

## **WLA Discussion Paper**

# **Online gaming for lotteries**

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**World Lottery Association**

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## Foreword

The WLA aims to provide its membership with information and data on contemporary issues that is both useful and relevant to the global lottery industry. In so doing we look to complement and augment services that are already provided by the regional associations with services that are pertinent to the international lottery community as a whole.

The WLA Executive Committee has therefore directed the WLA, in alignment with its forward-looking strategy, to engage with professionals from within and outside the lottery and sports betting industries on the production of three discussion papers. The topics of these papers are “Online gaming for lotteries”, “Social gaming and lotteries”, and “Sports integrity and lotteries”.

These discussion papers will be further refined and finalized as WLA position papers. Our ultimate goal is to establish new industry standards and best practices on each of the topics covered.

This particular paper, “Online gaming for lotteries”, outlines the issues and topics that lottery organizations need to consider when offering their products on the Internet. It provides online-gaming best-practice recommendations for issues that include the security and risk management of your Internet operation, responsible gaming strategies, and valuable insight into the online gaming business model. The paper should prove useful on the one hand as a guide to lottery organizations looking to go online for the first time, and as a benchmark for lottery organizations that have an established Internet strategy on the other.

As WLA members you are on the frontline of day-to-day business, in which theory becomes practice. We respect you as the “true” experts in our industry, and would like to encourage your active participation on the further evolution of these discussion papers. Should you wish to share your thoughts with us on the development of this document, we would like to hear from you. Please send your comments by e-mail to WLA Communications Coordinator Paul Peinado at [pp@world-lotteries.org](mailto:pp@world-lotteries.org).

We look forward to hearing from you.

*Jean-Luc Moner-Banet*  
WLA President

*Jean Jorgensen*  
WLA Executive Director

## Executive Summary

Lotteries around the world are charting their strategic course into the future of their organizations in the face of ever evolving technology and the resulting changes in the behaviour of their customers, the players. Many people use the Internet or mobile networks in some aspect or another of their daily lives and the global increase in their use in business and commerce is self-evident. This change is inevitable and any organization that is not steadfast on the path to adopting business models that extend into the online and mobile space may well impact their future business success.

Lottery operators have realized long ago that adapting their business and services to the changes in the demographic landscape of their players is crucial in maintaining sustainable revenues for their stakeholders. This realization is evident in the ongoing discussions at lottery industry events globally, where online gaming and the future of lotteries are consistently top agenda items.

Many lottery jurisdictions around the globe were able to take the plunge into online gaming. The leading nations in online gaming based on the percentage of interactive gaming revenue are:

Rank	Nation	% Interactive
1	Finland	35.9%
2	Ireland	34.0%
3	Denmark	33.4%

Source: H2 Gambling Capital

*Appendix E* provides a more complete overview of the major nations engaged in online gaming.

Yet, for the majority of lotteries worldwide, the evolution from the traditional bricks and mortar business model in the retail channel to internet and mobile based offerings (bricks to clicks) is progressing slowly, for a variety of reasons, the most prevalent of which are likely legal obstacles and pressures on stakeholders stemming from concerns in the retail lobby about a potential channel conflict.

In continued efforts to overcome these obstacles, many lotteries are forging their way into the future by embracing new technology and delivery models and by learning and preparing for the opportunity to adopt new online gaming business models, as their jurisdictions are slowly moving to provide the necessary legal and regulatory basis for online gaming.

This discussion paper outlines relevant issues, topics and risk areas that are intended to serve as basis for the discussion on what the emerging global best practices are in the

development and implementation of online gaming offerings and to provide lottery stakeholders with the necessary direction and support to achieve their objectives in the online gaming business model.

The topics for consideration and aspects of Online Gaming for Lotteries as discussed in five detail areas in this paper are highlighted here:

**1** *The Legal and Regulatory Basis for Online Gaming* contains the key foundational pieces for a lottery's online strategy. Lotteries encounter various challenges in securing proper authorization in the Lottery's Jurisdiction, mostly stemming from ambiguity or gaps in existing laws that cause a lack of clarity in the legal basis for online gaming in many jurisdictions. Lotteries are hence required to be involved with their government stakeholders to influence and drive the development of an online gaming regulatory framework that works in their jurisdiction.

Aspects of proper Governance and Internal Controls are also among these key considerations, as is the requirement of Geo-Location in some jurisdictions to ensure gaming transactions meet a respective jurisdiction's legal requirements.

**2** *Various Business Model Aspects for Online Gaming* have to be given consideration by lotteries in evolving their interactive and mobile strategies. One of the key areas for concern in pursuing online strategies as an extension of the existing bricks and mortar lottery operation is the impact of online gaming on the retail channel, or, cannibalization. This fear has only been overcome by those lotteries that have implemented online gaming strategies. Sales data that is becoming increasingly available as more jurisdictions go online, supports the fact that cannibalization is not as big a risk as broadly feared, but that online gaming in a multi-channel strategy can actually be a stimulant to retail sales.

An outline of Operating Model Considerations completes this section for discussion on the various models to operate under in engaging with expert partners and vendors for the provision of the technology and various gaming services and the roles and responsibilities of the stakeholders involved.

**3** A crucial key area for consideration for lotteries is *Responsible Gaming* and the commitment to promoting socially responsible gaming and betting. Various concepts and recommendations based on proven and scientific best practices are outlined for discussion. They reach from the principles of "Know your Customer" and Age of Majority considerations to detail recommendations on a Responsible Gaming Strategy addressing the relationship between Internet gambling and problem gambling and the tools and good social responsibility practices that can be implemented to minimize the risks and harm from Internet gambling.

**4** The *Player Account Management (PAM)* is the central piece linking the player to the online gaming platform and the gaming software. The discussion includes various considerations and concepts in implementing an effective Player Account Management solution and the challenges to meet the regulatory requirements of a jurisdiction.

The recommendations and concepts focus on the key areas within the Player Account Management system; the Player Account Registration processes and controls, the Payment System and Policies and critical checks and balances, the Customer Support Services aspects of the online gaming operation, as well as Player Experience Considerations in online gaming as a very competitive business with respect to customer acquisition.

**5** A broad and critical area for consideration is *Security and Integrity* in the online gaming operation. The discussion outlines how product integrity, player or consumer protection, privacy and security as well as zero tolerance for fraudulent activity are critical pieces of the lottery operation in general and they have particular significance in online gaming operations.

The paper outlines the aspects of Information Security and Privacy, it discusses existing Security Standards and Certification programs and their benefits and provides recommendations and concepts in support of Product Integrity and Quality where product and system testing and certification are key themes.

Consideration has to be given to Fraud Risks and Money Laundering risks where anti-money laundering and combating financing of terrorism policies play a critical role. This along with Fairness and Collusion concepts and recommendations to implement and enforce appropriate measures to ensure absolute fairness and integrity in the online gaming operation offering poker games as well as sports betting.

The considerations, recommendations and strategies in this paper have been compiled based on research of industry information on online gaming and the review of standard frameworks and best practices in the industry with the objective of consolidating industry experience and best practices into a basis for discussion on a practical guide.

## Abstract and Objective

This discussion paper is an outline of the issues and topics lotteries must consider in order to offer lottery products and gaming on the Internet. It discusses an array of topics and what is considered to be best practice by accounts of industry research and lotteries engaged in online gaming. It covers the most prevalent and common areas of risk and potential for issues in the implementation of a lottery online gaming platform.

The World Lottery Association (WLA) is undertaking the development of four different discussion papers which, at a later stage, may turn into a position paper and eventually into an industry standard.

## Definitions

### Online Gaming

While there are likely a variety of definitions in the industry, for the purpose of this paper Online Gaming (or e-Gaming, i-Gaming, remote gambling) is a gambling activity where:

- Players connect remotely to a gambling site through the Internet or mobile and cable networks.
- All gambling activities are conducted online.

### Collusion

Secret or illegal cooperation or conspiracy, especially in order to cheat or deceive others.

### Gaming Platform

The Interactive Gaming System hardware and software which drives the features common to all games offered and which forms the primary interface to the gaming system for both the player and the operator (GLI-19).

Core Functionality:

- Gambling activities are operated by authorized providers in compliance with an established regulatory framework
- Data Logging
- Transaction Processing
- Game Management
- Inter-Platform Communications
- Peripheral Web Pages
- Player and Operator Interface

### Geolocation

Geolocation is the identification of the real-world geographic location of an object, such as radar, mobile phone or an Internet-connected computer terminal.

### Identity Verification

The automatic verification of an individual's identity by the verification of input data against third party information sources.

### Internal Controls

Internal controls are the policies and procedures of the gambling operator which are external to the technical gaming system but which still impact the integrity and conduct of gaming operations.

### Money Laundering

Process(es) by which criminals conceal or attempt to conceal the origin of the proceeds of their or others criminal activities.

### Payment Processing

A system of computer processes which process, verify, and accept or decline financial transactions on behalf of the merchant through secure Internet connections.

### PAM

Player Account Management System, processes for registration, account management, payment system and many of the controls for responsible gaming, age and residence verification and customer service.

### Random Number Generator (RNG)

A random number generator (RNG) is a computational or physical device designed to generate a sequence of numbers or symbols that lack any pattern, i.e. appear random.

### UX

User Experience: All aspects of a person's interaction with an IT system. It includes the user interface, the graphics, the design and the physical interaction.

# 1 Topics for Consideration – Aspects of Online Gaming for Lotteries

## 1.1 The Legal and Regulatory Basis for Online Gaming

The primary foundational pieces to enable Online Gaming are: proper authorization for online gaming in the respective jurisdiction; methods and technology for the secure transfer of funds (Payment Card Industry); publicly accessible Internet; and the gaming software itself. Taking a look at these basics across gaming jurisdictions, it can be observed that secure funds transfer methods, broad access to publicly available Internet for players and sophisticated gaming software offerings and operators are readily available to lotteries considering entering the online gaming market. However, ambiguity or gaps in laws that cause a lack of clarity in the legal basis for online gaming in many jurisdictions often remain an obstacle.

One of the most prevalent reasons by all accounts for the seemingly slow evolution and development of lottery online gaming programs are these obstacles in the legal and regulatory frameworks which give lotteries the required authorization to operate in their respective jurisdictions.

Decade old laws on gambling in the individual jurisdictions are often ambiguous in their interpretation of the legal provision for non-land based gaming on internet platforms for the simple reason that the progress in technology and the future of gaming were neither foreseeable nor within scope at the time of law writing. And changes to laws and regulations providing a clear basis for online gaming are generally subject to various stakeholder forces, risk adversity and bureaucratic policy change processes.

### 1.1.1 Authorization in the Lottery's Jurisdiction

The regulatory framework and legal structure for the operation of a lottery's Internet or online gaming solution is based on the lottery's conducting, managing and operating Internet or online gaming in accordance with the requirements of the laws within their respective jurisdiction, with the lottery incorporating best practices from around the world to ensure that the lottery's online gaming solution has a strong focus on responsible gaming, player protection, security of transactions and data privacy.

The legal requirements vary from jurisdiction to jurisdiction and while laws and regulations in some provide a clear and ready basis for online gaming activity, others are more re-

strictive, ambiguous or don't provide a legal basis for online gaming at all.

Observing the regulatory development in the various gaming jurisdiction areas, like Europe, the Americas, Asia, the stances of governments on online gaming vary greatly, from proposed legalization to down-right prohibition of any online gaming activity. One factor in this polarization of course could be the influence of interest lobbies of land-based gambling organizations viewing online gaming as competition.

One of the considerations for jurisdictional authorities in building the legal frameworks upon which online gaming models can be built should be the existing and growing unauthorized and gray markets, where unregulated gaming is wide spread in many jurisdictions.

With rapid progress in technology development and the continued emergence of unregulated operators, it should be a priority to establish the legal basis for lotteries to provide the public with a safe and regulated gaming environment as alternative to unregulated and unauthorized sites.

It should be noted that this document cannot provide guidance in a lottery's endeavour to obtain legal authority to operate online gaming schemes above and beyond the recommendation that the lotteries should work with their stakeholders to ensure that they have the proper legal foundation and authorization within their respective jurisdiction to offer online gaming.

### 1.1.2 Online Gaming Regulatory Framework

Common challenges with Online Gaming regulatory frameworks in gaming jurisdictions are legal compromises that result in a regulatory patchwork without providing a clear legal foundation. Often the extent of the regulatory role in a jurisdiction is not clearly defined and in some jurisdictions operators are left to self-regulate.

The below table illustrates the levels of a regulatory framework from a high-level view point. Forming an additional layer to the regulatory requirements are the best practices frameworks and standards developed within the industry to guide operators on best practices from global online gaming jurisdictions with recommendations in technical standards and internal controls.



## Outline of the Online Gaming Regulatory Framework and relevant Industry Standards

<i>Body / Entity</i>	<i>Document Type</i>	<i>Purpose</i>	<i>Examples</i>
<b>Regulatory Framework</b>			
Legislature within the Gaming Jurisdiction	Gaming Law	Enables gaming activity Defines public policy Established the regulatory body	Gambling Control Act
Regulatory Body of the Gaming Jurisdiction	Gaming Regulations	Establishes the public policy framework	Lottery/ Online Gaming Regulations
	Technical Gaming Standards	Defines the requirements and specifications for a technical gaming solution, which if followed, ensure compliance with the regulations	Terminal, Gaming Device and Gaming Software Technical Specifications e.g. Alderney Standards and customized derivatives e.g. TGS5
	Minimum Internal Control Standards	Defines requirements for operational procedures which, if followed, ensure compliance with the regulations	Minimum Control Standards Internal Control Frameworks
<b>Industry Best Practice and Standards (Examples)</b>			
Industry members, Gaming Associations	Best Practices and Industry Standards	Develops and promotes industry best practices and provides certification schemes	WLA Security Control Standard WLA/EL Responsible Gaming Framework ISO/IEC27001 GLI-19 GSA Proposed Universal Online Gaming Standards PCI DSS MUSL Rules ILC Control Standard ...

The above table only includes examples for best practice frameworks and industry standards. More examples of existing documentation on standards, guidelines, measures and codes, many with particular focus on responsible gambling can be found in *Appendix D* of this paper – Examples (non-exhaustive) of Existing Regulations, Standards, Measures and Codes. It should be noted that the strength of any stand-

ard depends on how and by whom compliance with it is measured as well as its proper implementation and application.

### *1.1.3 Governance and Internal Controls*

As with other lottery products, lotteries have to operate online gaming and betting products within an internal con-

trol environment that is in line with the regulatory requirements in their respective jurisdiction, also with industry best practice and which supports the objectives of a secure, safe and reliable gaming environment.

Organizations operating in a regulated environment typically have a role or function with the responsibility to manage a framework and programs that ensure regulatory compliance. In addition, the internal audit departments of lotteries, as independent assurance function, typically support governance and internal controls as well as the objectives of the compliance function by inclusion of these areas in their audit plans. Internal Audit is then in a position to provide assurance to management and stakeholders that risks are appropriately managed and report on risks and significant issues to all levels of management.

This governance approach and internal control environment promotes necessary change supporting the organization in meeting its objectives and compliance requirements.

#### *1.1.4 Geo-Location Requirement*

The laws and regulations of many gaming jurisdictions require gaming operators to ensure that their customers are not only residents of, but also physically located within their respective jurisdictions while conducting online gaming to ensure that the gaming transaction is legal. (This requirement seems to be more prevalent in North American jurisdictions than in others). This premise has been of little concern in all land-based gaming models, such as casinos or the lottery bricks and mortar retail channel, as players would be physically present at the gaming venue or the retail store to conduct gaming transactions.

