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THE NEW AML RULES CHANGE THE CONDITIONS OF GAMBLING. THE SECTOR WARNS OF AMBIGUITY AND GROWING ADMINISTRATION

The Czech Republic is preparing the biggest change to the anti-money laundering rules in almost twenty years. The new Act on Economic Protection of the State will replace the current AML Act and will bring extensive changes across the financial and non-financial sectors. Although the Ministry of Finance expects only limited impacts, the comment procedure has shown that some of the proposed obligations may also significantly affect gambling operators.



The fight against money laundering is undergoing a fundamental transformation in the European Union. The European AML package, approved last year, creates a completely new regulatory framework, which includes a single European AMLR regulation, a new AMLD6 directive and the creation of a European AMLA authority. The Czech Republic is currently preparing its own legislation to complement this system at the national level.

The result is a draft law on the economic protection of the state, an act on the Financial Analytical Office and related amendments to other legal regulations. The current AML Act from 2008 is to be repealed and replaced by a new system by July 2027.

At first glance, it may seem that this is primarily a technical implementation of European rules. However, a closer look shows that the changes will also be felt for a number of regulated industries, including gambling.

End of the current supervisory model

One of the most important changes is the new division of competences between individual state bodies. In the gambling sector, AML supervision is now to be carried out exclusively by the Customs Administration of the Czech Republic.

The state is thus building on a long-term effort to concentrate control and supervisory powers in the field of gambling under one authority. From the operators' point of view, this step can bring greater clarity to the system. At the same time, however, it raises questions about the future methodology of inspections and the practical implementation of the new competencies.

It is the method of supervision that will be key to the functioning of the new system. AML regulation is no longer just about identifying customers, but is increasingly interfering with companies' internal processes, risk management and technological systems.

Dispute over the limit of 2,000 euros

The biggest expert debate during the comment procedure was caused by the rules for due diligence of clients.

According to the European AMLR regulation, gambling operators are to exercise enhanced control over transactions exceeding the threshold of 2,000 euros. However, the question remains how exactly this provision will be interpreted in Czech practice.

In its comments, the Institute for the Regulation of Gambling (IPRH) pointed out that it is not clear whether the obligation applies only to occasional transactions or also to customers who already have a business relationship with the operator and have undergone identification during registration.

The difference is not only academic. In the first case, it would be a relatively standard procedure corresponding to the current European practice. In the latter case, ope-

rators would have to repeatedly carry out extensive inspections even on long-term known clients, which would mean a significant increase in administration with no obvious benefit to the efficiency of the system.

More compliance, more responsibility

At the same time, the new regulatory framework strengthens the emphasis on internal control mechanisms.

Companies will have to pay more attention to AML risk management, process documentation and the responsibilities of individual employees. The European model also includes strengthening the role of those responsible for compliance with AML rules.

This is where a broader question arises, which has accompanied European regulation for several years. While the aim is to unify the rules across Member States and increase the effectiveness of the fight against financial crime, the business sector draws attention to the rising regulatory costs.

This is especially true for industries that are already subject to extensive requirements for customer identification and transaction monitoring. The gambling sector is one of the most regulated areas of the digital economy, and many operators therefore point out that new obligations should always be weighed against their real benefits.

European unification continues

At the same time, the upcoming reform confirms the long-term trend of transferring part of the regulatory powers to the European level.

While AML rules have so far been primarily regulated through directives that individual states have implemented separately, a large part of the obligations will now be set out by a directly applicable European regulation. National legislation will thus have significantly less room for its own adjustments.

For entrepreneurs, this can mean greater predictability across the European market. At the same time, however, it will be more difficult to address the specific situations of individual sectors at the national level.

Only practice will show the real impacts

In its explanatory report, the Ministry of Finance states that it does not anticipate any significant impacts in the gambling sector. However, the comment procedure showed that a number of practical issues remain open.

It is their clarification that will decide whether the new legislation will primarily bring a more effective fight against money laundering, or also another layer of regulatory obligations for entrepreneurs.

