NEWSletter



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INSTITUT
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FIRST WORKING MEETING WITH THE MINISTRY OF FINANCE IN THE NEW YEAR

In the new year, we are also continuing our regular meetings with the Ministry of Finance (MoF) to address the current legal and operational issues that you are contacting us with. In our first meeting of the year, which took place in early February, we discussed all the current topics with the MoF. The meeting was very constructive. In particular, the licensing of the now very popular Crash Games, the recurring topic of facilitating MF approval of game plans, and the impact of the Register of Excluded Persons (REP) blackouts were discussed.



The MoF also informed us about the planned amendment to the reporting decree, the form of which should be known in the near future. The MoF stated that it expects to start the commenting procedure at the end of March. The decree is expected to be approved and in force by 1 April 2025, according to the MoF's plan. It is not expected to take effect until 1 July 2026.

Another topic discussed was the experience with Live Dealer Games (LDG) to date. The IPRH's intention in this area is mainly to address the possibility of expanding to more types of live games and variations of their operation, which includes a reassessment of the current form of LDG and the removal of ineffective tools such as the ban on card shufflers, optional camera angles.

As operators have repeatedly had problems with players not reporting changes to documents and the data contained therein, and given that operators have limited means of determining that an update has occurred, IPRH has raised the possibility of linking operators to the Register of Residents. Unfortunately, any access to the central registers requires legal authorisation, which we do not currently have. However, the MoF has shown a positive attitude and is taking note of our proposal. It considers it useful as it would enhance legal certainty on both sides.

The next meeting with MoF will take place on 31 March at our regular IPRH members meeting. MF will present in more detail the planned new developments in the area of reporting.

MINISTRY OF FINANCE ISSUED A WARNING ON THE CONSEQUENCES OF NON-COMPLIANCE WITH MONITORING OBLIGATIONS

The Gambling Act imposes significant requirements on gambling operators in terms of monitoring of the gaming area and live dealer game studios, the quality of camera recordings and a two-year retention period for these recordings, including backups.

The Ministry of Finance has (MoF) issued information **warning** gambling operators **of the consequences of non-compliance with these legal obligations, in particular the purposeful or repeated "loss" of camera recordings and their backups.** The MoF considers such conduct to be obstructing and hindering the activities of the supervisory authorities and such conduct will be considered a breach of legal obligations and an offence under the Gambling Act. Such an offence is punishable by a fine of up to CZK 50 million. The MoF further notes that repeated or serious breaches of the Gambling Act may result in the initiation of administrative proceedings for the revocation of the basic licence.

The consequence of the cancellation of the basic permit is the cancellation of the permit for the location of the gambling premises and the impossibility to issue a basic permit for the type of gambling to this operator in the following 3 years.

NEW SIGNATURE CERTIFICATES FOR THE PRODUCTION ENVIRONMENT OF THE EXCLUSION REGISTER

The Ministry of Finance changes the signature certificates for connecting gambling operators to the register of excluded persons once in a while for security reasons. The MoF will change these certificates again from 10am on 27 March 2025, the form of which can be found on the MoF website here. You must use the new certificate from that time.

SLOVAKIA ISSUES A NEW METHODOLOGICAL STATEMENT ON DEMONSTRATING THE PUBLIC INTEREST

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According to the Slovak Gambling Act, operators must prove in the licensing procedure for a new casino that the operation of the casino will not be contrary to the public interest. In the procedure, the operator shall prove compliance with this condition by submitting a written statement from the competent municipality in whose territory the casino is to be located. The operator must request such a statement from the municipality at least 30 days before submitting the application. The municipality shall assess whether the location of the casino would not be contrary to the public interest and shall either give its approval or disapproval.

Since the Slovak regulator, the Office for the Regulation of Gambling Games (the Office), has apparently faced various forms of representations in licensing proceedings, it has issued a methodological guideline setting out the procedure for cases where municipal representations are unjustified, insufficiently justified or do not appear at all. According to the Office, municipal statements that are not properly reasoned are not reviewable. **The Authority therefore states in its guidance that in such cases there is a legal presumption that the location of the casino is not contrary to the public interest.**

HOW IS EUROPE RESPONDING TO THE GROWTH OF THE ONLINE GAMBLING MARKET?



The European gambling market is experiencing an unprecedented boom and sports betting and lotteries are expected to be among the fastest growing segments of online gambling by 2029. Growth is driven by technological advances as well as the growing popularity of sporting events.

According to H2 Gambling Capital, the regulated European gambling market will reach €137 billion in gross revenues in 2024, of which 40% (€55 billion) will be attributable to online gambling. Compared to 2023, this is an increase of 4.58%, while online gambling alone grew by more than 7.84%.