Online gaming changes this as players connect to the gaming systems remotely through the Internet and mobile networks which potentially moves the lottery online gaming product sales transaction outside of the respective jurisdiction. In this aspect the issue is not unlike problems lotteries have had in the past with offshore sales with the difference that this issue is of digital nature.

Geolocation could also be relevant in jurisdictions that don't have the same requirements for physical presence or residency but want to ensure that their players abide by the laws of the foreign jurisdiction they find themselves in while engaging in Online Gaming.

The solution to ensuring that player transactions do not originate from outside the lottery's jurisdiction and that the gaming transaction conducted is legal is known as Geolocation.

Geolocation is a technology that validates that connections to the gaming engine originate from within the respective gaming jurisdiction.

The prevalent Geolocation methods are IP address origin identification of a desktop browser or ancillary methods, such as trilateration of cell phone and GPS signals.

There are limitations with the IP address origin identification as Geolocation methods. Examples are inaccuracies due to reliance on ISP data and the use of proxy servers can disguise the origin of a connection:

Other limitations stem from the use of GPS systems whose performance can be hindered by obstructions or inclement weather.

Despite continuous improvements in Geolocation technology, these challenges and limitations result in the residual risk of false identifications.

There are a number of specialized vendors in the industry offering state of the art Geolocation technology that a lottery can engage with to find the optimal solution for their online gaming Geolocation requirements.

## **1.2 Business Model Aspects for Online Gaming**

Entering the online gaming space is a major strategic consideration for lotteries that depends on many factors. At present, lottery online gaming presents only a small portion of overall lottery sales and thus an online gaming program would be only a part of a lottery's overall strategy. With this in mind, some lotteries are executing their strategy with the introduction of multiple concurrent gaming platforms that integrate with their bricks and mortar lottery play. This includes various incentive models where lotteries work with major internet traffic generating organisations as extended interactive retail functions.

Lotteries that are involved in online gaming have done well with exploring the market and offerings by gaming technology and content vendors by the issuance of RFIs. Proper research and market analysis will identify the best of breed technology and content vendors for the lottery's individual gaming needs.

Furthermore, contrary to gambling operators, lotteries aim to transfer the lottery retail model to the online space, where game design and account management embrace concepts of responsible gaming like monitoring excessive play and small stakes versus pushing aggressive high stakes gambling.



There are a variety of different types of games in the online gaming market, each with its specific business models and technology. They include:

#### *Online Lottery*

Online versions of a lottery's traditional lottery games that can also be found in the retail channel. The traditional lottery games are often the first offerings lotteries launch online gaming with.

#### *Online Bingo*

A web-based version of the traditional Bingo game.

#### *Casino Games*

Games of chance, such as roulette and other table games or slot machines, which operate very similar to those in a land-based casino.

#### *Online Poker*

Simulate the traditional table-based poker games.

#### *Skill Games*

Simulate traditional skill based games but which have to have an element of chance.

#### *Sports Betting*

Web-based traditional betting on sporting events such as games, horse/dog races, etc.

### *1.2.1 Evolving Interactive and Mobile Strategies*

Expanding the lottery business model to include new channels like Online Gaming is not the only and final objective for lotteries today. In order to reach younger players, lotteries and their products must also be present on mobile devices and their strategy should include this platform extension. This extension would also open opportunities for games specific to that platform by the use of apps on mobile devices such as smartphones and tablets.

Lotteries are learning that mobile device activity is increasing and gaining relevance, which requires lotteries to bring focus to their brand recognition and product availability across multiple platforms.

Lotteries have to embrace all technological advancements and bring their products to where the players are, land-based in the traditional channels, on the Internet and on their mobile devices, where technology and applications are evolving at an astounding rate. The ultimate goal is a multi-channel world that reaches all broad and changing demographics and it cannot be a question of traditional bricks and mortar lottery versus the Internet and mobile.

### *1.2.2 Online Gaming Impact on the Retail Channel – Cannibalization*

With the known significant changes in consumer behaviour and their adoption of online and mobile solutions for everyday aspects of life and the resulting need for lotteries to extend the traditional channels to include online gaming, one of the big questions is how online gaming will impact the lottery's bricks and mortar retail channel sales.

The fear of cannibalization of retail lottery sales by online gaming has been factually overcome only by those lotteries who engage in online gaming and by experiencing the real world effects. They have faced the same issues that currently hold back other jurisdictions but they were able to overcome these obstacles armed with accurate information and by moving beyond the perceptions into the reality of online gaming.

The experience of lotteries around the globe who have engaged in online gaming provides evidence that lottery retail sales, by the addition of online lottery sales, are not impacted as is broadly feared and assumed. The facts are that new players, for example, are attracted by the added convenience of becoming familiar with games online and thus become more comfortable buying games at retail, which impacts retail sales positively through its online extension.

Some lotteries report increased retail sales alongside the introduction of online sales in a multi-channel strategy, with online sales coming from new players without cannibalization of retail sales. This changes the perception of online gaming and what role it plays in the lottery business model.

In order to address concerns about impact on lottery sales on part of their retailer partners, lotteries are deploying programs and methods with the objective to incentivise their retailers to embrace and accept the online sales channel extension.

There are various ways of how Lotteries provide incentive to retailers, some of them involve the payment of commissions to retailers that align with lottery online sales.

One example of a concept applied is programs where the lottery asks players during the online transaction to identify their favourite retail location and linking that retailer to the online purchase for a commission. Other concepts involve direct commission sharing formulas from online sales for retailers.

Comparing pre and post retail sales data indicates that there is no or little cannibalization from online gaming. The following industry data sampling is indicative of continued growth in retail sales post online launch (*table 1*).

*Table 1*

<i>Jurisdiction</i>	<i>Online Launch Date</i>	<i>Pre-Launch Retail Sales (m)</i>	<i>Post-Launch Retail Sales (m)</i>
Atlantic Lottery	2004	\$587.75 (2003)	\$675.25 (2013)
Austrian Lotteries	1998 (lottery) ; 2008 (poker)	€2,067 (2008)	€2,955 (2012)
Camelot (UK National Lottery)	2005	£4,575 (2003/04)	£6,977 (2012/13)
La Française de Jeux (France)	2001	€6,535 (2000)	€11,750 (2012)
Veikkaus Oy (Finland)	1996	€ 932 (2004)	€1,309 (2010)

Source: GBGC Global Betting and Gaming Consultants (GBGC) 2013 and AL Sales data

One can view the addition of an online purchase option as an extension of the existing product line offerings and a new distribution method, capable of reaching new players and thus resulting in incremental sales. It is not a new form of gaming or the replacement of existing retail sales, rather a strategy for a lottery to stay relevant for changing demographic groups without impacting the existing business negatively.

### *1.2.3 Technology Considerations*

The strategic approach in the selection of online gaming technology depends largely on the vendor a lottery chooses for the implementation of an online gaming platform.

Vendor dependency and management agreements are common models as the majority of lotteries are primarily product marketing organizations rather than technology companies. And if they are not, a strategic decision on where the competence focus lies should ideally be made.

Lotteries can treat online gaming implementation like building a land-based casino, with individual contractors and trades to do the job. Hence, ideally Lotteries are the experts in their business of operating a lottery and have business processes, content and market know-how to bring to the table and should let the professionals do the technology job. Gaming technology vendors bring the know-how and the architectural vision to the project to integrate an online gaming platform into the lottery's backend.

The lottery's objective with respect to the technology platform and gaming architecture is to bring focus to their purchasing strategy that seeks the best of breed in gaming technology in the field. The vendor market is large and the de-

velopment in offerings and technology progress is fast-paced.

With this in mind lotteries should be well positioned to develop an online gaming strategy and procurement approach that allows them to bring the latest gaming technology and know-how into their product fold, fully integrated with their existing infrastructure or outsourced and managed by partnering with the best of breed providers in the market.

### *1.2.4 Operating Model Considerations*

The traditional operating model for lotteries where lottery business know-how, game design and development, operational processes and the technology and processes for product distribution are all under one roof and operated by the lottery alone have long ago started to change.

Expert lottery industry vendors are specialized in business process outsourcing and are providing a broad scope of gaming services to lotteries today, from marketing and game development, to gaming system management and operation and providing technology infrastructure. These changes have resulted in the evolution of operating models that are based on relationships between lotteries and their outsourcing partners in various operational areas, to the extent that government owned lotteries engage in private management agreements for the core aspects of their lottery operations.

Online Gaming operating models are much the same. Not likely would a lottery choose an operating model where all aspects of operating an online gaming system reside within the lottery alone, but rather a model where defined roles and responsibilities are shared across the lottery and its strategic partners and vendors who have the expertise in online gaming.

Lotteries are exploring various operating models, which include vendor partnerships, multi-jurisdictional sharing with one key vendor or other models. There is little information on what specific model the most advantageous is for lotteries at present.

One online gaming operating model for a lottery would be to engage with expert partners/vendors for the provision of the technology and gaming services, others for monitoring operations or other aspects of online gaming operations.

A key objective in any model is to have clear definition on the roles and responsibilities within the relationships from the operational perspective.

An example of an operating model outlining the roles and responsibilities within the operation of an online gaming platform in cooperation between the lottery and an online gaming vendor/provider is attached in *Appendix C*.

### 1.3 Responsible Gaming Aspects

A top of mind concern in all gaming activity is that lotteries engaged in online gaming have to be committed to promoting socially responsible gaming and betting. Comprehensive programs and controls are available and have to be in place that support working with players and employees in mitigating problem gambling risks and in support of providing a responsible gaming and betting environment.

#### 1.3.1 Know your Customer – Age of Majority

Responsible Gaming begins here. Existing lottery online gaming systems include measures and controls that enable clear verification and identification of players, their age and residence. Based on the principle of “know your customer”, this identification and knowledge about the player is crucial in enforcing an effective responsible gaming strategy.

The controls based on the player information support prevention of under-age play, ensure the play takes place within the jurisdiction’s geographic boundaries and, that appropriate transactional records are kept in support of responsible gaming features for the player as well as for fraud prevention and detection purposes.

The recommendations on Player Account Management we are outlining in section 6 are based on industry concepts and strategies for appropriate age verification and know-your-customer controls integrated into the Player Account Management (PAM) System and processes and also the online gaming web sites.

#### 1.3.2 Responsible Gaming Strategy

While it is recognized that there exists a relationship between Internet gambling and problem gambling, it is also

recognized that there are tools and good social responsibility practices that can be implemented to minimize the risks and harm from Internet gambling as well as maximize the opportunity due to customers wanting to play with companies that show a high level of integrity. Mark D. Griffiths states in the Routledge International Handbook of Internet Gambling that good social responsibility practices and player protection tend to focus on three main dimensions.

These are:

- (1) design,
- (2) behavioural transparency, and
- (3) customer support.

Best Practices in Responsible Gaming do not have to be re-invented as the industry offers well researched and scientifically based recommendations, such as those published in the Routledge International Handbook of Internet Gambling. Authoritative best practice publications like the aforementioned will guide lotteries engaging in online gaming a sound basis to build their responsible gaming frameworks.

*Section 6, Best Practice Recommendations*, outlines recommendations for a socially responsible online gaming player protection strategy that have been extracted from Chapter 13 ‘Player Protection and Social Responsibility’ by Mark D. Griffiths in the Routledge International Handbook of Internet Gambling. (Robert J. Williams, Robert T. Wood and Jonathan Parke, *Routledge International Handbook of Internet Gambling* (New York: Routledge, 2012) chapter 13 Pages 235 – 246.

Please also refer to the full excerpt text of the recommendations in *Appendix A* of this paper for detail on the recommendations.

### 1.4 Player Account Management (PAM)

The Player Account Management solution deployed in a Lottery’s online gaming platform plays a key role in linking the player to the online gaming platform and the gaming software. It provides the processes for registration, account management, payment system and many of the controls for responsible gaming, age and residence verification and customer service.

A key consideration for Lotteries is to have thorough understanding of the cost associated with implementing an effective Player Account Management solution, as no generic Player Account Management solution will likely meet the regulatory requirements of a jurisdiction without significant customization.

The Player Account Management System is also an area of significant risks that demand appropriate mitigation. Hence, due care has to be taken in the selection and development of the Player Account Management solution with its functionality and controls that bring the balance between the regulatory requirements of a jurisdiction, the objectives of the online gaming business and the player experience.

In *section 6, Best Practice Recommendations*, we have identified industry recommendations and strategies for appropriate customer account registration controls integrated into the Player Account Management System and processes.

The critical areas within the Player Account Management system are:

#### *1.4.1 Player Account Registration*

The entry point for players into the lottery's online gaming platform is the registration process. The objective of the lottery's marketing efforts is to bring players to this door, guide them through it and then retain the players there.

The registration process serves the verification of a player's identity. Its objectives are:

- Legal compliance
- Fraud prevention
- Money laundering prevention

The registration results in the creation of a player account and a user ID and password for the player. There are three general levels of verification

- Self-Verification
- Third Party Data Verification
- Two-factor Authentication

#### *1.4.2 Payment System and Policies*

Appropriate payment system policies and procedures implemented within the Player Account Management System ensure prompt and accurate accounting and processing of winnings and player payment requests. All controls within this account payment system are subject to appropriate and necessary checks and verification, as well as compliance with jurisdictional regulatory requirements.

#### *1.4.3 Customer Support Services Solution*

Commitment to customer satisfaction and support by Lotteries providing online gaming to their players is essential. The customer support service strategy enables lotteries to provide players with an enjoyable gaming experience with access to real time support and tools and processes for complaint lodging and dispute resolution.

#### *1.4.4 Player Experience Considerations*

In laying out the strategy to enter the online gaming market, lotteries will inevitably find themselves involved in the debate about the balance between meeting regulatory, legal and security requirements and providing their players with the best possible experience on their gaming site.

In the online business world, the online gaming business is very competitive in terms of customer acquisition. The requirement to adhere to best practices and evolve the web strategy is intended to create success online and to grow the digital footprint of the lottery's online gaming business. The lifeblood of any internet gaming site is acquiring, managing, and influencing player habits to create a lower cost of player acquisition and higher revenues.

To properly exploit the channel the lottery has to provide the best player experience to compete directly against grey market competitors but it also competes against changing customer behavior and thought process from purchasing Lotto at retail, and this transition in thinking can be difficult.

The player "journey" for the first time the user who samples your products online has to be an experience that is clear, fun, easy and not confusing. Internet players are impatient by nature, looking for instant gratification and they will leave or chose not to proceed if the gaming site does not give them what they want and when and how they want it.

Lotteries around the world involved in online gaming attest to the efforts that have to be made in clearly differentiating their regulated online gaming offerings from the unregulated one while still offering their players all the experience found on gaming sites everywhere.

### **1.5 Security and Integrity**

Product integrity, player protection, privacy and security as well as zero tolerance for fraudulent activity are the cornerstones of lotteries and online gaming operations. Lotteries have to be committed to operate gaming and betting products within an internal control environment that is based on industry best practice and provides a secure, safe and reliable gaming environment.

The following areas are critical for consideration within the Security and Integrity programs of a lottery's online gaming strategy:

#### *1.5.1 Information Security and Privacy*

Appropriate Information Security management ensures that lottery online gaming systems have all necessary controls in place to ensure that the confidentiality, integrity and availability of player and all relevant information is protected from unauthorized access or disclosure at all times.

The key areas for this policy and procedure area are Information Security and Privacy.

Hence an online gaming operator's commitment to robust Information Security is paramount for the success of their operation.