One thing is certain. AML reform is no longer just a topic for banks and financial institutions. The new European system is gradually changing the rules of the game even in sectors that were considered a marginal part of the fight against financial crime just a few years ago. The gambling sector is one of them.

CHANGES IN THE GAMBLING ACT

As part of the comment procedure on the new AML legislation, the so-called Amendment Act, which regulates related legal regulations, was also published. In addition to the expected legislative and technical changes in the Gambling Act, related in particular to the new AML regulation, the draft also contains several substantive changes that deserve the attention of gambling operators.

The most important innovations proposed include the extension of the ban on coercive practices in encouraging participation in gambling, new information obligations consisting in the publication of the basic permit and game plans on the websites of land-based operators, or the definition of the concept of serious breach of obligations as a reason for revoking a permit.

IPRH analysed the proposal in detail and applied comments based on practical market experience within the deadline. He also said that the draft amendment to the law is a so-called appendix, which is not allowed under constitutional rules. We thank all members who sent us their suggestions, expert comments and comments. In the next phase, we will monitor their settlement and keep you informed about further developments.

IPRH HAS OPENED AN INTERNAL WORKING GROUP ON ILLEGAL GAMBLING



The Institute for the Regulation of Gambling has launched an internal working group of its members, which deals with the topic of illegal gambling. The first negotiations have already taken place with both Czech and foreign members of the IPRH. The group follows the introduction of the National Platform for Combating Illegal Gambling, established in cooperation with the Ministry of Finance and the Customs Administration.

The aim of the working group is to create a professional background for sharing experience from the market and translating it into more specific proposals. It is the operators who are often the first to encounter manifestations of the black market, from illegal advertising to the abuse of established brands to payment mechanisms that make it possible to circumvent regulation. If this knowledge can be systematically collected and evaluated, it could serve as an important basis for negotiations with state institutions, digital platforms and the financial sector.

One of the main topics is the digital space. Illegal operators often use the same advertising tools, social networks, search engines, affiliate sites or influencers as the legal market. The group could therefore help to find more effective ways to curb the promotion of illegal gambling and to involve technology and advertising platforms in detecting them faster.

Financial flows are also an important area. Blocking payments is one of the key tools against illegal online gambling, but in practice there is still room for their more effective use. The working group could thus contribute to the debate on the involvement of banks, payment institutions, card companies and other entities, including the use of AML procedures.

The group also focuses on new phenomena such as prediction markets, misuse of legal operators' brands by fraudulent websites or illegal landbased gambling. It is the sharing of experience across the market that could help to better describe the weaknesses of the current system and prepare more specific proposals towards the state and other partners.

The creation of the Task Force shows that the fight against illegal gambling is increasingly shifting from general declarations to practical issues of enforcement, technology and cooperation across sectors.

REPORTING DECREE: CURRENT STATUS

The notification process of the draft of the new reporting decree was successfully completed at the end of April. According to information from the Ministry of Finance, no comments were made by the European Union member states.

From a formal point of view, there is nothing to prevent its adoption. However, the Ministry of Finance is currently finalizing the modifications to the AISG information system and related technical processes. For this reason, the adoption of the decree is not expected before the autumn of this year. At the same time, the minis-

try did not rule out the possibility of further postponement of the effectiveness.

IPRH HAS DRAWN ATTENTION TO THE RISKS OF BRAND SPOOFING. NOW THE MINISTRY OF FINANCE IS ALSO WARNING

The topic of misuse of brands of legal gambling operators, which the Institute for Gambling Regulation has been drawing attention to in recent weeks, is gaining further attention. The Ministry of Finance has issued a warning against fraudulent websites imitating the environment of licensed operators, thus confirming a trend that IPRH has been warning about for a long time.



IPRH has previously addressed the issue of brand spoofing as part of its communication towards the media and the professional public. The aim was to draw attention to a new trend in the illegal market, where fraudulent entities abuse the trust built by legal operators and create websites that are often difficult to distinguish from the original.