The most profitable segments and growth of the online

In 2024, lotteries generated €38 billion, sports betting reached €33 billion, casinos €30 billion and slot ma-

chines €26 billion. Sports betting is one of the most popular forms of gambling, especially during major events such as the European Football Championship. It is sports betting and lotteries that are expected to grow fastest, with annual growth of over 8%.

When does fun turn into trouble

While gambling brings billions of dollars in revenue to countries, the flip side is the risk of addiction. A 2022 European Gaming and Betting Association (EGBA) study shows that problem gambling rates in Europe range from 0.3% in Ireland to 6.4% in Latvia. In Portugal, for example, the number of users seeking help for online gambling addiction has risen from 39.58% to 48%.

European countries are trying to respond to this situation by tightening regulation.

Advertising bans and restrictions on promotion

Gambling advertising has long been in the crosshairs of regulators. For example, the Netherlands has already banned non-addresive advertising for online betting, which means that ads cannot be targeted at minors or at-risk groups. Spain is considering a similar move, where it was estimated that up to 40% of young gamblers were exposed to aggressive online gambling advertising in 2023.

In the UK, meanwhile, stricter rules are being introduced on the sponsorship of sports teams by gambling companies. From the 2026/27 season, Premier League clubs will not be allowed to display betting company logos on the front of their jerseys. The move is intended to help reduce the impact of gambling promotions on young fans.

Stricter financial controls and betting limits

One of the key measures against gambling addiction is financial limits. In the UK, mandatory financial stability checks have been introduced for gamblers who spend more than £125 per month on gambling. In Sweden, a maximum weekly deposit limit of SEK 5,000 (approximately €440) has been set to help protect players from reckless betting.

The threat of an unregulated

As regulation increases, so does the risk of players moving to the black market. H2 Gambling Capital estimates that by 2023, 21% of online gambling in Europe will take place outside the regulated environment, equivalent to €13 billion.

The European gambling market is thus facing dynamic developments. On the one hand, it is constantly growing, on the other, it is trying to find a balance between profit, regulation and the protection of society. It will be interesting to see whether individual countries will be able to balance the economic benefits of the gambling industry with the need to protect vulnerable populations.

MASTERCARD AND VISA UNDER FIRE: PAYMENT GIANTS LINKED TO ILLEGAL BETTING SITES



Two of the world's biggest credit card providers, Mastercard and Visa, have come under heavy criticism after their links to illegal betting sites that cheat British customers were revealed. Although the companies have previously pledged to block transactions on unlicensed betting platforms, new evidence shows that these payments are still taking place.

Illegal gambling and the involvement of card companies

The latest investigation found that Mastercard appears as a payment method on nine unlicensed betting sites, while Visa is accepted on two of them. These platforms, although banned by the UK authorities, continue to operate and deprive UK punters of significant funds.

Victims of illegal gambling face a number of problems, including the inability to withdraw money won and the deletion of accounts after complaints have been made. In many cases, players were unaware that the sites they

were playing on were illegal and not under the supervision of the UK Gambling Commission.

How can card companies profit from illegal transactions?

Payment companies take a fee from each transaction between the client and the merchant, which means that they can generate profits from illegal bets. This finding raises questions about the ethics and compliance of Mastercard and Visa. Many critics argue that if the companies were truly interested in blocking illegal transactions, they could easily implement more effective measures.

Regulator's response and companies' response

The UK Gambling Commission is aware of the situation and is taking steps to eliminate illegal betting sites. It has issued several cease and desist orders and is trying to remove the URLs of these sites. However, the effectiveness of these measures is questionable as illegal operators often quickly move their activities to other domains.

Mastercard and Visa responded by saying they are actively investigating illegal activity on their payment networks and working with banks and regulators to eliminate problematic transactions. However, they also stress that their systems depend on partner banks to play a key role in detecting and blocking illegal payments.

The future of payment methods in gambling

The UK authorities are expected to tighten regulations and focus on greater control of payment flows to illegal sites. This case shows that although strict regulations are in place, their enforcement by the relevant companies and authorities is still insufficient.

The challenge remains to find an effective way to prevent the financing of illegal transactions and to protect consumers from fraud. Mastercard and Visa will need to make it clear whether they are willing to take stronger action to stop these practices or whether they will continue to profit from unethical transactions.

THE END OF MONOPOLY IN AUSTRIA?