Many lotteries and online gaming operators choose to implement an Information Security Management System based on the globally recognized ISO/IEC 27001 Information Security Standard. It enables lotteries to operate a management system with emphasis on continuous improvement and also provides the basis for WLA Certification. The WLA Security Control Standard (WLA SCS) layers on the ISO 27001 standard with lottery specific controls and a section specific to online gaming. *Please see section 1.5.2 on Security Standards and Certification.*

In absence of Information Security controls based on ISO/IEC 27001, which provides broader controls for all mentioned areas and beyond, we are outlining security best practices and strategies in *section 6*, which are minimum key Information Security considerations for online gaming systems.

#### 1.5.2 Security Standards and Certification

In addition to the security recommendations and strategies outlined in these sections, lottery online gaming operators utilize a number of globally recognized security certification schemes and standard frameworks to support their security strategies and get external and independent validation on the state and maturity of their security programs and controls.

##### 1.5.2.1 ISO/IEC 27001

The ISO 27001 Information Security Standard can provide lotteries with a globally recognized way to manage Information Security without rigid, onerous prescriptive controls but rather a management system that supports continuous improvement of an organization's security based on a defined scope and applicability of operations. ISO 27001 Certification is a pre-requisite for WLA Security Control Standard Certification, information on which can be referenced in section 1.5.2.2.

ISO/IEC 27001:2013 formally specifies a management system that is intended to bring information security under explicit management control. Being a formal specification means that it mandates specific requirements. Organizations that claim to have adopted ISO/IEC 27001 can therefore be formally audited and certified compliant with the standard.

The standard contains 11 domains:

- Security policy – management direction
- Organization of information security – governance of information security

- Asset management – inventory and classification of information assets
- Human resources security – security aspects for employees joining, moving and leaving an organization
- Physical and environmental security – protection of the computer facilities
- Communications and operations management – management of technical security controls in systems and networks
- Access control – restriction of access rights to networks, systems, applications, functions and data
- Information systems acquisition, development and maintenance – building security into applications
- Information security incident management – anticipating and responding appropriately to information security breaches
- Business continuity management – protecting, maintaining and recovering business-critical processes and systems
- Compliance – ensuring conformance with information security policies, standards, laws and regulations

##### 1.5.2.2 WLA Security Control Standard (WLA SCS)

The WLA-SCS:2012 is the lottery sector's only internationally recognized security standard. Relying on ISO/IEC 27001:2013, a leading international standard for information security management, the WLA-SCS:2012 has two parts.

The first part of the WLA-SCS:2012, (Annex A – General Security and Integrity control objectives and controls), incorporates Information Security Management System (ISMS) requirements. These include ISO/IEC 27001:2013 global-scope compliance with an additional 21 general requirements adjoined.

The second part of the WLA-SCS:2012 (Annex B – Lottery and Gaming Specific Security and Integrity control objectives and controls) furnishes an additional 90 lottery and gaming specific requirements representing current security and integrity best practices. Section L.6. in the WLA-SCS:2012 provides specific controls in the area of Internet sales and interactive services.

##### 1.5.2.3 Payment Card Industry Data Security Standard (PCI DSS)

Accepting payment cards within the online solution could require compliance with the Payment Card Industry Data Security Standard PCI DSS requirements as well as annual assessment and reporting, depending the payment card transaction volume.



The Payment Card Industry Data Security Standard (PCI DSS) is a proprietary information security standard for organizations that handle cardholder information for the major debit, credit, prepaid, e-purse, ATM and POS cards.

Defined by the Payment Card Industry Security Standards Council, the standard was created to increase controls around cardholder data to reduce credit card fraud via its exposure. Validation of compliance is done annually – by an external Qualified Security Assessor (QSA) that creates a Report on Compliance (ROC) for organizations handling large volumes of transactions, or by Self-Assessment Questionnaire (SAQ) for companies handling smaller volumes. The PCI Compliance Requirements Outline (PCI DSS) encompasses these areas:

1. Build and Maintain a Secure Network
2. Protect Cardholder Data
3. Maintain a Vulnerability Management Program
4. Implement Strong Access Controls
5. Regularly Monitor and Test Networks
6. Maintain an Information Security Policy

#### *1.5.3 Product Integrity and Quality*

Lotteries are committed to ensuring that online gaming products are subject to continuous and independent quality and integrity control as well as testing and certification to ensure operation with integrity and fairness and certified randomness as well as compliance with jurisdictional requirements and required technical standards.

As far as not covered within standards required within the gaming jurisdictions regulatory regime, the recommendations outlined in *Section 2* provide a best practice approach.

A key consideration for lotteries is hence the testing and certification of their products through independent test labs in order to meet laws, regulations and specifications.

#### *1.5.4 Fraud Risks and Money Laundering*

Online gaming operators have to adopt a policy of zero tolerance for fraud and criminal conduct. Lotteries have to be committed to the implementation and strict enforcement of policies, rigorous security measures and effective gaming transaction supervision to prevent fraudulent activity and transactions potentially connected to money laundering or other criminal activity.

Operators have the responsibility for and have to take ownership of anti-money laundering policies and procedures and measures for the detection and reporting of criminal and suspicious behaviour in accordance with the laws and requirements in their respective jurisdiction.

#### *1.5.5 Fairness and Collusion*

Online Gaming operators offering poker games as well as sports betting online have the additional challenge to implement and enforce appropriate anti-collusion and anti-deception measures to ensure absolute fairness and integrity of their gaming and betting products.

Preventative and detective controls and technology have to be in place to ensure that the prospect of cheating through collusion (external exchange of information between different customers) is prevented.

#### *1.5.6 Business Continuity and Disaster Recovery*

Online Gaming operations have to be an integral part of an operator's business continuity management. The business continuity plan has to contain provisions for execution in case of business interruptions to the online gaming operation. On the online gaming systems side there are a number of key recommendations and strategies to support business continuity.



## 2 Best Practice Recommendations for Online Gaming for Lotteries

The following recommendations and concepts have been compiled from reviewing existing best practice and standard frameworks in the industry. This research would be incomplete if it would fail to acknowledge that many of the online gaming best practice concepts found in the industry have also already been captured in standard works such as those of the EGBA (European Gambling and Betting Association).

In spite of the differences between EGBA's for profit only operators and national lotteries with a government mandate, the standard frameworks in themselves, nonetheless, contain sensible concepts and recommendations, which, if properly implemented and applied, can provide a valid best operational practice approach.

Hence the concepts and recommendations outlined in this paper aim to provide an independent, focused industry best practice approach that includes common sense recommendations found in the broader online gaming industry that can complement or build upon the mature and high quality standards and frameworks of the WLA and/or those of the regional Lottery Associations.

### 2.1 Legal, Regulatory and Governance

- Lotteries should be part of the process to define the regulatory framework within their jurisdiction. Their models can be inspired by or based upon other jurisdictions and consulting entities to help define the appropriate framework can support the process.
- Lotteries engaged in online gaming should have a role or function with the responsibility to manage a framework and programs that ensure regulatory compliance requirements and applicable standards are met. Some of the responsibilities and objectives of the compliance function are:
  - To ensure processes, policies and procedures required for compliance are established, implemented and maintained.
  - To ensure that training and awareness programmes, specified in applicable standards, are implemented, maintained and conducted on a regular basis.
  - Ensure periodical reviews and compliance assessments through independent third parties.

- Where applicable, Lotteries engaging in Online Gaming should deploy Geolocation solutions appropriate for the respective Gaming System Technology and in alignment with their jurisdiction's legal and regulatory requirements.

### 2.2 Responsible Gaming – Age of Majority

- Prominent display of 'no underage play' signage on the gaming website in compliance with jurisdictional regulations.
- Clear and consistent messaging on underage play beginning at the registration process and consistent throughout the player gaming experience.
- Gaming website terms and conditions have to state that no player below the legal age of gambling is permitted to participate in online gaming and betting activities.
- Avoidance of advertising in media that is targeted towards minors, and portraying anyone appearing to be a minor in any gaming related marketing material.
- Provision of links to recognised filtering programmes to enable customers/parents to prevent minors from accessing gambling and betting sites.
- A clear and published policy on the process in case underage play is identified.
- Registration for "Free Play" has to include confirmation of age controls.
- Free play sites should not award cash or cash equivalents unless the players have been successfully age verified.
- Implementation of age verification process through accredited third party verification service providers.
- Implementation of player monitoring programs and programs for regular and frequent checks to ensure compliance with age restrictions.
- Implementation of processes for immediate account closure of any minor or suspected minor person found to have gained access.
- Implementation of appropriate processes for refunding deposits should a player be identified as an underage individual after registration.
- Provision of training to employees involved in the age verification process, including training on the policy

and procedure to be followed for the need to obtain additional verification.

### 2.3 Responsible Gaming – Strategy

- Lotteries engaging in Online Gaming should research and implement a comprehensive set of responsible online gaming policies that include many proactive socially responsible online gaming player protection strategies.
- A key item in any responsible gaming strategy is an effective self-exclusion program that permits self-exclusion that cannot be overridden by the player for both fixed periods of time and limited short periods that can be recurring, as well as an automated implementation process for self-exclusion with immediate effect including cash games and tournaments in progress.
- A recognized and authoritative source for socially responsible online gaming player protection strategies is Robert J. Williams, Robert T. Wood and Jonathan Parke, *Routledge International Handbook of Internet Gambling* (New York: Routledge, 2012) chapter 13 Pages 235 – 246.

It provides detailed recommendations for a socially responsible online gaming player protection strategy in these critical areas of responsible gambling:

- Responsible gambling help and support strategies for online players.
- Socially responsible restriction and control strategies for online players.
- Socially responsible strategies for promoting behavioural transparency (player self-awareness of their online playing behaviour).
- Socially responsible marketing strategies for online gaming.
- Socially responsible strategies for the design and implementation of new online games.
- Socially responsible staff-related strategies for online gaming.
- Strategies for community relations.
- Strategies that contribute to socially responsible gaming advancement.
- Evaluation and auditing of the responsible online gaming strategy.

Please refer to the full excerpt text of the above in *Appendix A* of this paper for details on the individual recommendations.

### 2.4 Player Account Management PAM – Player Registration

- Player registration should require the customer to provide the following minimum information: name, age, address and unique username and password details.
- Players should be provided with functionality to de-register and close an account.
- Players should be able to view statements of activity.
- The registration, deposit and withdrawal procedures and conditions have to be clearly communicated to players.
- The Lottery's online gaming website terms and conditions should state that only players legally permitted by their jurisdiction can participate in gambling and betting activities.
- Players should only be permitted to open one account and procedures to monitor enforcement of this policy should be in place.
- A formally documented process should describe the locking of player accounts.
- If the lottery de-activates an account, any uncontested funds left in the account, should be remitted to the owner of the funds, upon request and subject to the published terms and conditions.
- If the lottery adopts a policy of clearing inactive customer accounts, then players should be informed prior to clearing of the account, and this policy should be clearly stated in the Lottery's terms and conditions.
- Records should be maintained for all customer accounts that have been cleared, and any customer requesting cash out from an account that has been cleared has to be settled according to the Lottery's terms and conditions.

### 2.5 Player Account Management PAM – Payment System and Policies

- The lottery has to ensure prompt and accurate processing of payments subject to appropriate and necessary checks and verifications.
- Payments to and from the player should be conducted according to a formal documented process.
- Payments to players have to be conducted within a determined time period of receipt of the request and verification.
- All information regarding receipts and payments has to be logged and retained by the applicable parties in accordance with the retention requirements of the lottery's jurisdiction.
- Financial reconciliations performed for payments and receipts have to be reviewed and approved.

- The Lottery's liability for player account balances, pending cash-ins and guaranteed prizes should be separately identifiable at any point in time, and Lotteries should be able to demonstrate sufficient cash and cash equivalents to pay these liabilities.

## 2.6 Player Account Management PAM – Customer Support Service

- Players have to be able to find contact information for complaints and dispute resolution readily accessible on the lottery's online gaming websites.
- Players have to be able to lodge complaints and disputes on a 24/7 basis through easy to access interfaces.
- The lottery has to ensure that foreign language websites aim to provide assistance and guidance to all players on foreign language related complaints and disputes where possible and applicable.
- The escalation and resolution of player complaints has to be a formally documented process. Compliance with this process has to be enforced and auditable.
- The lottery has to keep detailed records of all player correspondence relating to complaints and disputes and their resolution.
- An independent third party service has to be retained by the lottery and available and engaged with for mediation or resolution of disputes received from players.
- The third party has to be required to keep records of all player correspondence relating to a dispute.

## 2.7 Player Account Management PAM – Player Experience

- Lotteries engaging in online gaming have to lay out their strategy giving consideration to the balance between meeting regulatory, legal and security requirements and providing their players with the best possible experience on their gaming site.

## 2.8 Security and Integrity – Information Security and Privacy

### 2.8.1 Privacy

- Player credit card information stored on the lottery's online gaming system has to be secured from unauthorised use or disclosure. For more detailed direction and requirements for payment card security the Payment Card Industry Data Security Standard (PCI DSS) can be referred to in *section 1.5.2.3*.

- A privacy policy should be displayed and maintained on a lottery's online gaming websites which should state the minimum information that is required to be collected, the purpose for information collection, the conditions under which information may be disclosed and the controls in place to prevent the unauthorised or unnecessary disclosure of the information.
- Foreign language websites should display the privacy policy in the relevant foreign language.
- Terms and conditions that require a player's acceptance during registration have to clearly state the lottery's privacy policy. Player confirmation of their acceptance of the terms and conditions is required prior to successful registration.
- Players have to be provided with access to their stored confidential information and have to be given ways to request changes to inaccurate information.
- The Player Account Management solution has to provide functionality to enable the lottery to ensure that any information supplied by players is kept accurately and up to date.
- Lottery contracts with Directors, officers and employees have to contain a "confidentiality" clause prohibiting the unauthorised or unnecessary disclosure of customer information.

### 2.8.2 Information Security

- Information Security policies and procedures have to be documented and communicated to relevant stakeholders and reviewed periodically.
- Security policies and procedures have to be implemented and monitored and risk based internal and external security reviews have to be conducted periodically and in the event of material changes.
- The online gaming system architecture should be based on a layered approach to ensure secure storage and processing of information.
- Virus scanners and intrusion detection programs have to be implemented on all pertinent information systems to minimize the success and/or impact of common active and passive attacks.
- Gaming system production databases containing player or transaction data should reside on networks separated from the servers hosting the gaming web pages.
- Change Management controls have to be implemented and monitored for changes to information processing facilities and systems in order to reduce the risk of security or system failures.

- Physical security perimeters have to be in place to restrict access to areas that contain information and information processing facilities to authorised personnel and to reduce the risk of environmental threats and hazards to equipment.
- Third party, contractor and business partner contractual terms and conditions should cover all appropriate security requirements and enforce compliance.
- All players have to be verified through the use of an account identifier/password pair, or by any other means that provide equal or greater security (e.g. digital certificates, multi-factor authentication), prior to being permitted to participate in gambling and betting activities.
- All player deposit, withdrawal or adjustment transactions have to be subject to strict security control and have to be maintained in a system audit log.
- All system users must have their identity verified based on at least two-factor authentication principals prior to being permitted to access the system. Role based access policies have to be implemented and all system user actions have to be logged indelibly.
- Information involved in online transactions has to be protected to prevent incomplete transmission, miss-routing, unauthorised message alteration, unauthorised disclosure, unauthorised message duplication or replay.
- A policy on the use of cryptographic controls for protection of information has to be developed and implemented.

## **2.9 Security and Integrity – Security Standards and Certification**

- Lotteries engaged in online gaming should consider the implementation of the Information Security Management System based on ISO27001 and obtain certification.
- Lotteries engaged in online gaming should implement controls of the WLA Security Control Standard (WLA SCS:2012) and obtain certification.