We are glad that the Ministry of Finance is now also drawing attention to the issue. His warning confirms that these are not individual incidents, but a broader phenomenon that poses a risk to both players and the legal market as a whole. At the same time, the ministry states that several brands of legal operators operating on the Czech market have already been abused in this way.

The Ministry's activity is another important step towards raising awareness of illegal market practices. In addition to financial losses, identity theft, misuse of personal information or compromise of other online player accounts can also result in such fraud.

In connection with the topic of brand spoofing, there has been a change in the approach of the Customs Administration, which will not issue its own press release, but will communicate through a press release of the Ministry of Finance, which will be further disseminated.

The press release of the Ministry of Finance can be found here.

THE NETHERLANDS WILL TIGHTEN SUPERVISION OF ADVERTISING AND SPORTS BETTING DURING THE FOOTBALL CHAMPIONSHIP



The Dutch gambling regulator, the Kansspelautoriteit (KSA), has announced that it will strengthen the supervision of advertising activities as well as the offer of sports betting during the upcoming FIFA World Cup. The aim is primarily to protect young and vulnerable players during the period of the expected increase in interest in betting.

In a letter addressed to licensed operators, the Office reminded of the obligation to comply with the rules for marketing and promotion, in particular the prohibition of non-targeted advertising and restrictions related to sponsorship. At the same time, the regulator pointed out that the Dutch market does not allow some types of so-called micro-bets, such as the first yellow card or the first corner kick.

According to the KSA, any violation of the rules will be addressed without delay through enforcement and sanction measures. The authority announced that it would be "extremely vigilant" against the advertising activities of operators during the tournament.

At the same time, KSA Chairman Michel Groothuizen called on operators to be cautious and strictly comply with regulatory requirements, with an emphasis on the protection of underage and at-risk groups of players.

UK GAMBLING COMMISSION TOUGHENS UP AGAINST ILLEGAL LOTTERIES

The British gambling regulator, the Gambling Commission, is preparing more significant interventions against illegal lotteries. This is due to the continued growth of the licensed social lottery market, which has surpassed the £1 billion gross gambling revenue (GGR) mark for the second year in a row. The regulator points out that with the development of digital sales channels, not only the reach of legal products is growing, but also the space for illegal activities.

Social lotteries continue to grow

Social lotteries in the UK recorded another record result in the 2024/25 fiscal year. According to figures presented by the Commission's Policy Director, Ian Angus, during the lotteries' annual conference, their gross gambling revenue exceeded the £1 billion mark.

Market volume increased by 4.7% year-on-year, while funds directed to public benefit purposes increased by 4.8% to £484.6 million. At the same time, more than £316 million in winnings were paid out to players.

The results confirm that social lotteries are among the most prominent participatory gambling products in the UK. According to data from the British market research, in the second half of last year, approximately 17% of the adult population, or about nine million people, played the social lottery. Only the National Lottery, which is used by about a third of the adult population, has a higher participation.

The market is moving online

Digital and telephone channels remain the largest source of income. Distance sales generated almost £793 million, while traditional distribution channels brought in just under £315 million.

According to the regulator, it is this move to the online environment that increases the pressure on supervision.

Digital platforms, social networks and search engines allow the rapid dissemination of products that may at first glance resemble legal charity lotteries, but in fact represent an illegal offer.

Illegal operators often use communication related to the support of charitable activities or present competitions as charitable initiatives without meeting regulatory conditions. According to the Commission, this poses a risk not only to consumers, but also to the credibility of the entire system of financing public benefit projects.



The regulator invests in the fight against the black market

The UK Commission is therefore significantly strengthening its enforcement capacity. Over the next three years, it will use £26 million of Treasury funding to expand analytical tools, automate inspections and map the illicit market.

The project will also include the creation of the UK's first-ever national risk assessment of the illicit gambling market, which will be developed in collaboration with the government's Illicit Gambling Task Force.

The results of the interventions so far show that the regulator is already moving from a reactive approach to systematically disrupting illegal offers even before they reach consumers.

