NEWSletter



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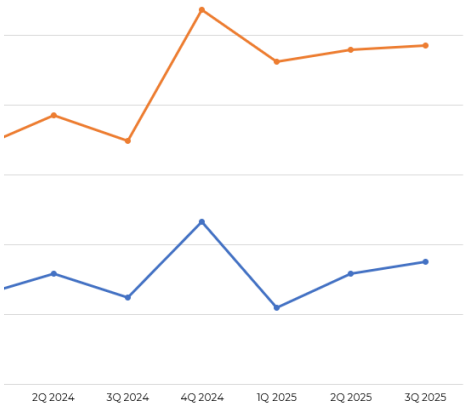
GAMBLING CONTINUES TO GROW. ONLINE IS DRIVEN BY THE MARKET AND TAX COLLECTION

The Czech gambling market continues to grow. In the third quarter of this year, gross gaming revenues (GGR) reached approximately CZK 16.6 billion. This is 12.3 percent more year-on-year, and the market strengthened by 1.4 percent compared to the second quarter. This confirms the trend of recent years. The sector remains economically strong and continues to undergo structural transformation.

The main driver is internet games, which already make up the majority of the market. The online segment generated CZK 9.85 billion in the third quarter, while brick-and-mortar establishments, i.e. the landbased part of the market, brought in CZK 6.75 billion.

The Internet is ahead of the curve

The growth dynamics are different between the two segments. Brick-and-mortar games grew by eight percent year-on-year, by 2.5 percent quarter-on-quarter. However, the online part of the market continues at a brisk pace. It added 16.1 percent year-on-year, although it increased by only 0.7 percent compared to the second quarter.



In the long run, it is a continuation of the transfer of gambling activity to the Internet. In the short term, the pace may fluctuate, but the structural trend is obvious. The online environment is gradually strengthening its share of total revenues.

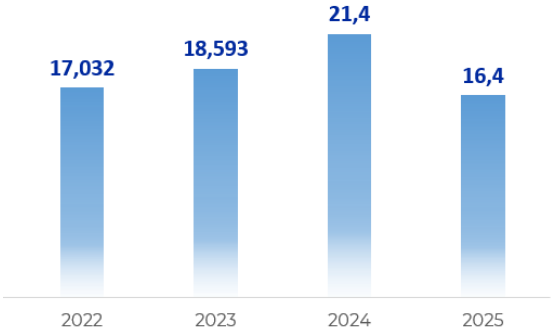
Live casino games and lotteries are growing the fastest

Looking at the individual types of games, regardless of whether they are run online or in brick-and-mortar establishments, all major categories grew year-on-year.

The most significant dynamics were shown by live casino games, whose GGR increased by 35.4 percent. This was followed by lotteries, which grew by 24.7 percent, and odds bets, which improved by 18.6 percent. Slot machines remain the most stable, with gross gaming revenues rising by 5.4 percent.

The state collects more

As the market grows, so does the tax revenue. In the third quarter, the assessed tax on gambling amounted to approximately CZK 5.59 billion. This is an increase of 12.4 percent year-on-year, and 1.5 percent quarter-on-quarter.



Here, too, the faster pace of the online segment is noticeable. The state collected CZK 3.29 billion from online games, which represents a year-on-year growth of 15.9 percent. In the land-based segment, the collection amounted to CZK 2.30 billion, up 7.8 percent year-on-year.

IPRH AT ICE BARCELONA 2026: FACE-TO-FACE NEGOTIATIONS, INTERNATIONAL COOPERATION AND A STRONGER EMPHASIS ON RESPONSIBLE GAMING

In January, the Institute for Gambling Regulation (IPRH) participated in the ICE Barcelona 2026 international trade fair, one of the most important events in the gaming industry. This year's edition confirmed three key things for us.



Personal meetings move the agenda the fastest.

What is sometimes solved by e-mail for weeks can be clarified much more effectively during a fifteen-minute meeting. ICE was primarily about intensive conversations with regulators, experts and market representatives, which helped move specific projects forward.