## **2.10 Security and Integrity – Product Integrity and Quality**

### *2.10.1 Policy and Product and RNG Compliance Testing*

- A product testing policy, approved and supported by senior management has to be implemented, which will provide for the testing of all gaming products for fairness and randomness.

- The policy has to make provision for the internal and external testing of product fairness and randomness and testing has to be conducted prior to, and subsequent to the operation of the games and/or betting products.
- All major changes have to be individually tested and system-wide regression tests have to be completed annually.
- A policy should be established to pro-actively withdraw and correct games that are found or suspected to be defective in other jurisdictions.
- The results of games must be random, except where clearly disclosed if different game-rules apply. The output obtained through the use of the random number generator (“RNG”) in games has to be certified to be statistically independent and uniformly distributed over their range.
- Random number generators (RNG) used in gaming systems have to be tested and certified in accordance with applicable technical standards accepted in the respective jurisdiction.
- Where a game simulates a physical gaming device the visual representation of the device must correspond with the features of the physical device and the probability of any event occurring has to correspond with the actual physical device except where deviations are clearly displayed to the customers.
- Where the game simulates multiple physical devices that would be expected to be independent of one another, each simulated device has to be independent of the other simulated device.
- Where the game simulates physical devices that have no memory of previous events, the behaviour of the simulations has to be independent of the behaviour of previous simulations.

### *2.10.2 Payout Percentage Testing*

- Payout percentage reviews have to be conducted on a continuous basis to verify the actual return to the customer against the theoretical/estimated return.
- The financial data log files have to be reconciled with transactions on the accounts to ensure accuracy and completeness of data used in final result output-based payout percentage and RNG testing.
- The theoretical statistical return percentage for a particular game type cannot be less than that of the equivalent game in free play mode.

### *2.10.3 Game Rules*

- Game rules have to be date stamped and made available to the customer at all times and the game pay tables have to be available to the player during games of chance.

- The design and operation of games has to be strictly in accordance with the specified game rules.
- Any changes to rules and pay tables cannot be retrospective in effect.
- “Near-miss” game results cannot be falsely displayed by substituting one losing outcome with a different losing outcome.
- “Play for free” offerings cannot mislead customers. Online gaming operator offering both “play for free” and “play for gain” games has to ensure that the “play for free” reflects the odds, rules and behaviour of the “play for gain”.

## **2.11 Security and Integrity – Fraud Risks and Money Laundering**

- Operators should implement an anti-money laundering and combating financing of terrorism policy approved and supported by its senior management which will provide reasonable security measures to prevent transactions which are potentially connected to money laundering and the financing of terrorism.
- A person or persons should be appointed with responsibility for implementing and ensuring effectiveness of anti-money laundering and combating financing of terrorism systems.
- Anti-money laundering and combating financing of terrorism policies and procedures should enable the identification, escalation and reporting of unusual or suspicious activities, including investigating material or unusual deposits, withdrawals and player accounts where little or no gaming or betting activity takes place.
- The fraud and anti-money laundering practices implemented should make provision for appropriate know-your-customer verification and/or customer due diligence processes.
- Training and guidance has to be provided to employees on the policies to ensure the prompt identification, escalation and reporting of fraud and antimoney laundering and combating financing of terrorism practices.
- Money laundering and combating financing of terrorism control requirements between an operator and their service providers has to be clearly defined.
- No deposits or payouts should be made to a player’s account if there is reason to suspect money laundering or terrorist activity unless authorised by the Anti-Money Laundering Reporting Officer. Where the deposit or payout exceeds a certain amount as per policy (whether

in a single transaction or a series of transactions which appear to be linked), no payment may be made until the customer has been positively identified.

- All information regarding changes to player details have to be logged and appropriate verification documentation has to be requested for significant changes (e.g. changes to player names and banking details).
- Funds should be remitted to the customer only to the same payment mechanism from which the funds originated, except where changes to the payment mechanism are substantiated, and where such funds are withdrawn in an authorized gambling establishment which adheres to the relevant anti-money laundering laws that are applicable in the relevant jurisdiction.
- No physical cash or non-electronic methods of payment should be used to fund an account.
- Transfers of funds between player accounts has to be conducted through a formal documented process in compliance with the anti-money laundering and combating financing of terrorism policy.
- The online gaming operator’s terms and conditions have to declare controls applicable over funds transferred between customers.
- The anti-money laundering and combating financing of terrorism practices has to include the provision of suspicious transaction reports to the relevant national financial investigation unit and international institutions.
- A legal disclaimer has to be displayed on the online gaming web site stating that any criminal or suspicious activities may be reported.
- All employees should be made aware of their personal obligations to detect and report criminal and suspicious behaviour. All employees must be aware of the dangers of ‘tipping-off’ and the procedures to be followed to ensure it does not happen.
- Player verification documents have to be retained in accordance with the retention requirements of the respective gaming jurisdiction.
- Records of player financial transactions have to be retained in accordance with the retention requirements of the respective gaming jurisdiction.

## **2.12 Security and Integrity – Fairness and Collusion**

- Online Poker rooms should not utilise software (for example poker robots that play poker online with no or minimal human intervention) or other means



to simulate increased customer activity or provide misleading information about a site's popularity.

- Online Poker rooms should not permit the use of robots or other devices by customers with a view to providing them with an advantage over other customers, and have to be vigilant in monitoring and stopping the use of these robots and devices.
- Effective risk control mechanisms should be in place for managing events offered, bet sizes and prices, taking into consideration available cash and cash equivalents.
- For sports betting there should be procedures for identifying suspicious betting transactions and patterns which might pose a threat to the sport's integrity or an offence of cheating. Where a threat is identified there should be a procedure for notifying the relevant sporting body or Regulatory Authority in line with applicable data protection requirements. Please also refer to the WLA discussion paper on Sports Betting Integrity for Lotteries, which includes clear definition and distinction of legal and illegal betting.

### **2.13 Security and Integrity – Business Continuity**

- Backup and recovery procedures have to be in place to ensure data and information (e.g. logs and financial information) are backed up on a regular basis and can be restored in the event of a disaster.
- Critical data and information has to be backed-up and secured off-site on a daily basis.
- Backup and disaster recovery responsibilities and procedures between the Lottery and their software providers have to be clearly defined.
- All information required for completing an incomplete game have to be recoverable by the system.
- The system has to enable players to complete interrupted games, within a reasonable timeframe, whether from loss of communication with the end-player device or an event on the system.
- All transactions involving customer funds have to be recoverable by the system in the event of a failure or malfunction.
- If an online operator has reason to believe or to suspect that an interruption has been caused, or a transaction affected by illegal activity, payment to the player should be withheld pending further investigation.



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## 4 Appendices

### 4.1 Appendix A

#### **Recommendations for a socially responsible online gaming player protection strategy**

##### *Detail*

The following recommendations for a socially responsible online gaming player protection strategy have been extracted from Chapter 13 “Player Protection and Social Responsibility” by *Mark D. Griffiths* in the Routledge International Handbook of Internet Gambling.

Robert J. Williams, Robert T. Wood and Jonathan Parke,  
*Routledge International Handbook of Internet Gambling*  
(New York: Routledge, 2012) chapter 13 Pages 235 – 246

#### **Recommendations for a socially responsible online gaming player protection strategy**

The following strategies and recommendations were developed by the author for various online gaming companies. They constitute a comprehensive set of responsible online gaming policies that include many proactive strategies. Recommendations marked with an “E” are considered “essential” for the online responsible gaming strategy; and those marked with a “D” are considered to be “desirable” for the online responsible gaming strategy.

#### **Responsible gambling help and support strategies for online players**

##### *Information page(s) to aid informed choice (E)*

It is essential for online gaming operators to have an information page where online clientele can get a range of information relating to gambling issues. This adheres to one of the popular underlying social responsibility philosophies (i.e., “An informed player is a responsible player”). Potential players of Internet games should be given all the information they are likely to need to make an informed choice including

- (1) the chances (probability) of winning on the activity,
- (2) the payout ratios of the game, and
- (3) the prize structures of the game.

There is also an implicit assumption that all games will be fair and designed in such a way so as to protect the player. It

is also important that the information page does not just contain information relating to problem gambling as this may deter some players from using the gaming site. Information should be made available in languages of the clientele.

##### *Information about staying in control (E)*

Although players are clearly responsible for their own gambling, it is recommended that they should still be reminded of the need to exercise control (e.g., “Bet with your head, not over it”).

##### *Mandatory information about problem gambling (E)*

At the core of exercising a duty of care is the principle of assisting players to address any concern about their gambling. For instance, it is recommended that telephone help-lines and addresses of helping agencies should be displayed on web pages at the main gaming operator site. It is also recommended that online gaming companies should also have a good referral system with local and/or national helping agencies. A “resource centre” (in the form of a frequently asked questions [FAQ] web page) could contain all the information a customer needs to learn about responsible gaming, request referral advice for a gambling problem, and undertake temporary or permanent self-exclusion, etc.

##### *No encouragement to gamble (E)*

Providing help, information, and advice to players is to be commended. However, players should under no circumstances be encouraged to

- (1) increase the amount of money they have decided to gamble with,
- (2) enter into continuous gambling for a prolonged period of time,
- (3) re-gamble their winnings, or
- (4) chase losses.

##### *Reliable payment of winnings (E)*

Given some of the socially irresponsible and fraudulent practices carried out by some gaming companies (see Griffiths [2010] for a recent overview), reliable payment options are essential for both social responsibility and gaining online trust among online players.

*Responsible gambling message protocols immediately after initial registration (D)*

Online gaming companies should have an initiative that immediately after the registration process all players receive a “welcome message” that includes information about responsible gambling tools and methods (the first of a number of “reminders” about playing responsibly). Continual reminders to players that they should “stay in control” of their gambling is another of the “bedrocks” of a socially responsible gambling policy.

*Use of social responsibility messages*

(e.g., “health warnings” via “pop-up” windows) (D)

Use of non-intrusive but clear pop-up windows could be used after predetermined periods. This is useful because gambling can create dissociative states where customers can lose track of time gambling (Griffiths, Wood, Parke, and Parke, 2006). Players are responsible for their gambling, but should still be reminded of the need to exercise control. These should be “risks of the game” and should be incorporated where they will be read by online players. These are important as most gamblers believe they can win based on faulty reasoning or belief systems (Griffiths, 1994; Parke, Griffiths, and Parke, 2007).

*Effective online self-exclusion program (E)*

The option for online self-exclusion should be offered to any player that requests it, and is a good demonstration of an online gaming company’s “duty of care” towards its clientele. Care needs to be taken on the length of self-exclusion and the criteria for re-inclusion.

*Short-term self-exclusion options (D)*

Research has shown that online gamblers appear to appreciate self-exclusion facilities even if they do not have a problem with gambling. Research has shown that a seven-day exclusion period appears to be the most useful to players (Griffiths, Wood, and Parke, 2009). One-month and one-day self-exclusion periods are also popular among players. These types of self-exclusion are likely to be associated with non-problem gamblers who may want to restrict their gambling behavior in a very specific instance such as preceding a night of heavy drinking (e.g., a “drunk button” for 24-hour self-exclusion) or a particular time of the year like the run-up to Christmas (e.g., one-month self-exclusion). Here, self-exclusion is related to non-problem gambling (rather than problem gambling). Another short-term self-exclusion offer could include the use of a “panic button” in online poker. For instance, some online gaming companies are considering implementing a panic button for online poker players who may go “on tilt”. During a session on tilt, a player can spend large amounts of money. Furthermore, while chasing losses, gamblers do not think rationally about what they are doing (Griffiths, 1994; Parke, Griffiths and Parke, 2007).

The panic button would therefore offer the player an instant and very easy way to immediately close their account for (say) the next 12 hours.

*Approaching regular online players (D)*

Holland Casino has a strategy whereby they approach gamblers who visit the casino a number of times during a period, for example 15 times in a month. Online gaming companies could also consider doing this online (e.g., sending an email to a player who gambles at least four times a week). The company could focus on one of the obvious risk groups, such as young men aged between 20 and 30. Such an online approach needs to be friendly and centered around customer service rather than being accusatory. For example, a short email enquiry about their enjoyment of the website as a regular customer should be enough to identify any issues without making the player feel overly scrutinized.

*Online support service for those players that need help (D)*

When the player takes the initial decision to self-exclude on a long-term or permanent basis, they are motivated to do something about their gambling problem. However, it can sometimes be difficult to give the self-excluded player further immediate and ongoing support. An online support service can be available via a hyperlink from the gaming website. Such a service would be regionally or nationally available and would assist players who cannot easily access self-help groups (see Griffiths and Cooper [2003] and Wood and Griffiths [2007a] for an overview of the advantages of online helping services). Such an initiative would also offer further support to a player immediately following an application for long-term or permanent self-exclusion. An online support service could include the following:

- (1) links to further support and help services,
- (2) a self-assessed diagnostic test,
- (3) a forum where players can talk to and support each other,
- (4) F AQs about problem gambling, and
- (5) compact “self-help manual” for problem gamblers.

**Socially responsible restriction and control strategies for online players**

In online gaming environments, many (socially responsible) restrictive practices that are commonplace in offline gaming environments are either unrealistic to initiate (e.g., not allowing people to gamble with credit cards), impossible to enforce (e.g., not allowing gambling while drinking alcohol excessively), and/or counterproductive for vulnerable players (e.g., restricting opening hours). For instance, it is unrealistic in a market where there are thousands of online gam-

bling sites, to have limited hours of opening. In the online world, it is better to have the most socially responsible gambling sites operating alongside disreputable and/or less socially responsible gambling sites 24/7.

If the most socially responsible gambling sites were only open for 12 hours a day, players who wanted to gamble when that site was closed may be forced to gamble at a less socially responsible and/or disreputable site. Therefore, restricting the hours of operation of a socially responsible gambling website in a market where there are lots of less socially responsible gambling websites could be argued to be a socially irresponsible practice. However, there are a few restrictive practices that socially responsible gaming operators could implement online.

#### *Spending limits (E)*

All online players should be allowed to voluntarily set their own spending limits (although some operators may have their own mandatory spending limit). Restricting the amount of money players can spend while gambling is viewed by authors as a good initiative in terms of social responsibility (e.g., Griffiths, 2003; Smeaton and Griffiths, 2004; Griffiths and Wood, 2008). By incorporating maximum spend limits while gambling, players can plan and pre-set their gambling behaviour.

In relation to mandatory versus voluntary spending limits, the evidence base suggests that the most appropriate responsible gambling strategy to be implemented by online gaming operators would be for voluntary (rather than mandatory) predetermined spending limits by players. This is because individuals are likely to vary widely in the amount of disposable income they have available for leisure activities such as gambling. Therefore, a fixed mandatory spend limit will always be too little for some and too much for others. One of the more consistent research findings from the limited empirical base is that mandatory limits are unpopular with the majority of gamblers (Wood and Griffiths, 2010) this could conceivably lead to some players deciding that they would prefer to take their custom to perhaps less responsible gambling operators. Some companies also have low maximum bet sizes that will be of help to some vulnerable players but careful consideration needs to be given to the playing clientele as a whole. Many gamblers will want to play with larger amounts of money and can afford to do so. It may be the case that having a mandatory limit chosen by the players themselves is the optimal strategy in this instance.

#### *Time loss limits (D)*

Again, while not radically different from general limit setting, time loss limits would be fairly easy to introduce. A few online gambling companies have introduced this as a

voluntary measure and it appears to have been popular with a small base of players. This may be particularly useful for games where players may lose very little (or in fact win slightly) but who can spend inordinately long hours playing (e.g., online poker). (See Wood, Griffiths, and Parke [2007] who speculated a new type of problem gambler related to excessive poker. Here, the poker gamblers do not necessarily lose money – and may even win or break even – but can spend substantial amounts of time playing that compromises most areas of their life.)