Deleted profiles on social networks are increasing rapidly

The Commission states that the number of illegal lotteries removed on social networks is growing significantly. While 190 profiles or offers were removed from platforms in 2024, their number increased to 356 in 2025. Another 79 cases were recorded during 2026.

In addition, during the last financial year, the regulator issued 741 cease and desist notices, blocked or removed 1,134 websites, and ensured the withdrawal of more than 266,000 illegal URLs from Internet search engines.

Especially in the case of social lotteries, market protection is particularly sensitive. These products are based on the public's trust that part of the funds is actually directed to support charitable and community projects. The presence of illegal operators can significantly undermine this trust.

Even low-risk products remain under surveillance

At the same time, Ian Angus pointed out that even products considered less risky cannot be underestimated in terms of player protection.

The latest British study showed that 2.7% of the adult population achieves values corresponding to an increased risk of problem gambling. The regulator points out that people at risk of damage often use several types of gambling products at the same time.

This is why the Commission launched a new Licensed Operator Support Service this year to act as a one-stop-shop for regulatory queries, technical consultations and compliance issues.

At the same time, a new voluntary government code for prize competitions came into force on 20 May. Although these do not fall under the direct regulation of the Commission, the authority declared that it will continue to monitor the boundary between legal promotion competitions and illegal lottery mechanisms.

The British approach thus shows a broader trend of European regulation: increasing attention is shifting from licensed operators themselves towards the digital space, social networks and illegal forms of gambling, which

can undermine the functioning of the regulated market and consumer confidence.

AUSTRIA IS ENDING ITS MONOPOLY ON ONLINE CASINOS. OPENS UP THE MARKET TO COMPETITION, BUT WITH STRICT RULES



Austria is preparing for the biggest change in online gambling regulation in a decade. According to the draft new legislation, the Ministry of Finance plans to end the current monopoly model and open the market to more licensed operators.

The change comes at a time when the Austrian authorities openly admit that the current system cannot fulfill its main goal – to take players to a regulated environment. Estimates show that up to seven out of ten Austrian players use illegal foreign websites.

Monopoly ends after twenty years

Today, the Austrian online market is built on a single licensee. This is available to Austrian Lotteries through the Win2day brand, which is part of the Casinos Austria group.

The current license expires in 2027 and the government has decided not to grant another monopoly license, according to the leaked proposal. Instead, it wants to create a licensing system open to multiple operators.

New licenses should be issued for five years with the possibility of subsequent renewal. Although the proposal talks about an unlimited number of licenses, experts do not expect tens or hundreds of new entities. A scenario similar to Germany or Denmark, where a limited number of strong and capital-equipped companies operate on the market, is more likely.

The main reason is the illegal market

Austria has long faced the same problem as many other European countries. Strict regulation and monopoly model have led to a significant portion of demand shifting to foreign gambling websites without an Austrian license.

According to estimates, approximately 70 percent of players use illegal operators. This means not only lower consumer protection, but also a loss of tax revenues for the state.

According to experts, the combination of growing budget needs and a high share of players in the illegal market is the main reason why Vienna decided to abandon the current model.

From a regulatory policy perspective, this is a significant shift. Instead of trying to protect the market through limited supply, Austria is leaning towards a model that seeks to attract players to a regulated environment through a legal and competitive offer.

Second chance for foreign operators

An interesting feature of the proposal is the possibility of entry for companies that have operated on the Austrian market in the past without a local license.

Foreign operators will have to pay any tax arrears and settle ongoing court proceedings in which Austrian players are demanding the return of their historical losses. Austrian courts have been overwhelmed with similar lawsuits in recent years.

For some companies, it can be in the millions. The proposal thus effectively creates the possibility of "cleaning up the past" in exchange for access to a regulated market.

Analysts point out that this requirement can significantly reduce the number of applicants. Strong international groups with sufficient capital and a robust system of compliance with regulatory requirements will have the best chance of obtaining a license.

Open market, but stricter rules

However, market liberalisation does not mean relaxing regulation. On the contrary.