The fight against illegal gambling is naturally an international topic.

The black market knows no borders – and neither should cooperation. Sharing data, experience and functional tools across countries is a necessity today. Our *Black Book of Illegal Gambling*, which maps the situation in the Czech Republic, aroused great interest. It addressed not only foreign colleagues, but also international journalists – both in terms of content and an open and understandable approach to the topic.

Responsible Gambling belongs to the mainstream.

The Sustainable Gambling Zone was more prominent than ever this year. Clearly, safer gaming is no longer an add-on to the program, but an integral part of it. Meetings with experts who achieve measurable results in this area, as well as positive feedback on our Responsible Gaming project, have confirmed that the emphasis on player protection is now an integral part of modern regulation and business discussion.

We take a clear message from Barcelona: the work of the IPRH in the field of responsible gaming and the fight against illegal gambling resonates beyond the borders of the Czech Republic. And there are more and more partners who are interested in international cooperation. That's the best feedback for us.

TEXT OF THE NEW REPORTING DECREE PUBLISHED (EFFECTIVE FROM 1 JULY 2027)

The long-awaited form of the new reporting decree has been published , including its justification for why the Ministry of Finance is approaching the new regulation. As it is a technical regulation, the proposal must first be notified to the European Commission. This process will take 3 months, until 29.4.2026. Member States are free to comment during the process, but we do not expect the text to change significantly at this stage. Only after the notification is completed can the decree be approved by the Minister of Finance and officially issued.

At the same time, we received from the Ministry of Finance a settlement of the comments made on the original proposal – and we have good news: our joint work has brought concrete results. Many of our comments were granted, which confirms that professionally based feedback makes sense and can have a real impact on the final form of regulation.

We consider the shift of deadlines to be the greatest success, which gives the market more time to prepare

and implement. The decree is to come into force on 1 July 2027 and the actual sending of data packages according to the new format will not even begin until 1 October 2027.

THE NETHERLANDS IS HEADING TOWARDS A COMPLETE BAN ON GAMBLING ADVERTISING. THE COALITION IS ALSO CONSIDERING LIMITING THE NUMBER OF LICENSES

The new Dutch minority government has sent one of the toughest political messages in recent years towards the gambling industry. In its coalition agreement, it announced its intention to introduce a complete ban on advertising for online gambling and to examine the possibility of limiting the number of licenses on the market. In the documentary, she compared gambling to prostitution. According to her, both sectors are legal, but prone to crime and abuse of vulnerable people.



"Online gambling and prostitution are legal in the Netherlands, but they are also prone to crime and human trafficking. We want to protect vulnerable people from speculators," says the 67-page agreement, which the coalition published on January 30. The government promises to strengthen the duty of care of operators, tougher action against illegal websites and introduce a complete ban on advertising for online gambling.

Political Turnaround After Months of Uncertainty

The new government was formed after early elections in October, which followed the fall of the cabinet led by Dick Schoof. The three-member coalition combines the centrist D66, the Christian Democrats and the right-wing VVD. Neither party won a majority and negotiations lasted several months. In addition, it is the first minority coalition in the country in more than a century, which may complicate the promotion of ambitious changes.

The previous government planned to introduce a reform of the gambling law by the end of 2025. However, the process was halted by political disputes, including over asylum policy. The resignation of Secretary of State for Legal Protection, Teun Struycken, who was in charge of gambling, further weakened the reform efforts.

The new coalition is now coming with a tougher tone. The question remains to what extent it will be able to push through its plans in parliament.

Strained relationship between the regulator and politicians

The chairman of the Dutch regulator Kansspelautoriteit (KSA), Michel Groothuizen, has previously warned that the relationship between the regulator and political representation is not simple. In an interview in January, he said that the gambling sector was "not very welcome by most political parties" and that the regulator's proposals were often seen as too pragmatic.

