been wagered with illegal operators over the internet, representing around 2.1% of the total amount wagered legally. This dangerous trend not only puts gamblers at risk, but also deprives the UK Treasury of up to £67 million a year when illegal gambling in bricks-and-mortar establishments is taken into account.

BGC CEO Grainne Hurst warns of the growing danger of black market gambling. *"Millions of customers are being driven into the arms of these dangerous operators who don't care about player safety and don't even contribute taxes,"* says Hurst. The main factors that make the black market attractive include higher bonuses, anonymity and the absence of restrictions such as the UK's ban on using credit cards to top up gambling.

A survey by London-based economic consultancy Frontier Economics also found that 16% of 18 to 24-year-olds use at least one illegal gambling site. This is a dramatic difference to just 1% of gamblers in the 65 to 74

age group. Larger gamblers, those who wager more than £1,000 a month, are also more likely to turn to the black market, which is a worrying trend.

Risk of tax increases and their impact

The current Labour government is considering raising taxes on gambling, which could further exacerbate the situation. Currently, the tax on online casinos in the UK is 21% and on sports betting 15%, which is one of the lowest in the European context. In other countries, such as the Netherlands and Sweden, taxes have already increased to almost 38% and 22% respectively, in a move by governments to curb illegal gambling and raise revenue for the Treasury.

Representatives of the UK gambling industry, such as the BGC, warn that stricter regulation and higher taxes could lead to an exodus of gamblers from legal operators to the dangerous black market. *"Strict and ill-thought-out regulations are driving customers from the regulated sector to the dangerous, unregulated black market,"* Hurst warns. She says the solution must be comprehensive and will not be solved by increased enforcement alone.

Recommendations for addressing the black market

The UK's April 2023 White Paper calls for further research into the black gambling market, as information on its true size is limited. Some European countries, such as Italy, Spain and Belgium, have already introduced bans on gambling marketing, which may help reduce confusion between legal and illegal operators.

Raffaello Rossi of the Bristol Hub for Gambling Harms Research said that a ban on gambling marketing would be an effective measure to distinguish legal operators from illegal ones. If the government does not take effective action, there is a risk that illegal gambling will continue to spread and the state will lose additional tax revenue, while players will be exposed to greater risks.

In conclusion, it is clear that the UK is facing a growing problem with black market gambling, particularly among younger and more avid gamblers. Without balanced regulation that protects players while keeping legal operators competitive, this dangerous trend may continue.

REPORT HIGHLIGHTS THE URGENT NEED TO LIMIT THE AMOUNT OF GAMBLING ADVERTISING IN IRELAND



The Northern Ireland All-Party Group (APG) has met to discuss a report which warns of the urgent need to reduce the amount of gambling advertising in the North and the Republic of Ireland. The report, entitled 'Code Red: young people and their exposure to gambling marketing through media and sport on the island of Ireland', was published on 4 October by the Youth, Gambling Marketing and the Shared Island (YouGaMSI) project, which is funded by the Shared Ireland Fund. This government initiative supports projects that improve cooperation and understanding across the island of Ireland.

Key recommendations of the report

The YouGaMSI report contains six key recommendations. The first is that both the Republic of Ireland and Northern Ireland must "implement legislation to reduce the volume, frequency and timing of gambling marketing as a matter of urgency". The focus is on advertisements broadcast and provided on demand, particularly before 9pm and in the online environment.

The report also highlights the Irish Gambling Regulation Act, which is in the final stages of negotiation. This inc-

ludes a controversial ban on gambling advertising between 5:30 and 21:00, which could threaten the economic sustainability of sports organisations.

Other recommendations include updating advertising regulations to reflect current marketing strategies and an interdisciplinary approach to marketing in live sport. The introduction of guidelines for professional broadcasters and social media to recognise gambling as a public health issue and the introduction of a gambling levy to fund public health and education campaigns are also proposed.

Impact on sports organisations

The report also recommends that sports organisations in Ireland that receive state funding should remove their reliance on gambling marketing at their events, particularly in areas that are visible on television.

At the APG meeting on 8 October, Professor Aphra Kerr from Maynooth University and Dr Paul Kitchin from Ulster University presented the findings of the report. Kerr highlighted the high levels of exposure of young people to gambling marketing, with some sports such as darts and horse racing reaching levels of 'saturation'. This trend is also evident during Premier League football broadcasts.

Current state of gambling regulation in Northern Ireland

Northern Ireland is in the second phase of reform of its gambling laws. The Betting, Gaming, Lotteries and Amusements (Amendment) Bill, which was passed in 2022, focuses on issues relating to online gambling. In July 2024, the APG made 57 recommendations to the Northern Ireland Executive, including the creation of a new independent regulator and setting limits on losses and expenditure.

Communities Minister Gordon Lyons has said that his aim is to ensure that the legal changes to gambling are implemented as soon as possible at the start of the next Parliament. Meanwhile, the Department for Communities (DfC) has launched a new survey into the prevalence of gambling and is preparing the next phase of reform of the country's gambling laws.

Conclusion

The YouGaMSI report highlights the urgent need for changes in the regulation of gambling marketing to protect vulnerable groups, especially young people. It is imperative that governments in both jurisdictions prioritise legislative changes and regulatory updates to adapt to current marketing practices and protect public health.