The proposal envisages one of the strictest player protection regimes in Europe. Players under the age of 26 should be subject to a weekly deposit limit of €250. For older players, a limit of 1,680 euros per week is envisaged.

The proposal also includes a maximum bet of two euros per spin or game, mandatory breaks after prolonged play, restrictions on maximum winnings, and even a ban on jackpot games.

If these rules are approved in their proposed form, Austria will become one of the most strictly regulated European markets in terms of product offer and limits for players.

It is here that it will become clear whether the Austrian government will be able to find a balance between the protection of players and the attractiveness of the legal offer. Excessively strict rules may leave some customers on the illegal market, which would weaken one of the main goals of the entire reform.

Admission of the failure of the monopoly

The upcoming reform represents an indirect admission that the current monopoly model has not met expectations. If seven out of ten players take advantage of an illegal offer, then most online gambling in the country takes place outside of state supervision, outside the player protection system, and outside the tax system.

Austria thus joins a growing number of European countries that have come to the conclusion that effective regulation does not consist in restricting legal supply, but in creating a sufficiently attractive regulated market that can compete with illegal operators.

Inspiration for other European countries?

The reform will also include more effective tools against the illicit market, including the blocking of payments and websites. The Austrian authorities assume that the moment the majority of players use licensed services, it will be possible to intervene much more effectively against the remaining illegal entities.

This approach corresponds to a trend that can be seen, for example, in Denmark or the Netherlands. Regulators are increasingly focusing on a combination of attractive legal offerings and rigorous enforcement of rules against illegal operators.

The first public consultations on the proposal should take place this summer. This will be followed by a notification process with the European Commission and the preparation of a new regulatory framework. If everything goes according to current plans, the new licensing system could start operating around 2029.

ITALY IS BLURRING THE LINE BETWEEN INFORMATION AND ADVERTISING FOR GAMBLING. THE REGULATOR WANTS TO SET CLEARER RULES



Italian media regulator AGCOM is preparing a public consultation to clarify one of the most discussed issues in the local gambling market. Where the mere informing of customers ends and where prohibited advertising begins. The result can have a major impact on the way licensed operators interact with their clients.

Italy is one of the European countries with the strictest regulation of gambling advertising. Since 2019, when the so-called Dignity Decree came into force, there has been an almost complete ban on the promotion of gambling. The measure applies to television and radio advertising, online marketing, sports sponsorship, social networks, affiliate cooperation and other forms of commercial communication.

However, it is the strictness of the current rules that causes a number of ambiguities in practice. Operators point out that they need to provide customers with information about their services, products or changes in conditions. However, it is not always clear whether a particular message is still informative or already constitutes inadmissible promotion.

Bonuses, influencers and loyalty programs

AGCOM has therefore decided to launch a consultation on responsible communication in the field of gambling. The impetus was the previous call for comments, to which more than twenty market entities responded.

The most frequently discussed topics include the communication of bonus offers, discounted courses, loyalty programs, cooperation with influencers or the use of affiliate partners. It is precisely these instruments that have long been doubted as to whether they are compatible with the current advertising ban.

The regulator is now looking for a clearer definition of what can be considered information intended for existing customers and what constitutes a marketing message aimed at encouraging participation in gambling.

Finding a balance between player protection and the functioning of the legal market

The upcoming consultation does not in itself mean a change in the law or the relaxation of current restrictions. However, it can provide a more detailed interpretation of the rules and increase legal certainty for operators.

The debate comes at a time when Italy is simultaneously reforming its online gambling market and introducing a new licensing system. At the same time, regulators and politicians are debating the impact of advertising bans on the financing of sport, which has been significantly linked to sponsorship by betting companies in the past.

From the point of view of regulation, this is an interesting development for other European countries as well. Experience shows that while a total ban on advertising may limit the marketing activities of operators, it also creates space for interpretative disputes over how legal companies can communicate with their customers.

Finding a balance between consumer protection and the ability of legal operators to inform about their services will be the main topic of the upcoming consultation. Its results could also serve as inspiration for other European regulators who are trying to set rules appropriate to the digital environment and current marketing practices.