#### *Limit setting in specific games (D)*

Again, while not radically different from general limit setting, this (in relation to a specific online game) would be fairly easy to introduce to very specific forms of online gambling (e.g., maximum small blind, big blind in online poker).

#### *Mandatory game breaks (D)*

It is recommended that continuous games – that is any game that can be played continually without breaks (especially the rapid, high event frequency, interactive games) – should feature a mandatory break every 60 minutes during play. Ideally this break should be for at least five minutes (if not longer). This is particularly important for those who may find it more difficult to stick to self-imposed limits. Mandatory breaks provide players with a reflective “timeout” period to think about whether or not they wish to continue gambling. Such breaks also inhibit a player from using gambling as a way to escape from their problems by entering into a dissociative (trance-like) state through continuous gambling (Griffiths, Wood, Parke, and Parke, 2006; Wood and Griffiths, 2007b). Breaks need only last a few minutes during which time a player can “cool off” and decide more rationally whether they should stay or go.

#### *Socially responsible parameters on changing of customer spending limits (D)*

From a social responsibility perspective, players should be able to decrease their spending limits immediately. However, there should be an appreciable time period (at least 24 hours but some companies have longer periods) before being able to increase spending limits as a mechanism to overcome “impulse” gambling.

#### *Monetary game limit reminder at specific times (e.g., log in, changing game format) (D)*

Such a measure is simple, efficient, and would be fairly easy to introduce.

#### *Option to set monetary game limits over different time periods for (a) all games or (b) selected games (D)*

While not radically different from general limit setting, this would be fairly easy to introduce.



*An effective and rigorous age verification program for excluding underage players (E)*

Given that research worldwide demonstrates that children and adolescents are one of the most high-risk vulnerable groups (e.g., Griffiths, 2002; Derevensky and Gupta, 2004; Volberg, Gupta, Griffiths, Olason, and Delfabbro, 2010), it is recommended that online gaming companies use rigorous age verification measures (such as those used in the banking sector) to prevent minors from accessing its online games.

*Restricted use of “reload” during a gambling session (D)*

In offline gaming environments, it is recommended that automatic teller machines (ATMs or cash machines) should not be placed on the gaming floor and that there is an appreciable walk to any ATM on-site. This is so there is sufficient opportunity (like mandatory breaks) for players to take a reflective timeout period. Given that one of the common behaviours of online problem gamblers is constantly “re-loading” their play credit during a single gambling session (Griffiths, 2009; Griffiths and Whitty, 2010), it is recommended that online gaming operators restrict – where possible – within-session reloading and introduce mechanisms (such as voluntary spending limits) that allow the players to “pre-commit” how much they are going to spend on gambling before they begin playing. In essence, restricting reloading within a gambling session is the equivalent to not allowing ATMs on the gaming floor.

**Socially responsible strategies for promoting behavioural transparency (player self-awareness of their online playing behaviour)**

*Fair site practices (E)*

There have been a number of academic writings on some of the unfair practices used by the online gaming industry including inflated chances of winning in the “demo” and “practice” modes, overly aggressive marketing, etc. (Smeaton and Griffiths, 2004; Sevigny, Cloutier, Pelletier, and Ladouceur, 2005; Griffiths, 2010). Therefore, all online gaming companies should include fair site practices across their whole game portfolio including the following initiatives.

*Visible and accessible betting history (E)*

Information provided regarding the gambling behaviour of a customer is essential. An individual's betting history should detail financial outcome, profits/losses over a specified time frame as an aid to behavioural transparency. This enables gamblers to see clearly the level of involvement in gambling and the monetary outcomes of such involvement. Clear data indicating this diminishes the effect that cognitive heuristics have when discounting or ignoring incurred losses. Online

gaming companies should advocate that online customers check their gambling behaviour at least once a week. Furthermore, in the responsible gambling section, customers should be allowed to indicate that they wish to receive weekly account statements delivered to their email address. By meticulously evaluating their own gambling behaviour gamblers will be motivated to set their own parameters. It is also recommended sending an email periodically to remind customers of the importance of setting parameters. Empirical research has also shown that access to gambling history is seen as very useful by most online gamblers (International Gaming Research Unit, 2007; Griffiths, Wood, and Parke, 2009).

*Use interactive pop-up messages about current gambling behaviour (D)*

Pop-ups about time elapsed, amount spent, profit, loss, etc. can be used to help players assess their gambling behaviour. Another socially responsible strategy might be to have pop-up windows that appear after predetermined periods. It is advisable to ask the customer if they wish to continue so that they must read and acknowledge the time and the duration of their play. Gambling can create and maintain dissociative states where customers can lose track of time and duration of gambling (Griffiths, Wood, Parke, and Parke, 2006). Therefore, actual information regarding these factors needs to be periodically recognized consciously.

*Website clock (E)*

A website clock should always be visible and accessible. Gambling can create dissociative states where customers can lose track of time while gambling (Griffiths, Wood, Parke, and Parke, 2006).

*Value reinforcement (E)*

An online gambling operator should emphasize the financial value of chips or online credit. This is because for most gamblers it is very likely that the psychological value of electronic cash (e-cash) will be less than “real” cash (and similar to the use of chips or tokens in other gambling situations) (Lapuz and Griffiths, 2010). Gambling with e-cash may lead to what psychologists call a “suspension of judgment” (Griffiths, 1993). The suspension of judgment refers to a structural characteristic that temporarily disrupts the gambler's financial value system and potentially stimulates further gambling. This is well known by both those in commerce (people typically spend more on credit and debit cards because it is easier to spend money using plastic), and by the gaming industry. In essence, e-cash “disguises” the money's true value (i.e., decreases the psychological value of the money to be gambled). E-cash can often be gambled without hesitation as the psychological value is much less than the real value (Lapuz and Griffiths, 2010).

#### *Utilize realistic and restrictive “practice modes” (E)*

Any free practice mode that is offered to the customer must have an appropriate message regarding responsible gambling. The odds of winning should be the same for “free play” modes as playing for real monies. One of the most common ways that gamblers can be facilitated to gamble online is when they try out games in the “demo”, “practice”, or free play mode. Research carried out by Sevigny, Cloutier, Pelletier, and Ladouceur (2005) showed it was significantly more commonplace to win while “gambling” on the first few goes on a “demo” or free play game. They also reported that it was commonplace for gamblers to have extended winning streaks during prolonged periods while playing in the demo modes. Obviously, once gamblers start to play for real with real money, the odds of winning are considerably reduced. Furthermore, access to practice modes should be prevented for those under the legal age to gamble. Giving access to such simulators could encourage someone underage to seek opportunities to gamble for real money.

#### *Age verification for “demonstration” and/or free play games (D)*

Age limit verification procedures should be required for all players - even those who are not spending money in the free play modes. A recent British study by Ipsos MORI (2009) surveyed 8,598 schoolchildren (aged 11 to 15 years) and reported that just over a quarter of the sample had played in “money-free mode” on Internet sites in the week preceding the survey. Further analysis of these data by Forrest, McHale, and Parke (2009) reported that gambling in money-free mode was the single most important predictor of whether the child had gambled for money, and one of the most important predictors of children’s problem gambling. This finding, and other similar findings relating to youth access of free play gambling sites, has been discussed in recent comprehensive reviews of youth gambling on the Internet (see Griffiths and Parke, 2010; King, Delfabbro, and Griffiths, 2010).

#### *Use of responsible gaming tools by players (D)*

It is recommended that online gaming companies voluntarily encourage players to use the responsible gaming tools (e.g., setting spend limits). Such tools are about empowering people to make their own choices, and to take personal responsibility, rather than the players being forced to do something.

#### *Use socially responsible player behaviour monitoring tools such as PlayScan (D)*

Systems that track player behaviour are likely to have a significant impact on the national and international gaming markets. If a player’s behaviour indicates gaming problems, it is recommended they should be deleted from the direct

advertising address lists via such initiatives, it is also recommended that players should be offered control tools (e.g., personal gaming budgets, self-diagnostic tests of gaming habits, and the chance to self-exclude from gaming). The really innovative aspect of such technologies is that they may be able to predict the development of unhealthy gaming behaviour patterns. Furthermore, behavioural tracking tools provide many advantages for the online gaming company using them including:

- (1) an aid to acquiring or maintaining an operating license,
- (2) compliance with law and/or organizational guidelines (e.g. World Lottery Association),
- (3) proactive risk management (e.g., avoidance of court cases),
- (4) strengthening trust mark (to increase customer base),
- (5) increase of customer lifetime value (to increase revenue/profit), and
- (6) helping customers to help themselves (customer empowerment but also reduced internal costs).

### **Socially responsible marketing strategies for online gaming**

#### *Responsible advertising and promotion (E)*

Quite clearly it is appropriate that the online gaming industry needs to advertise and promote its facilities. In addition to conforming to each country’s own advertising codes of practice, the most important recommendation would be that advertisements and promotions should not appeal to vulnerable individuals (such as minors, those with severe learning difficulties, problem gamblers, etc.) or be “aggressive” and/or use popular celebrities. Furthermore, broadcast media advertising should be aimed at an adult audience and appear after the 9 p.m. “watershed”. All adverts should feature the odds of winning.

#### *Focus on entertainment rather than gaming in advertising and promotion (E)*

A focus on buying entertainment rather than winning money in advertising and marketing campaigns is recommended. When individuals primarily gamble to win money, and that is their only objective that is when problems can start. That is when a proportion of vulnerable people can get into difficulty (Griffiths, 2007).

#### *Limit the use of marketing promotions that reward the highest spenders (D)*

Previous writings about advertising and marketing from a social responsibility perspective have noted that it is entirely appropriate for the gaming industry to advertise and market



their products as long as it conforms to the relevant codes of compliance, is fact-based, does not oversell winning, and is not aimed at (or featuring) minors (Griffiths, 2001a). As Griffiths and Parke (2002) note, in gambling there is a fine line between customer enhancement and customer exploitation particularly when it comes to facilitating new clientele and repeat patronage. Griffiths and Parke (2003) have distinguished between two fundamentally different forms of promotional bonus- the “general bonus” and the “proportional bonus”. These may have different implications in terms of social responsibility. General bonuses are those offers that are provided irrespective of the type of player (e.g., an occasional gambler is as entitled to the bonus as a “heavy” gambler). Proportional bonuses are those offers that depend on how long and/or frequently the player gambles with a particular gaming establishment. This means that “heavy” gamblers would receive disproportionately more bonuses than an irregular player. Given that a significant proportion of the “heaviest” gamblers (sometimes referred to as “VIP gamblers”) may be problem gamblers, it raises questions whether rewarding people the more they spend is the most socially responsible strategy.

#### *Differential marketing by game type (D)*

Additionally, it would be desirable to consider marketing relating to particular types of games (such as Internet poker). For instance, some companies such as RAY (Rahautomaattiyhdistys) in Finland have introduced social responsibility policies that have been designed so that (in relation to online poker) there will be

- (1) no rakeback,
- (2) no rakeback races,
- (3) no VIP levels,
- (4) no additional prizes,
- (5) no sign-up bonus,
- (6) no bonuses for the customers,
- (7) no wider affiliate program, and
- (8) no “refer-a-friend” functionality.

RAY argues that such measures increase player protection and help inhibit problem gambling. Further empirical research is needed to assess whether this is the case.

#### *Prohibition of marketing and advertising to long-term self-excluded online players (E)*

Any player who self-excludes for a significant period (three months or more) should not receive any advertising or marketing mail, email, or other messages about any form of online gambling.

#### *Responsible gaming television and radio commercials (D)*

Ideally, there should also be some “counterbalanced” radio and television adverts talking about problem gambling and its prevention. Initiatives could be actively promoted via newspaper and magazine advertisements.

### **Socially responsible strategies for the design and implementation of new online games**

#### *Develop a protocol for the introduction of all new games (E)*

The use of guidelines by which to consider the possible impacts of a new online game is recommended. The utilization of social responsibility reports conducted by researchers and academics with expertise in responsible gaming will help ensure that up-to-date research findings are taken into account.

#### *Consider using responsible gaming design tools (D)*

An objective design tool can aid in the development of socially responsible online games before they arrive at the stage where they need to be assessed through measures such as the Social Responsibility Assessment Template. Using a responsible gaming design tool such as GAM-GaRD (Wood, Griffiths, and Parke, 2007; Griffiths, Wood, and Parke, 2008) can provide another level of objective evaluation and help prevent the development of games that might then be scrapped or need drastic modification following a social responsibility assessment. GAM-GaRD can be used to identify the structural characteristics of games that present the greatest risks for excessive play. GAM-GaRD identifies which elements of a game, if any, are problematic so they can be “adjusted” to make the game safer or can be combined with other external measures of social responsibility in an effort to reduce overall harm. GAM-GaRD was designed so that it can be used to assess any gambling-type game by anyone with a basic knowledge of the features of the game.

#### *Accreditation by external organization (D)*

Before launching a new online gaming product or developing an existing one the operating company should consult, commercially in confidence, with the lead body involved with the social impact of gambling to seek external accreditation for their gaming products.

### **Socially responsible staff-related strategies for online gaming**

#### *Dedicated responsible online gaming staff (E)*

There should be a number of staff members who are specifically trained to maintain and review the online responsible gaming initiatives outlined in the responsible gaming policy.

Furthermore, they should be responsible for producing an annual social responsibility report as part of the monitoring and auditing procedures (discussed below). Using online tracking software, these staff members should also be trained to identify players who appear to be having problems and/or know how to intervene and offer support.

#### *Staff training (E)*

It is recommended that online gaming companies provide relevant responsible online gaming training to relevant gaming staff. Ongoing staff training around the area of social responsibility should be given at all levels to all those working in the online gaming industry. Raising awareness of such issues is a necessity to enable staff to deal with relevant situations. It should perhaps be stated that the training is ongoing particularly because of

- (1) staff turnover, and
- (2) the development of new empirical research in the gambling studies field that continues to enhance our understanding of dealing with online problem gambling issues.

#### *Auditing and testing of staff training (E)*

Staff should be regularly tested (e.g., every two years) to ensure that they fully understand the principles of the company's social responsibility policy for online gaming. In addition, it is important that the online gaming company is always fully aware of which members of staff have completed a training program and at what level. A database of staff training (of who has completed what training, and when) should be developed. Training programs should be regularly reviewed (e.g., every two years) in order to remain relevant and effective.

#### *Dedicated customer support staff trained to deal with problem gamblers (E)*

It is recommended that online gaming companies educate its online customer support staff in handling enquiries regarding problem gamblers and appoint staff to monitor, enforce, and evaluate the responsible online gaming strategy. Such training should be updated every two years. Staff should also be able to identify aspects of policy and practice relative to appropriate intervention that will contribute to minimizing the harm attributable to uncontrolled online gambling. A responsible gaming manager should prepare an annual report detailing the issues relating to every aspect of the responsible online gaming policy for that year.

### **Socially responsible strategies for community relations**

#### *The player panel:*

##### *understanding the online player perspective (D)*

In order to better understand how responsible gaming impacts upon players in the online gaming environment, it is important to talk to online players and allow them the opportunity to raise their own issues from their perspective. Conducting regular focus groups with online gamblers will help ensure that the impact of the responsible online gaming policy is understood from the perspective of the player, and can identify any issues that may not be apparent from the perspective of the staff. Furthermore, regular focus groups with online players may help identify an issue quickly as they are much easier to initiate than a full-scale investigation. The player panel should comprise online players, representing different demographics, who regularly attend a meeting with responsible gaming staff. Such a panel should meet quarterly and should be compensated for their time and effort in taking part. Player panel members should be changed each year in order to gain a wide selection of individuals.