Groothuizen has opposed some policy proposals in the past, including raising the minimum age for gambling and banning advertising altogether. At the same time, however, he emphasizes that politicians are willing to have an open discussion with the regulator.

According to him, the minority government will face difficulties in finding support for the controversial mea-

sures. This may also apply to a complete ban on advertising.

Fears of the strengthening of the black market

The professional organization VNLOK has sharply defined itself against the blanket ban. Its chairman, Björn Fuchs, warned that a total ban on advertising could undermine a basic principle of Dutch regulation, which is built on an open, controlled market with strict rules to protect players.

VNLOK also argues with data from the regulator itself. According to KSA, the revenues of the illegal market in the first half of 2025 exceeded those of the legal market. While legal operators reported a gross gaming revenue (GGR) of €600 million, six months earlier it was €697 million, a decrease of 16 percent. The regulator partly attributes it to the introduction of new protective measures, including deposit limits.

It is the combination of stricter regulation and a possible ban on advertising according to a part of the market that increases the risk that players will switch to illegal operators.

Five years of legal online market

2026 is also the fifth year since the launch of the legal online market in the Netherlands. Licensees must renew their license this year. In the past year, there has been speculation that the regulator will not renew the licenses of companies that have faced sanctions in the past. However, KSA has mitigated these concerns, saying that it will primarily examine how the operators have remedied any shortcomings.

According to lawyers, the authority's goal is to ensure that the license renewal process is as smooth as possible, as long as companies meet regulatory requirements.

The Dutch gambling market is thus entering a crucial period. On the one hand, there is a political effort to further tighten and symbolically define oneself against the sector, on the other hand, economic reality and the growing share of illegal supply. The outcome of this clash may also set an important precedent for other European countries that are looking for a balance between protecting players and maintaining a regulated market.

THE NETHERLANDS IS TOUGHENING UP AGAINST ILLEGAL GAMBLING. THE REGULATOR WANTS TO GET PLAYERS TO LEGAL COMPANIES

The **Dutch gambling regulator Kansspelautoriteit (KSA) plans to significantly step up the fight against illegal gambling in 2026. It will focus primarily on the online environment, payment flows and digital infrastructure. The goal is for nine out of ten players to use legal operators.**

KSA has published its Supervisory Plan for 2026, which defines the regulator's main priorities. The document shows that the state wants to go much further than just punishing individual illegal operators. The focus of the strategy is to be the systematic disruption of their technical and financial background.

A blow to infrastructure, payments and marketing

According to the regulator, the supervision will focus mainly on online illegal gambling, but the measures will also affect the brick-and-mortar sector. KSA plans to cooperate with payment institutions, hosting companies, social networks and foreign regulators.

The aim is to limit the availability of illegal platforms, reduce their visibility and, above all, limit the cash flows that flow to them. The inspection is to concern internet infrastructure, payment channels, advertising, affiliate marketing and content on social networks.

The regulator openly declares its ambition to ensure that at least 90 percent of players play with legal operators. This is an extremely high target in the European context, which indicates further tightening of supervisi-

on.

Illegal slot machines also in the brick-and-mortar sector

In addition to the online market, KSA will also focus on the illegal operation of slot machines in brick-and-mortar establishments. According to the regulator, vending machines still get into unauthorized places, which it considers to be one of the main risks in the land-based segment.

In this area, KSA wants to deepen cooperation with other state institutions and expand the network of partners involved in the audit.



Young players under greater supervision

Another priority is the protection of vulnerable groups, especially adolescents and young adults. The regulator is already analysing the behaviour of this group of players based on data from the monitoring database of legal operators.

The results of the analyses may lead to further regulatory interventions. At the same time, KSA plans to strengthen prevention and information campaigns and launch a new consumer platform, Open About Gambling, focused on the risks of gambling and safer gaming.

Duty of care under scrutiny

KSA also wants to tighten supervision of how licensed operators fulfill the so-called duty of care for players. The regulator will focus on procedures for assessing the financial capabilities of players, early recognition of risky behaviour and subsequent interventions.