Austria is preparing for a major change in its gambling legislation that could end Casinos Austria's long-standing monopoly and open up the online gambling market to private operators. The move would allow for the full licensing of online casino products such as slots and table games, and put an end to legal disputes regarding player claims against operators operating in Austria without a licence.



History of monopoly and legal disputes

As the 15-year license for Casinos Austria expires on September 30, 2027, it opens up the opportunity for new operators to obtain a license and legally enter the Austrian market. For years, this monopoly has faced severe criticism, not only from players and operators, but also from the European Union.

Austria has long been under pressure due to legal disputes between players and foreign operators, especially those licensed in Malta. Players have been asserting their rights in Austrian courts because the country's laws did not allow these platforms to operate legally. These cases have sparked debates about the compatibility of Austrian law with EU legislation, in particular as regards the free movement of services.

Changes on the horizon: what's coming?

The Austrian authorities are planning a tender for new licences already this year. This move not only opens up the market, but also means the possibility of introducing clearer rules for operators and players. Simon Priglinger -Simader, vice-president of the Austrian Association for Betting and Gambling (OVWG), expressed optimism about the future of gambling regulation in the country. Politicians are now more willing to discuss changes to the current system, giving the chance for more modern and transparent legislation.

Political context and economic impact

The new Austrian government will decide on the final form of the new legislation. After unsuccessful negotiations with the Social Democrats (SPÖ) and the liberal NEOS party, the centre-right People's Party (ÖVP) is now negotiating with the Freedom Party (FPÖ), which won the largest share of the vote in last year's elections. If the negotiations are successful, a government could be formed within weeks, which would speed up the process of liberalising the gambling market.

According to Dr Arthur Stadler, a partner at the Vienna law firm Stadler Völkel, any new government will have to look for new sources of revenue for the state budget. Extending gambling licences could bring significant funds to the state coffers while improving protection for gamblers.

The future of the gambling market in Austria

Austria has faced criticism in the past for its approach to gambling. Strict regulation has led to legal disputes and criticism from the European Union, which has pointed to violations of the rules on the free movement of services. It now appears that Austria will follow the trend of other European multi-licensing countries and allow licensing to foreign operators.

Details of the new rules are expected to be published in the coming months. If the market opens up, it will not only increase competition but also create better conditions for players who will have access to regulated and safer services.

Will Austria be an example for other countries or will it face new problems? Only time will tell, but one thing is certain - the country's gambling industry is about to undergo a fundamental transformation.

FORMER UNIBET OPERATOR MUST PAY THE DUTCH PLAYER ALL HIS LOSSES



The judgment of the District Court of The Hague, published on 12 March, ordered Trannel International to repay the Dutch gambler €271,301. This is due to the fact that Unibet was not operating with a valid license at the time the player's losses were accumulated. The court therefore declared the gambling contract void and the player should be refunded every euro he lost during this period.

Similar cases in Europe

This judgment is in line with similar decisions in Austria, Germany and the Netherlands itself. Legal experts expect that it could become a precedent for other similar lawsuits that are currently proliferating in Europe.

However, Unibet, which was bought out by French lottery company FDJ in October 2024, is distancing itself from the case. According to official statements, Unibet and Trannel are now completely separate entities as Kindred, which owned Trannel, has sold the company. However, the question remains as to whom Trannel was handed over, as FDJ has not responded to these queries.

Trannel disappears from the market

Trannel as an operator seems to have completely disappeared. It is no longer listed as a licensed operator by the Malta Gaming Authority. However, internet archives show that it was still a licensed entity on 10 November 2024, but with a new registered address and a changed contact email from kindredplc.com to boabet.com. This URL now refers to Risepoint Limited, which also uses the boabet.com email address.

Boabet.com is a brand owned by Silverspin Limited, which was spun off from the US gambling corporation Bally's last year. Silverspin also operates the Japanese bingo platform Vera & John, as well as Yuugado, InterCasino and CasinoSecret.

Threat of further lawsuits

The Hague court's judgment orders immediate payment of the amount owed, even if Trannel decides to appeal. There is also the possibility that the company's new owners will try to take advantage of Maltese law that protects local operators from foreign judgments.

The Maltese courts have already dismissed two similar lawsuits last week. The European Commission is still examining whether the law complies with European law, but no substantive conclusions have been published since the investigation began in 2023.

Benzi Loonstein, the lawyer who won the case, has already built a reputation in Austria and Germany, where he has succeeded in similar lawsuits. He said there will be more and more similar cases in the Netherlands and other law firms are already preparing a package of lawsuits.

The Dutch court's decision could thus mean serious complications for gambling operators who have been operating on the market without a licence. If similar actions are successful, these operators may face significant financial losses.