#### *The stakeholder panel:*

##### *liaising with support services, pressure groups, and researchers (D)*

Helpline and other support service staff and researchers in the gambling studies field usually understand a lot of the issues that relate to problem gambling and gambling environments (including online gambling). They continually hear from people with gambling problems about the factors that they find difficult to deal with in either avoiding gambling altogether, or in gambling at a more controlled level. Liaising with these stakeholders can provide a valuable insight into how the casino, or elements of it, are either helping or hindering their clients. For example, is the self-exclusion policy working in practice? Furthermore, regular meetings with stakeholders help build a relationship between the operator and the community, which is in itself a fundamental element of social responsibility. Support service staff, researchers, and other stakeholders (e.g., representatives from religious groups, pressure groups, youth workers, etc.) can be asked to attend regular (quarterly) meetings with responsible gaming staff to discuss any issues that may arise. These meetings can also be used to feedback to stakeholders how online gaming companies have initiated any new responsible gaming strategies and/or responded to concerns from previous meetings. While such meetings may at times be "lively" they will demonstrate a commitment to community welfare and can generate insight about how that relationship can best be managed.

## Strategies that contribute to socially responsible gaming advancement

### *Support responsible gaming research in the area of online gaming (D)*

The future of responsible online gaming is dependent upon developing a better understanding of online problem gambling, “normal” online gambling, and the development of effective responsible online gaming initiatives. Furthermore, new advances in gaming technology offer new challenges to understand the potential impact on online problem gambling levels. Supporting research into online gaming demonstrates a commitment to the core principles of responsible online gaming and a willingness to be a part of the overall solution. Money should therefore be set aside to support independent research projects.

### **Evaluation and auditing of the responsible online gaming strategy**

In order to examine the ongoing effectiveness of the responsible online gaming strategy, it is important that a framework for monitoring and evaluation is put in place. The following framework details how the ongoing effectiveness of the responsible online gaming strategy can be examined. There are different approaches that can be used to monitor the effectiveness of the strategy, and each has its own strengths and weaknesses. Consequently, an effective evaluation framework should attempt to triangulate data from a number of sources. Furthermore, the responsible online gaming strategy is composed of many elements and a variety of approaches will help accurately identify the effectiveness of the responsible online gaming initiatives associated with each of those elements.

#### *Information audit (E)*

It is important that information about how to gamble responsibly online and how to get help for an online gambling problem is readily available for any player who requires it. Such information should be available without having to request it from a member of staff in order that customers should not feel embarrassed about seeking such information. Experience has shown that although the intentions of an online gaming operator are that such information is available and updated, sometimes this does not get translated into everyday practice. Responsible gaming staff can be instructed to carry out regular documented information audits (monthly) in order to ensure that these requirements are being met.

#### *Evaluating the effectiveness of excluding underage youth using age verification (E)*

A rigorous age verification system should make excluding underage players relatively easy. However, it is important

that this system is regularly tested in order to identify any problems and to demonstrate the overall effectiveness. “Mystery shopper” operations should be conducted every six months, whereby young individuals employed by the online gaming company attempt to gamble on the gaming website.

#### *Monitoring advertising (E)*

Most jurisdictions have a legal framework and/or voluntary codes of conduct within which advertising policies and guidelines are placed. Occasionally, gambling adverts are perceived by viewers to be overly aggressive, putting too much emphasis on winning, and/or targeting vulnerable groups. Focus groups can be used to gauge public opinion about particular online gaming advertising campaigns and whether any of the adverts “cross the line”. The player panel and the stakeholder panel could also be consulted from time to time. Academic researchers can also be used to content-analyze adverts and/or advertising campaigns. Given the relatively large budgets spent on gambling (including online gambling) advertising, consumer reaction is paramount. Some companies (e.g., Svenska Spel, Loto-Quebec) have developed their own socially responsible advertising codes that rank games in terms of potential problems and have guidelines on what types of advertising can be used in what situation. Such codes need to be monitored and audited annually in the light of empirical research.

#### *Evaluating the effectiveness of the online gaming self-exclusion program (D)*

Online gaming self-exclusion programs should be monitored, given that relatively little attention has been given to these programs empirically. Given the time and resources needed to implement an effective program, such initiatives should be evaluated every six months. Individuals who have accessed such programs can be asked about a variety of issues concerning the effectiveness via focus groups and/or self-report surveys. Information from the stakeholder panel should also feed into this evaluation, and may require that an evaluation is required at additional times if an issue is identified.

#### *Maintain a register of problem-gambling-related incidents (E)*

This information will provide a record of how the online responsible gaming strategy is being carried out, and highlight any areas where improvements in practice are required. The register will also provide summary information for the Annual Responsible Gaming Report (see below). The Responsible Gaming Manager would be responsible for maintaining the register. Information to be recorded in the register should include:

- Identification of distressed online gamblers and the staff action taken;

- Attempts by self-excluded individuals to regain entry to the gaming website using an alternate identity;
- Self-excluded individuals who successfully regain access to the gaming website;
- Players who approach staff (online or offline) with an online gambling-related problem;
- Any incidence of aggression (verbal, written, or actual) towards a staff member or other online gambler.

#### *The Annual Responsible Gaming Report (D)*

The findings from each part of the online gaming evaluation framework should be reported in an annual social responsibility report. This document will effectively audit the overall social responsibility practices of the gaming operator's on-

line gaming infrastructure. In addition, the report should provide an opportunity for examining any new developments in research, legislation, and technology relating to online gaming. The annual report would set the agenda for the exploration and potential implementation of any changes to the overall responsible online gaming policy. Furthermore, the report will provide documentation of the effectiveness of the strategy in providing a socially responsible environment for gambling. It will also demonstrate how the responsible online gaming strategy is both implemented and evaluated.

#### *Verbatim Source:*

Robert J. Williams, Robert T. Wood and Jonathan Parke, Routledge International Handbook of Internet Gambling (New York: Routledge, 2012) chapter 13 Pages 235 – 246

## 4.2 Appendix B

### Example of a phased implementation of an online gaming platform

<i>Product Release 1</i>	<i>Product Release 2</i>	<i>Product Release 3</i>
<p><i>Products:</i></p> <p><b>Player Account Management (PAM) Solution</b></p> <ul style="list-style-type: none"> <li>• Registration</li> <li>• Payment processing</li> <li>• Single Account eWallet</li> <li>• Marketing tools</li> <li>• Reporting</li> </ul> <p><b>Casino Solution</b></p> <ul style="list-style-type: none"> <li>• Blackjack, Roulette, Baccarat</li> <li>• n slot games</li> <li>• n Video Poker</li> <li>• Play for Free &amp; Play for Money</li> </ul> <p><b>Lottery Games</b></p> <ul style="list-style-type: none"> <li>• Lotto a</li> <li>• Lotto b</li> <li>• other</li> </ul> <p><i>Services:</i></p> <ul style="list-style-type: none"> <li>• World-Class Customer Service Solution</li> <li>• GUI Languages</li> <li>• Phone, Email, Chat</li> <li>• Gaming and PAM knowledge and tools</li> </ul>	<p><b>Casino</b></p> <ul style="list-style-type: none"> <li>• Regular slot releases</li> <li>• Casino quick games</li> <li>• Side games embedded in poker and bingo</li> </ul> <p><b>Lottery</b></p> <ul style="list-style-type: none"> <li>• Regional games</li> </ul> <p><b>Bingo</b></p> <ul style="list-style-type: none"> <li>• 75 and 90 ball games</li> </ul> <p><b>Sports Betting</b></p> <ul style="list-style-type: none"> <li>• Limited competitive product</li> <li>• In game betting</li> </ul> <p><b>Poker</b></p> <ul style="list-style-type: none"> <li>• Texas Hold'em</li> <li>• Ring games</li> <li>• Tournaments</li> </ul> <p>Embedded casino side games</p>	<p><b>Casino</b></p> <ul style="list-style-type: none"> <li>• Regular slot releases</li> <li>• Casual games (Social Skill based)</li> <li>• Mobile channel</li> <li>• Support more devices (e.g., smartphones)</li> <li>• Prepaid cards</li> <li>• corporate-wide loyalty program</li> <li>• Expand corporate CRM integration</li> </ul>

#### 4.3 Appendix C

##### Online Gaming Operational Model - Responsibility Matrix

*Example*

<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Conduct and Manage Online Gaming</b>	Policies and Thresholds	<ul style="list-style-type: none"> <li>The Lottery defines all policies and sets thresholds.</li> <li>The Online Gaming Solution Provider implements the policies and thresholds.</li> <li>The Lottery makes final decision on any event exceeding the pre-set thresholds.</li> <li>The Lottery has complete authority and discretion with respect to all material decisions relating to the Internet Gaming Solution, including choice of games that will be made available to the jurisdiction's players, the rules and conditions of play and play mechanics (including who may play) and prize payouts.</li> </ul>
	Data Ownership	<ul style="list-style-type: none"> <li>The Lottery has full ownership of all customer data.</li> <li>The Online Gaming Solution Provider collects and uses the data to operate the Online Gaming Solution in accordance with the Lottery's policies.</li> <li>The servers are owned or leased by the Online Gaming Solution Provider.</li> <li>The Lottery establishes business, security/encryption and business continuity requirements in respect of servers and systems which must be complied with by the Online Gaming Solution Provider.</li> <li>The Lottery grants the Online Gaming Solution Provider the necessary administrative access and control to all systems, applications, technologies and data centre(s) infrastructure components implemented in order to provide and support the Lottery's Internet Gaming Solution.</li> <li>The Lottery enters into a tripartite agreement with the Online Gaming Solution Provider and the data centre provider.</li> <li>The Lottery reserves the right to provide instructions to the data centre provider regarding the Lottery's Online Gaming Solution.</li> <li>The Lottery approves the list of individuals who have access to the Lottery's Online Gaming Solution.</li> </ul>
	PAM Solution and Casino Solution Software	<ul style="list-style-type: none"> <li>The Lottery licenses the software required to run the PAM Solution and Casino Solution that will be procured by the Online Gaming Solution Provider in accordance with the Lottery's specifications and requirements.</li> </ul>
	Lottery	<ul style="list-style-type: none"> <li>The Lottery is responsible for the lottery games and will leverage existing systems which will be integrated with the Online Gaming Solution to deliver online lottery services.</li> </ul>
	Monitoring and Auditing	<ul style="list-style-type: none"> <li>The Lottery monitors and audits the Online Gaming Solution Provider to ensure that it abides by the policies and thresholds established by the Lottery.</li> <li>The Lottery investigates all breaches of policies and thresholds and ensures corrective action is taken.</li> </ul>
	Residual Decision-making	<ul style="list-style-type: none"> <li>The Lottery is responsible for all strategic and control level (i.e., non-operational) decisions, and the Online Gaming Solution Provider will be required to obtain the Lottery's approval of matters that are out of the ordinary course of the day-to-day operations of the Online Gaming Solution.</li> </ul>



<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Operations</b>	Operations	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider hosts, configures and operates the PAM Solution, Casino Solution and Customer Service Solution in accordance with the Lottery's operating policies.</li> <li>The Lottery has access to status and real-time monitoring of the operations at all times.</li> </ul>
	Player Authentication	<ul style="list-style-type: none"> <li>The Lottery has primary responsibility for "knowing its customer" and registering players' accounts.</li> <li>The Online Gaming Solution Provider ensures that all players meet the age, residency and any other requirements established by the Lottery.</li> </ul>

<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Customer Service</b>	First Level Support	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider's Customer Service Solution has the primary contact with players through chat, email, web or phone.</li> <li>The Lottery has access to incidents, listening capabilities for phone conversations and access to live chat.</li> </ul>
	Second and Third Level Support	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider and the Lottery handle incidents not solved by the 1st level support, e.g., technical errors, problem management, collusion inquiries, etc.</li> <li>The Lottery makes final decisions on actions to take related to fraud or other significant investigations.</li> </ul>
	Chat Management	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider's Customer Service Solution operates and monitors live chat.</li> <li>The Lottery has access to the chat rooms and chat logs.</li> </ul>



<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Responsible Gaming</b>	Responsible Gaming	<ul style="list-style-type: none"> <li>The Lottery defines the responsible gaming program and features including limits and thresholds.</li> <li>The Online Gaming Solution Provider implements and operates the Lottery's responsible gaming program.</li> </ul>
	Fraud and Collusion	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider implements and executes fraud and collusion prevention/detection activities, as defined by the Lottery.</li> <li>The Lottery is notified of issues based on pre-defined thresholds and policies, as defined by the Lottery.</li> </ul>
	Control of Funds	<ul style="list-style-type: none"> <li>The Lottery will define all policies and set all thresholds relating to the control of funds.</li> <li>The Online Gaming Solution Provider implements the policies and thresholds, and it is not permitted to exceed the pre-set thresholds without the Lottery's prior approval. All funds movement with the payment providers is reported to the Lottery's Finance Group.</li> <li>The Online Gaming Solution Provider is responsible for maintaining the integrity of the system with the payment providers (e.g., financial reconciliation of the virtual wallet to the payment activity).</li> </ul>

<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Finance</b>	Financial Transactions	<ul style="list-style-type: none"> <li>The Lottery establishes the policies and limits for deposits by, and payments to, players, which are implemented by the Online Gaming Solution Provider.</li> <li>The Lottery establishes procedures (including timing/delays, maximum amounts, and payment methods) for withdrawals and requires the Online Gaming Solution Provider to provide information relating to a player's gaming activities prior to a withdrawal being approved in certain circumstances.</li> <li>The Online Gaming Solution Provider supplies financial data (sales, loyalty programs, cash promotions, etc.) and reports to The Lottery based on pre-defined requirements.</li> </ul>
	Payment Processing	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider executes all payment processing functions.</li> <li>The Lottery holds the contracts with the payment processors and financial institutions. Player funds will be held in the Lottery bank accounts.</li> </ul>

<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Games</b>	Game Software	<ul style="list-style-type: none"> <li>The Online Gaming Solution Provider (through the Casino Solution) provides game software for games selected by the Lottery.</li> <li>Casino games may also be provided by third-party suppliers selected by the Lottery.</li> </ul>
	Web Page Creation (non-gaming pages)	<ul style="list-style-type: none"> <li>The website will be designed and maintained by the Lottery.</li> <li>The Online Gaming Solution Provider will host the website.</li> </ul>
	Tournament Management and Operation	<ul style="list-style-type: none"> <li>The Lottery participates in and approves the tournament concept and calendar.</li> <li>The Lottery can order private tournaments.</li> </ul>
	The Lottery Gaming Product Roadmap	<ul style="list-style-type: none"> <li>The Lottery provides the final roadmap on the selection of all gaming products to be implemented on the Lottery's Internet gaming site based on product roadmaps provided by the Online Gaming Solution Provider for the PAM Solution, Casino Solution and Customer Service Solution.</li> </ul>

<i>Category</i>	<i>Area of Responsibility</i>	<i>Comments on practice</i>
<b>Marketing</b>	Acquisition and Retention Marketing	<ul style="list-style-type: none"> <li>The Lottery handles all acquisition and retention marketing activities.</li> <li>The marketing function will be a lottery in-house function.</li> <li>All strategic and tactical activities are Lottery activities using the tools and features provided with the Online Gaming Solution.</li> <li>The Lottery sets the budgets and manages marketing investment spending as an internal cost.</li> </ul>
	Branding	<ul style="list-style-type: none"> <li>The Lottery defines brand ID, brand structure, brand positioning, brand integration and brand separation.</li> </ul>
	Game Holds	<ul style="list-style-type: none"> <li>The Lottery determines the price point and return to players for all games offered for play for free and play for money.</li> </ul>
	Promotion	<ul style="list-style-type: none"> <li>The Lottery structures and manages the VIP program.</li> </ul>
	CRM/Player Management	<ul style="list-style-type: none"> <li>The Lottery structures and manages the CRM/Player management program.</li> <li>All player analysis is undertaken by the Lottery.</li> <li>The Lottery directs and sets all policies associated with accruals and redemption while the Online Gaming Solution Provider is responsible for the day-to-day operations.</li> <li>All loyalty activity and data analysis are internally managed by the Lottery.</li> <li>The Online Gaming Solution Provider provides automated tools to assist the Lottery to implement and manage programs.</li> </ul>