Attention will also be paid to the functioning of the Cruks system, i.e. the national registry of self-excluded persons, and other responsible gaming tools.

Celebrity-free advertising

In the area of advertising, KSA plans to continue to interpret the rules strictly. The Netherlands is already one of the countries with the strictest regulation of gambling advertising in Europe.

The regulator wants to focus mainly on violations of the ban on the use of so-called role models – i.e. celebrities, athletes, influencers or streamers. At the same time, it wants to penalize untargeted advertising that may reach minors or young adults.

The KSA announced that it will issue updated methodological guidelines on gambling advertising during the year.

Stricter control of money laundering

The last area is the supervision of compliance with anti-money laundering and countering the financing of terrorism rules. Inspections will focus on risk management, customer identification, suspicious transaction reporting and data archiving.

At the same time, the regulator is preparing for new European and national AML regulations, which will expand the range of entities subject to supervision in 2026 and strengthen control over cash limits and financial sanctions.

The Dutch approach shows a shift from isolated interventions to systematic crackdowns on the illegal market. For licensed operators, this means stricter supervision, but at the same time a clearer signal that the state wants to protect the legal market from unfair competition.

FINLAND IS LEAVING THE MONOPOLY. THE NEW LAW OPENS UP THE MARKET, ITS IMPLEMENTATION WILL BE KEY

Finland has launched the biggest reform of the gambling market in decades. In January 2026, a new gambling law was published, which was approved by the parliament in December last year. The country is definitely on the path from a state monopoly to a predominantly licensed model, in which private operators will also be given space. However, the transition will be gradual and the state will retain a strong position in some areas.



The licensing process for gambling operators will open in March 2026, and the licensing itself will open in July of the same year. The full launch of the licensed market is scheduled for July 1, 2027. Until then, the state-owned company Veikkaus will remain the sole operator, which will retain its monopoly on lotteries, scratch cards and brick-and-mortar gambling halls and casinos in the future.

Private B2C operators will now be able to offer online casinos, sports betting, bingo and online slot machines. Finland is thus getting closer to the hybrid model that works, for example, in Sweden. With an open online market, but strong regulation and selected monopoly areas.

Inspiration from Sweden, but also a warning

The European direction is clear, but a change in the law alone is not enough. The key will be to set up the system so that it actually redirects players from the black market to legal operators. The Finnish government openly declares a goal for at least 90% of players to use licensed platforms.

The fight against illegal online gambling is one of the main reasons for the reform. Without a functioning licensing framework, effective supervision and clear rules, there is a risk of a scenario known from Sweden, where the regulator focuses mainly on licensed companies, while illegal operators are gradually strengthening.

Uncertainty around the regulator

One of the weakest points of the reform is the transition of regulatory powers. The newly established Licensing and Supervisory Office will not take full responsibility until 1 July 2027. Until then, the National Police Council remains the regulator. However, the legislative text does not yet describe in detail the process of transferring competencies, staffing or the practical functioning of the new office.

The Ministry of the Interior suggests a gradual transition. From March 2026, it will be possible to apply to the Police Council for concessions for a fee of 29 thousand euros, while the methodology and practical guidelines are yet to be supplemented. This also increases uncertainty for future market participants.

Strong emphasis on player protection

The protection of players is one of the main declared goals of the reform. The law introduces mandatory registration of players, identity verification, age limits, gaming accounts, deposit limits, reality checks and the possibility of blocking play. Player behaviour will be monitored using automated systems to identify risky gambling, with final decisions always having to be validated by a human, not an algorithm.

The Group for the Assessment of Risks and Damages of Gambling at the Ministry of Social Affairs and Health is

currently collecting public comments on the form of protective measures. It is obvious that this area will be under the scrutiny of not only the regulator, but also the public.