Key recommendations:

1. Introduce new laws: the volume and timing of gambling ads, especially before 21:00, needs to be reduced quickly.

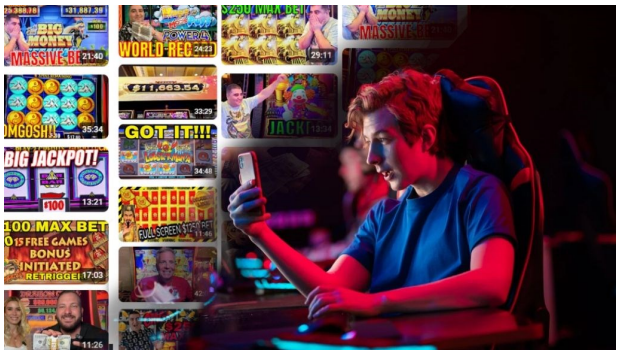
2. Update advertising rules: the rules should better reflect modern marketing and all forms of gambling promotion in sport should be regulated.

3. Focus on public health: Gambling should be considered a public health issue, including guidelines for advertising on social media.

4. Introduce a gambling levy: This levy could fund public health and education campaigns.

5. Abolish marketing in supported sports: sports organisations that receive state support should stop promoting gambling.

CRIMINAL CHARGES AGAINST INFLUENCERS IN PORTUGAL



The Portuguese Association for Online Gambling and Betting (APAJO) recently called on the public to be vigilant against illegal gambling advertisements. Based on evidence, it reported five well-known influencers and eight operators to the police for their involvement in promoting illegal gambling activities. With this move, APAJO aims to curb the proliferation of unlicensed gambling platforms and protect players from the risks posed by this activity.

Who's facing charges?

Among the influencers who have been criminally charged are personalities such as Numeiro, Cláudia Nayara, ritinhayoutuber, GODMOTA and Bruno Savate. These influencers have been identified as promoters of illegal gambling on their social networks. In addition, APAJO has filed complaints against the operators of Betify, Monro, Weiss, BC.Game, Stake, Wolfi, Starda and Vem Bet. The association has also warned that it will continue to file further criminal complaints if further illegal activities are detected.

High awareness and risks of illegal gambling

A recent APAJO study on the use of online gambling showed alarming results, with up to 41% of Portuguese gamblers using illegal websites. This proportion is even higher among young people aged 18 to 34, where it reaches 52.1%. Moreover, only 37.7% of gamblers who play on illegal sites are aware that they are breaking the law. Many others mistakenly believe that they are playing on legal platforms.

Media as a key player in the fight against disinformation

APAJO Board President Ricardo Domingues stressed the importance of the media in this fight. He said it was vital that the Portuguese media clearly communicated which sites were licensed to help direct players to the legal market. *"It is important that the media provide accurate information about the sector to avoid thousands of people being constantly exposed to the risks of betting on unlicensed sites,"* Domingues said.

Legal regime and liability for the promotion of illegal gambling

Portuguese legislation makes it a criminal offence to operate online gambling without a licence, and those who promote illegal betting on social media are also liable. Advertisements on unlicensed gambling sites can lead to criminal prosecution, especially if they are directed to illegal sites outside the list of licensed platforms.

APAJO pointed out that ignorance of the law does not absolve anyone from responsibility for breaking it. Although illegal gambling lures players to take advantage, care must be taken to ensure that legal limits are observed and the negative consequences of such activity are avoided.

APAJO has filed complaints against companies like Stake and Betify in the past and plans to continue to cooperate with the police. The association has warned that its efforts will continue to ensure that illegal gambling operations are outlawed and players are protected.

THE SWEDISH REGULATOR NEEDS TO STRENGTHEN ITS EFFICIENCY



Sweden's National Audit Office (Riksrevisionen) has criticised Spelinspektionen, the gambling regulator, for insufficient supervision of licensed operators and is calling on the government to tighten laws targeting the illegal gambling market. According to the report, the regulator should improve its supervision and analyse risks more systematically to ensure greater protection for players and more effective control of the gambling market.

The report focuses primarily on inspections of licensed operators. Riksrevisionen points out that Spelinspektionen carries out too few inspections and those that are carried out often lack a thorough risk analysis. This lack of a systematic approach results in the regulator being unable to effectively monitor the entire market and ensure that licensed operators comply with the regulations set. Inspections are mostly selected without in-depth analysis and their scope is insufficient. Riksrevisionen recommends that Spelinspektionen should establish an empirically based system for selecting operators for inspections and regularly reassess its inspection methods to respond to current trends and risks in the gambling industry.

Another important point is that the regulator does not monitor whether operators are correcting identified deficiencies, which undermines confidence in the whole system. The report also calls for regular inspections of all types of licences and gaming forms, including non-profit lotteries and monopolies, to ensure that the system is perceived as credible and transparent.

Since the opening of the regulated market in 2019, Spelinspektionen has been facing the problem of illegal operators. According to Riksrevisionen, the law in this area is unclear and makes it difficult to sanction unlicensed operators. Director Claudia Gardberg Morner recommends greater oversight of risky gambling activities, especially online gambling, which can cause significant financial and psychological problems for players.

Spelinspektionen acknowledges that this is a challenge and has pledged to work with the government to introduce more effective methods of supervision. The move is also welcomed by the gambling industry association BOS, which supports the drive for greater transparency in the Swedish market.