#### 4.4 Appendix D

##### Examples (non-exhaustive) of Existing Regulations, Standards, Measures and Codes

- eCOGRA's Generally Accepted Practices (eGAP)
- EGBA Standards
- Ehrenkodex VEWU
- ESSA Code of Conduct
- European Lotteries, Responsible Gaming Standards and Code of Conduct on Sports Betting
- Gibraltar Code of Practice for the Gambling Industry
- Global Gambling Guidance Group (G4), e-Gambling Code of Practices
- IAGR eGambling Guidelines
- Interactive Gaming Council, Code of Conduct, Responsible Gambling Guidelines, Advertising Code of Practice
- Isle of Man Online Gambling Regulations
- Malta Lotteries and Gaming Authority Remote Gaming Regulations
- Maltese Standard MSA1600:2008 "Remote Gaming – Operators management System Requirements"
- RGA Social Responsibility Code
- Swedish Presidency Progress Report "Legal framework for gambling and betting in the Member States of the European Union", doc 16571/09
- United Kingdom Gambling Commission Codes of Practice
- World Lottery Responsible Gaming Framework (WLA RGF)
- World Lottery Association Security Control Standard (WLA SCS 2012)

#### 4.5 Appendix E

##### Major Lottery Jurisdictions (by Nations) and Interactive %

*Major Nations % Interactive 2013*

Rank	Nation	% Interactive
<b>1</b>	<b>Finland</b>	<b>35.9%</b>
<b>2</b>	<b>Ireland</b>	<b>34.0%</b>
<b>3</b>	<b>Denmark</b>	<b>33.4%</b>
4	Iceland	33.4%
5	Sweden	32.2%
6	Israel	26.6%
7	Norway	25.8%
8	United Kingdom	25.2%
9	Austria	19.4%
10	Philippines	19.2%
11	Cyprus	18.9%
12	Croatia	17.2%
13	Estonia	16.7%
14	Czech Rep	15.6%
15	Slovak Republic	12.9%
16	Belgium	12.6%
17	France	12.2%
18	Japan	11.8%
19	Netherlands	10.7%
20	Lithuania	10.7%
21	New Zealand	10.6%
22	Luxembourg	10.5%
23	Turkey	10.5%
24	Poland	10.4%
25	Latvia	10.3%
26	Australia	10.2%
27	Canada	10.0%
28	Bulgaria	9.9%
29	Slovenia	8.3%
30	Portugal	7.6%
Global Average		8.2%

Source: H2 Gambling Capital

#### 4.6 Appendix F

##### Online gaming data WLA member lotteries by country and region

Lynne Roiter, Loto-Québec

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Africa</b>			
<b>Benin</b>			
Loterie Nationale du Bénin	No data on online gaming (consulted sources).	–	The finance Law Ministry of Finance
<b>Burkina Faso</b>			
Loterie Nationale Burkinabé	No data on online gaming. However, there appear to be a project on modernizing the PMU (offered by Loterie Nationale Burkinabé) allowing bets via mobile (consulted sources).	–	Ministry of Finance
<b>Ethiopia</b>			
National Lottery Administration	For a while, it was possible to bet via SMS for the national lottery products. Since September 2011, it is not possible to do so. No other data on online gaming (consulted sources).	–	Ministry of Revenue (present projects to the Council of Ministers for approval)
<b>Ghana</b>			
National Lottery Authority	The national lottery (monopoly for lotteries): offers some games via mobile. No other data on online gaming (consulted sources).	Ladbrokes offers online sports betting (Internet) in the La Palm Atlantic Casino. Since May 2013, Africa Gaming and Entertainment offers online sports betting (Internet).	The Gaming Act National Lotto Act Ghana Gaming Commission (Ministry of Interior) does not regulate lotteries. National Lotteries Authority (Ministry of Finance)
<b>Ivory Coast</b>			
Loterie Nationale de Côte d'Ivoire	No data on online gaming (consulted sources).	–	–

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Liberia</b>			
Liberia National Lotteries Corporation	No data on online gaming (consulted sources).	–	–
<b>Mauritius</b>			
Lottotech	Online gaming authorized for betting (unspecified which) and lotteries but does not appear to have any online gaming.  No other data on online gaming (consulted sources).	PMUM (Morocco’s pari mutuel urbain): authorized operator <ul style="list-style-type: none"><li>• Horse betting</li></ul>	Gaming Regulatory Authority
<b>Morocco</b>			
National lottery La Marocaine des Jeux et des Sports	<i>Authorized operators</i>  National lottery: <ul style="list-style-type: none"><li>• Traditional lotteries (draw twice a week)</li></ul> La Marocaine des Jeux et des sports: <ul style="list-style-type: none"><li>• Sports betting</li><li>• Lotteries (Chrono: an every 5 minute draw)</li></ul>	PMUM (Morocco’s pari mutuel urbain): authorized operator <ul style="list-style-type: none"><li>• Horse betting</li></ul>	Morocco’s Lottery Act Ministry of Youth and Sports
<b>Nigeria</b>			
Loterie Nationale du Niger	No data on online gaming (consulted sources).	–	Ministry of Finance (for the national lottery)
<b>Republic of Congo</b>			
Congolaise de Gestion de loterie S.A. COGELO	No data on online gaming (consulted sources).	–	Ministry of Youth and Sports
<b>Senegal</b>			
Loterie Nationale Sénégalaise	The National Lottery offers games on mobile (SMS games). According to Gaming Intelligence (06. 01. 14) it is associated with <i>Sene-jeux</i> , a supplier, to offer virtual gaming. Initially, horse betting, afterwards, dog races and sports betting (football) (consulted sources).	–	Ministry of Economics and Finances



<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>South Africa</b>			
Gidani (Pty) Limited	<p>No legislation on online gaming.</p> <p>Gidani (Pty) Limited – monopoly (Playsalottery: via Internet and cell phones)</p> <ul style="list-style-type: none"> <li>• Lotteries</li> </ul>	<p>More than 300 bookmakers offer online sports betting.</p> <p>2 private operators: <i>Phumelela Gaming</i> and <i>Gold Circle</i> offer online horse betting.</p> <p>Sports and horse betting: under provincial jurisdiction (South Africa, Malawi, Tanzania, Kenya, Zambia, Mozambique, Zimbabwe, Botswana, Swaziland, Namibia).</p>	<p>The National Gambling Act 2004</p> <p>National Gambling Board</p> <p>Gambling Board of each participating state</p>
<b>Togo</b>			
Loterie nationale Togolaise	No data on online gaming (consulted sources)	–	–

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Asia/Pacific</b>			
<b>Australia</b>			
<p>SA Lotteries</p> <p>Lotterywest</p> <p>Tatts Lotteries</p>	<p>Online gaming regulated. Casino games, poker, slot machines: prohibited (federal legislation).</p> <p>Lotteries (excluding instant and keno), horse betting, dog racing, sports betting: under each province/state jurisdiction.</p> <p><i>SA Lotteries:</i> lotteries, soccer pools.</p> <p><i>Lotterywest:</i> lotteries, soccer pools.</p> <p><i>Tatts Lotteries:</i> lotteries, soccer pools (Tatts Group offers online lotteries, sports betting and horse betting in many provinces/states).</p>	<p>Most operators offering online sports betting are state licensees (Northern Territory) (<i>in March 2013: 7 licenses granted</i>). A license is granted by the province “Tasmania”.</p> <p>Others who have betting exclusivity in the province also have web-based platforms</p> <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Horse betting</li> <li>• Dog racing</li> </ul>	<p>Interactive Gambling Act (Federal)</p> <p>The Department of Broadband, Communications and the Digital Economy (Federal)</p> <p>Legislation and each province/state regulator</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>China</b>			
China Sports Lottery China Welfare Lottery Issuance and Management Centre	Unauthorized except for some products offered by the two State lotteries (China Sports Lottery and China Welfare Lottery).	According to some internal sources, two private opera- tors <i>500.cosm</i> and <i>sporttery</i> were granted a license for sports betting by the Minis- try of Finance.	2010 Internet and Mobile Phone Lottery Regulations  Ministry of Culture
<b>French Polynesia</b>			
Pacifique des Jeux	No data on online gaming (consulted sources).	–	–
<b>Hong Kong</b>			
HKJC Lotteries Limited	HKJC Lotteries (monopoly); • Lotteries • Sports betting • Horse betting	–	Gambling Ordinance  Betting and Lotteries Commission
<b>India</b>			
Pan India Network Skill Lotto Solutions PVT Ltd.	Online gaming unauthorized except for the Sikkim prov- ince States are authorized by the federal government to offer online lotteries.  <i>Playmin</i> (company: Pan India Network): • Lotteries • Sports betting  Sugal & Damani (Skill Lotto Solutions PVT Ltd.): • Lotteries	Province of Sikkim: 3 licenses granted including Playwin • Sports betting	The Public Gambling Act of 1867, The Lotteries (Regula- tion) Act 1998, The Lotter- ies (Regulation) Rules 2010 (Federal).  Sikkim Online Gaming (Regulation) Act 2008, Sik- kim Online Gaming (Regu- lation) Rules 2009 and 2010 (Amendment) (Province of Sikkim).  Province of Sikkim: No specific regulator but the Finance, Revenue and Public expenses Secretary is the authorizing officer.
<b>Japan</b>			
Mizuho Bank Ltd. Japan Lottery Association Japan Lottery System Inc. Japan Sport Council	Online gaming not regulat- ed. However, as of May 2, 2014, mutual betting on certainsports and lotteries (already authorized).	List of operators unavailable.	No specific legislation.  No regulator identified: legislation on gaming is not centralized. Gaming activi- ties are regulated and con- trolled at different govern- mental levels.

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Malaysia</b>			
Pan Malaysia Pools Sdn Bhd Sports Toto Malaysia Sdn Bhd Magnum corporation Sdn Bhd	Online gaming not regulated. No authorized operator.	–	All types of gambling prohibited, except for those authorised under the First Schedule of the Common gaming Houses Act 1953.  No regulator identified. However, the Ministry of finances is responsible to regulate gambling.
<b>New Zealand</b>			
New Zealand Lotteries Commission	2 monopolies: NZ Lotteries: lotteries and online keno NZ TAB: online horse and sports betting	No license.	Gambling Act 2003 The Lotteries Commission
<b>Phillippines</b>			
Phillipine Charity Sweepstakes Office	–	Residents are not allowed to online betting.  No mention on the number of granted licenses. However, casino games, sports betting and lotteries are allowed.  PAGCOR (Philweb): offers online gaming.	Interactive Gambling Act Cagayan Special economic Zone Act 1995 (for foreign operators)  First Cagayan Leisure and Resort Corporation grants licenses to foreign operators.
<b>Republic of Korea</b>			
Kspo – Korea Sports Promotion Foundation Sports toto Co. Ltd. Korea Union Lottery Co Ltd. NanumLotto Inc.	Online gaming not regulated.  However, there is illegal online gaming. National Policy Agency: setup of an online criminal activity investigation team as to intensify control of unlawful activities online.	–	No specific legislation (however, for the government no operator can legally operate an online gaming activity).

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Singapore</b>			
Singapore Pools (Private) Limited	Online gaming not regulated.  As of April 16, 2014, no operator authorized.	–	No specific legislation which allows, restricts or prohibit online gaming.  No regulator identified.
<b>Sri Lanka</b>			
National Lotteries Board Sri Lanka  Development Lotteries Board	Online gaming not regulated.	–	The Gaming ordinance (online gaming not included in section 21 regarding exceptions on illegal gaming).
<b>Thailand</b>			
The Government Lottery Office	Online gaming not regulated.  However, offshore operators (sports betting, lotteries) are present even though it is illegal (police intervention, frozen bank accounts and seized equipment)  * Last data from GBGC Analysis.	–	–

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Europe/Middle East</b>			
<b>Austria</b>			
Österreichische Lotterien GmbH	Regulated by Federal.  Monopoly by the State Society to operate online lotteries (including bingo, keno) and casino games.  Also offers online sports betting.	Local licenses: authorized by States for online sports betting.	Austrian Gambling Act (Glücksspielgesetz): lotteries, casino games and poker  Ministry of Finance (lotteries and casino games)  Government of each State (sports betting)

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Belarus</b>			
Closed Joint Stock Company “Sport Pari”	<p>The state lottery Sport Pari is the only authorized operator to offer electronic interactive games. License expired since 22. 07. 13.</p> <ul style="list-style-type: none"> <li>• Lotteries (mobile)</li> </ul> <p>No other information on online gaming (consulted sources).</p>	–	<p>Regulation “Interactive Games”:</p> <p>Decree No. 06, 10.04.08 : “On certain matters of electronic interactive gaming organization and arrangement”.</p> <p>Decree No. 201, 10. 04. 08: “On the exercise of the organization and conduct of electronic interactive games on the territory of the Republic of Belarus”.</p> <p>Ministry of Finance</p>
<b>Belgium</b>			
Loterie Nationale	<p>The national lottery:</p> <ul style="list-style-type: none"> <li>• Monopoly: lotteries, keno, bingo and instant</li> <li>• Also offers online games under license F1+</li> </ul>	<p>There are 3 types of licenses (the operators must also have an equivalent land-based license):</p> <p>Class A +: casino games (among others, poker, roulette, etc.).</p> <p>Class B +: gaming arcades , Class A+ casino games available in arcades but for bets of less importance.</p> <p>F1 +: betting shops, sports and horse betting.</p> <p><i>In December 2013:</i> 8 licenses Class A+, 29 licenses Class B+ and 12 licenses F1 + (last available data – consulted sources).</p> <p>Class A+ licenses are issued for a 15 year period. Class B+ and F1+ for 9 years.</p>	<p>Belgium Gaming Act1999</p> <p>Lottery Act 2002</p> <p>The Belgium Gaming Commission</p>



<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Bosnia and Herzegovina</b>			
Lottery of Bosnia & Herzegovina	<p>Only Republika Srpska allows remote gambling comprising of both Internet and SMS games.</p> <p>* Last data from GBGC Analysis.</p>	<ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Casino games</li> </ul> <p><i>In February 2014:</i> 1 license (last available data – consulted sources). Licenses are issued for a 5 year period.</p>	<p>The Serbian Republic of Bosnia (Republika Srpska, an entity of Bosnia Herzegovina is the only one who authorizes online gaming): Act of the Games of Chance Republika Uprava Za Igre Na Srecu (RUIS) under the Ministry of Finance</p>
<b>Bulgaria</b>			
Bulgarian Sports Totalizator Eurofootball Ltd.	<p>Sports Totalisator: only operator awarded online gaming licenses for lottery games (source: gaming Intelligence, 26. 02. 14). Also has a license for sport betting, horse and dog racing betting (Gaming intelligence, 19. 02. 14).</p> <p>Eurofootball: 1 licence for sport betting, horse and dog racing betting.</p>	–	–