Advertising under control

Another sensitive topic is marketing. The new legislation defines in detail the permitted and prohibited forms of advertising and sponsorship. According to the chairman of the Finnish Gambling Association, Jari Vähänen, a short-term increase in marketing activities around the market launch can be expected, but this will subsequently stabilize at a lower level.

Advertising will not be allowed to target minors or vulnerable groups, and will not be allowed near schools, medical facilities or addiction treatment centers. Mandatory part of the communication will be information about age limits, help for problem players and information about the license.

Market open, risks remain

Finnish experts point out that the real challenge will not be the adoption of the law, but its implementation. The country has no experience with the multi-licensing model and there is a risk of delays in the licensing process, unclear interpretation of the rules and technical problems associated with the connection to the mandatory gambling infrastructure.

In addition, the regulator can proceed very carefully and strictly in the initial phase, including penalties for minor misconduct. Operators must therefore use the transitional period until summer 2027 for detailed preparations.

Finland has gone in the right direction, but the question remains whether it can not only set up the new system, but also enforce it consistently. It will be decided whether the reform will meet its main goal – to limit the black market while maintaining a high level of player protection.

BGC REPORTS DECLINE IN ADVERTISING VOLUME

The Betting and Gambling Council (BGC) has published new data confirming a long-term decline in advertising spending by legal gambling operators in the UK. According to research by Alvarez & Marsal (A&M), gambling advertising accounted for 2.7% of total advertising spend in 2024, down from 3% in the previous year.

Total gambling advertising spending reached £1.15 billion between October 2023 and September 2024. Of this, £341 million went to broadcast advertising and £768 million to digital channels. At the same time, the report shows a steady decline in spending since 2021, with a further decrease of 1.7% year-on-year, mainly due to a reduction in TV advertising by around £30 million.

However, BGC draws attention to the opposite trend in illegal gambling. According to a separate analysis of the industry, illegal operators can spend between £500 million and £700 million a year on advertising. At the same time, these expenses are difficult to measure, as they mainly take place on unregulated online channels, partner networks and platforms with limited oversight.

At the same time, the Council warns that illegal operators are increasingly using influencers, search engines and AI-generated content. Some openly lure players by claiming that they are "not on GAMSTOP", while others even impersonate charities or trusted institutions in order to gain the public's trust.

In that regard, BGC points out that legal operators in the United Kingdom are subject to a strict code of socially responsible advertising. Among other things, it requires that at least 20% of the advertisement broadcast consists of messages about safer gaming, and at the same time prohibits the targeting of paid advertising to people excluded from gambling and high-risk customers.

BRITISH REGULATOR SHARPLY OPPOSES META: "WHOSE SIDE DO YOU STAND ON IN THE FIGHT AGAINST THE BLACK MARKET?"

Tim Miller, executive director of research and policy at the UK Gambling Commission (UKGC) and one of the most prominent faces of UK gambling regulation, has openly criticised tech giant Meta, the owner of Facebook and Instagram, for problematic gambling advertising. According to him, Meta overlooks a lot of advertising promoting "non-GamStop" casinos, i.e. foreign operators that are not connected to the British national register of self-excluded players GamStop.



Such ads are easy to find even by ordinary users thanks to a publicly available marketing database. Miller pointed out that if ordinary users can find them, Meta can find them too – it just decided not to look. The regulator criticized the company's approach to content that is abused by criminals and scammers, putting vulnerable players at risk.

This is not Meta's first clash with criticism from the field of gambling. Earlier, British NGOs have drawn attention to algorithms that label posts with information about safer gambling as riskier than gambling ads themselves, which can reduce the reach of preventive messages.

Miller also hinted that the UKGC would increase oversight of legal game suppliers whose products appear on offshore websites without a UK license. He also recalled the £26 million that was allocated to fight the black market over the next three years.

A significant change could be brought about by the upcoming Crime and Policing Act, which will allow the UKGC to independently block the IP addresses of illegal operators, which would make the regulator not dependent on cooperation with Google. The UK gambling market is thus moving towards more significant interventions and stronger supervision of illegal content on digital platforms.