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Croatia</b>			
Hrvatska Lutrija d.o.o.	<p>The national lottery Hrvatska Lutrija can offer all types of games. Currently:</p> <ul style="list-style-type: none"> <li>• Monopoly: lotteries</li> <li>• Also offers sports betting</li> </ul>	<p>Local licenses for online gaming if land-based licenses (for same types of games).</p> <p>All land-based casino operators can offer online casino games (including slot machines and poker) but none of them has asked for a license.</p> <p>All operators can offer betting without specifications. However, only 4 bookmakers asked a license.</p> <p>The Croatian government establishes the number of issued licenses for a 15 year period.</p> <p><i>In March 2014:</i> an official list of authorized operators is not available.</p>	<p>The Act on Games of Chance</p> <p>Ordinance on Organising Remote Betting games 2010</p> <p>Ordinance on Interactive Online casino Gaming 2010</p> <p>Croatian criminal Code</p> <p>Ministry of Finance and taxes administration</p>
<b>Cyprus</b>			
Cyprus Government Lottery	<p>According to the regulation: local licenses for online gaming can be issued for sports and non-sports events betting.</p>	<p>License obtained for a term of two years for betting only.</p> <p><i>As of December 2013:</i> no license granted by the Cypriot government. Although the NBA has no officially issued licenses, gambling licenses issued by EU gambling authorities with a betting offering compatible with Cypriot legislation are considered valid while a licensing process is completed in the country.</p>	<p>Law 106 (2012) (Betting Act 2012)</p> <p>Lottery Act</p> <p>National Betting Authority (NBA) (under Ministry of Finance)</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Czech Republic</b>			
SAZKA sazkova kancelar a. s.	SAZKA <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Sports betting</li> </ul>	<i>In March 2014:</i> 9 operators: <ul style="list-style-type: none"> <li>• Sports betting</li> </ul> <p>To get a license, it must have a land-based distribution system where people must register themselves to bet online.</p> <p>Card games are also allowed but no specific information is available.</p>	Act on Lotteries and Other similar Games 1990 Ministry of Finance
<b>Denmark</b>			
Danske Spil A/S Det Danske Klasselotteri AS	Danske Spil A/S and Det Danske Klasselotteri AS: can ask a license other than for lotteries: Danske Spil: monopoly for lotteries, keno, bingo, horse betting. Has divided its operations in 2 companies: Danske Lotteri Spil for the lottery monopoly and Danske Licens Spil for the online games market.	Unlimited number of licenses for casino games (including poker) and sports betting (with the exception of horse betting). <i>In January 2014:</i> 31 licenses issued of which 15 for sports betting and 29 for casino games (Gaming Intelligence, 20. 02. 14). Licenses are issued for a 5 year period.	The Act on Gambling The Danish Gambling Authority
<b>Estonia</b>			
AS Eesti Loto	Eesti Loto: monopoly for lotteries. Also offers bingo and keno.	All games offered in the land-based can be offered online (ex.: casino games including poker), except lotteries. Sports betting are only offered online. There is no limited number of licenses. The operator must get an activity license (without a limited date) and an operating license (valid for a 5 year period). <i>In February 2014:</i> 9 licensed operators (excluding lottery).	Gambling Act 2009 Ministry of Finance

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Finland</b>			
Veikkaus Oy	No licenses issued to foreign operators for online gaming. Online gaming is considered as another distribution channel of games offered by the monopolies.  Veikkaus: (monopoly) offers sports and horse race betting, lotteries, bingo.	The following monopolies also offer online games: <ul style="list-style-type: none"> <li>• Ray (casino games, poker),</li> <li>• Fintoto (horse betting),</li> <li>• PAF (Autonomous Islands of Aland).</li> </ul>	Lotteries Act  Ministry of Internal Affairs  Local government: for the Aland region
<b>France</b>			
Française des jeux	Française des jeux (monopoly); <ul style="list-style-type: none"> <li>• Lotteries and bingo</li> </ul> Also offers: <ul style="list-style-type: none"> <li>• Sports betting</li> </ul>	<ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Horse betting</li> <li>• Circle games (poker)</li> </ul> <i>In March 2014:</i> 18 licenses (including Française des jeux for sports betting) – ARJEL site.  Licenses issued by ARJEL for a 5 year period.	The Online Gambling Act of May 2010 (Law no. 2010-476 of May 12 2010 regarding the opening to competition and to regulation of online gambling industry).  Ministry of the Budget  ARJEL (online gambling regulatory authority)
<b>Georgia</b>			
Georgian Lottery Company LLC	Very few available data.  Georgian Lottery: monopoly (lotteries). Offers draw ticket sales lotteries	You must be a land-based operator to offer the same games online. No need to get a separate license to offer land-based and online gaming.	Law of Georgia on Lotteries, Games of Chance and Other Winning Games  Georgia State Constitution  Ministry of Finances

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Germany</b>			
<p>Verwaltungsgesellschaft Lotto und Toto in Mecklenburg-Vorpommern mbH</p> <p>Sächsische LOTTO-GmbH</p> <p>Deutsche Klassenlotterie Berlin (DKLB)</p> <p>Bremer Toto und Lotto GmbH</p> <p>Land Brandenburg Lotto GmbH</p> <p>Lotterie-Treuhandgesellschaft mbH Thüringen</p> <p>Lotterie-Treuhandgesellschaft mbH Hessen</p> <p>Lotto Rheinland-Pfalz GmbH</p> <p>Lotto-Toto GmbH Sachsen-Anhalt</p> <p>Saarland-Sporttoto GmbH</p> <p>LOTTO Hamburg GmbH</p> <p>Nordwestlotto Schleswig-Holstein GmbH &amp; Co KG</p> <p>Westdeutsche Lotterie GmbH &amp; Co. OHG</p> <p>Staatliche Lotterieverwaltung in Bayern</p> <p>Staatliche Toto-Lotto GmbH Baden-Württemberg</p> <p>Toto-Lotto Niedersachsen GmbH</p>	<p>All members:</p> <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Sports betting</li> </ul>	<p><i>The State Treaty on Games of Chance:</i> maximum of 20 licenses sports betting. Valid until June 30, 2019 (rules for sports betting are on a 7 year trial period):</p> <ul style="list-style-type: none"> <li>• Sports betting,</li> <li>• Horse betting,</li> <li>• Lotteries (state monopoly). However, licenses can be issued for products distribution to private operators): <i>in April 2014, 2 product distribution licenses were issued to Gwin and Lotto 24) (last available data – consulted sources),</i></li> <li>• In April 2014: authorized operators: licenses to be granted.</li> </ul> <p><i>Schleswig-Holstein's Gambling Act;</i> number of unlimited licenses for sports betting:</p> <ul style="list-style-type: none"> <li>• Sports betting,</li> <li>• Casino games (non banked including poker),</li> <li>• Lotteries (state monopoly). However, licenses can be issued for products distribution to private operators).</li> </ul> <p><i>In November 2013,</i> 25 licenses for sports betting and 23 licenses for casino games (last available data – consulted sources).</p>	<p>Federal Horse Racing Betting and Lotteries Act: for horse betting.</p> <p>The State Treaty on Games of Chance under Ministry of Interior of the state of Hesse (state gaming supervision authority for 15 states).</p> <p>Schleswig-Holstein's Gambling Act under Ministry of Interior of the state of Hesse. Joined the Interstate Treaty in February 2013.</p>



<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Gibraltar</b>			
Gibraltar Government Lottery	–	<p>Licenses must be obtained from the Ministry of Gaming (or an organization or individual authorized by the ministry) which is the authority giving the licenses:</p> <ul style="list-style-type: none"> <li>• Casino games,</li> <li>• Betting (fixed-odds betting, betting exchanges).</li> </ul> <p><i>In September 2013:</i> 42 licenses to 30 operators (last available data – consulted sources: April 2014).</p>	<p>Gambling Act 2005</p> <p>The Gambling Commissioner</p>
<b>Greece</b>			
Greek State Lottery OPAP S.A.	–	<p><i>In March 2014:</i> no list for games offered. Ministry of Finance published a list of authorized operators (8) who accepted terms required by the ministerial decision 1248 (transition period until regulation is completed).</p>	<p>Law 4002/2011. Online gaming regulated but no formal processing for granting of licenses. Rules have not yet been adopted (as of March 26 2014).</p> <p>The Hellenic Gaming Commission (under the Ministry of Finance)</p>
<b>Hungaria</b>			
Szerencsejatek Zrt.	Szerencsejatek Zrt.: the only legal operator offering online gaming (lotteries, sports betting and casino games).	No license granted. The amendment allowing private operators to offer online sports betting, casino games and card games having not been adopted yet.	<p>An Act of Gambling Operations 1991</p> <p>The Gambling Supervision</p>
<b>Iceland</b>			
Islensk Getspa Happdraetti Haskola Islands	Few data available Islensk Getspa: has received a license in 2011 to offer lotteries via mobile.	–	<p>Law on Lotteries</p> <p>Ministry of Interior</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Ireland</b>			
An Post National Lottery Company	Not regulated but tolerated (online betting offered by the licensed base-land bookmakers are tolerated). However, the national lottery can offer its products online.	No license.	The Betting (Amendment) Bill The National Lottery Act No regulator (because not regulated)
<b>Israel</b>			
Israel Sports Betting Board – ISBB Mifal Hapayis National Lottery	Online gaming unauthorized. However, ISBB (state society) is authorized to offer online sports betting.	–	The Penal Law 5737-1977 Ministry of Finance
<b>Italy</b>			
GTECH S.p.a. Sisal S.p.a. SNAI S.p.a.	<i>GTECH</i> (Lottomatica): lotteries, sports betting, poker, casino games. <i>Sisal</i> : lotteries, sports betting, poker, casino games. <i>SNAI</i> : lotteries, sports betting, bingo, poker, casino games.	Under licenses: <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Horse betting</li> <li>• Lotteries</li> <li>• Casino games</li> <li>• Poker (cash and tournament)</li> <li>• Bingo</li> <li>• Betting on events</li> <li>• Betting Exchange</li> </ul>	Stability Law No. 220 Agenzia delle Dogane e dei Monopoli (prior Amministrazione Autonoma dei Monopoli di Stato – AAMS)
<b>Latvia</b>			
VAS Latvijas Loto	Latvijas Loto offers online games. Monopoly for lotteries, keno and bingo.	Local licensing process in place <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Betting</li> <li>• Casino games (including poker)</li> </ul> <i>In April 2014:</i> 4 operators authorized (excluding the national lottery).	Gambling Act (regulates online gaming. Furthermore a government bill introducing measures to payment blocking and unlicensed operators ISP is under review by the Ministry of Finance).  The Lottery and Gambling Supervisory Inspection of Latvia

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Libanon</b>			
La Libanaise des jeux sal	<i>La Libanaise des jeux:</i> offers online lotteries (source: La Libanaise des jeux website).  No other data on online gaming (consulted sources).	–	–
<b>Lithuania</b>			
Olifeja	Unregulated.  Only lottery operators can use Internet as a distribution channel.	No license.	Gaming Control Authority
<b>Luxemburg</b>			
Loterie Nationale	Only the <i>Loterie Nationale</i> can offer online gaming (monopoly): lotteries.	–	Gaming Law of May 22, 2009  Ministry of Justice
<b>Malta</b>			
Maltco Lotteries Limited	Maltco Lotteries Limited (national lottery, a 10 year license renewed in 2012): <ul style="list-style-type: none"><li>• Lotteries</li><li>• Sports betting</li><li>• Horse betting</li></ul>	4 license classes (many licenses issued):  Class 1: <ul style="list-style-type: none"><li>• Casino games,</li><li>• Games of chance,</li><li>• Games that use a random number generator.</li></ul> Class 2: <ul style="list-style-type: none"><li>• Sports betting and other betting.</li></ul> Class 3: <ul style="list-style-type: none"><li>• For publicity and promotion of enterprises.</li></ul> Class 4: <ul style="list-style-type: none"><li>• Host enterprises and managing gaming operators but are not gaming operators themselves.</li></ul>	The lotteries and Other Games Act 2001  The remote Gaming Regulations 2004  The Malta Lotteries and Gaming Authority (LGA)

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Moldova</b>			
L.M. Loteria Moldovei S.A.	–	<p>No mention of online gaming in the law which means that it is not illegal and that operators can offer their games by obtaining a license.</p> <p>The 2 active operators in Moldova are: <i>PokerStars</i> and <i>PartyGaming</i> and the most popular games are:</p> <ul style="list-style-type: none"> <li>• Poker</li> <li>• Sports betting</li> </ul> <p><i>August 2012:</i> last available data (Gambling Compliance).</p>	<p>Ministry of Finance Ministry of Economics (Licensing Chamber)</p>
<b>Netherlands</b>			
Nederlandse Staatsloterij	<p>Online gaming unregulated (in February 2014: new legislation proposed, hope to open market in 2015).</p> <p>Nederlandse Staatsloterij: does not appear to offer online lotteries.</p>	<p>3 types of licenses :</p> <ul style="list-style-type: none"> <li>• Sports betting: De Lotto, the only license issued.</li> <li>• Horse betting: Sportech Racing BV, the only license issued.</li> <li>• Lotteries (instant and lotto): De Lotto, the only license issued.π</li> </ul>	<p>The 1964 Betting and Gaming Act The Dutch Gaming Authority</p>
<b>Norway</b>			
Norsk Tipping A.S.	<p>Norsk Tipping (monopoly)</p> <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Sports betting</li> <li>• Casino games</li> <li>• Poker</li> <li>• Bingo</li> <li>• Instant</li> </ul>	<p>Norsk Rikstoto (monopoly – License issued by the Ministry of Agriculture for a 5 year period):</p> <ul style="list-style-type: none"> <li>• Horse betting</li> </ul> <p>No license for foreign operators.</p> <p>Private lotteries for social or humanitarian causes can offer their online products as a distribution channel.</p>	<p>Totalisator Act Gaming Schemes Act Lottery Act Gaming and Foundation authority</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Poland</b>			
Totalizator Sportowy Sp. z o.o.	On November 12, 2013, an amendment to authorize Totalizator Sportowy to offer online lotteries was submitted. Decision should be taken in <i>February 2014</i> (in May 2014 = no additional information).	Online gaming unauthorized with the exception for totalisator and bookmaking betting. 4 authorized operators: <ul style="list-style-type: none"> <li>• Fortuna Zakłady Bukmacherskie Sp</li> <li>• Wzajemne Zakłady Bukmacherskie Milenium Sp</li> <li>• Star-Typ Sport Zakłady Wzajemne Sp</li> <li>• Totolotek</li> </ul> Licenses issued for a 6 year period.	Act of Law on Games of Chance 2009 Ministry of Finance
<b>Portugal</b>			
Santa Casa de Misericordia da Lisboa	Santa Casa de Misericordia da Lisboa (monopoly): <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Sports betting</li> </ul>	–	Decree Law no. 282/2003 Inspectorate-General of Finance Ministry of Employment and Social Security
<b>Romania</b>			
Compania Nationala Loteria Romana S.A.	Compania Nationala Loteria Romana (monopoly): <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Horse betting (mutuel)</li> </ul>	No list of operators. The operator must also have an offline license and an authorization (for a 1 year period).  Licenses issued for 5 years and different according to the games offered. Issuance of licenses not mentioned.  Authorized games: <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Casino games (including poker)</li> <li>• Games of skill</li> <li>• Bingo</li> </ul>	Law no. 246/2010 National Office of Gambling



<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Russia</b>			
Interlot, Private Joint-Stock Company Joint Stock Company, Russian Lotteries Ural Lotto	Online gaming unauthorized.	–	Law no. 244-FZ Russian Criminal Code (in these laws, we find banning of online gaming)
<b>Serbia</b>			
State Lottery of Serbia	State Lottery of Serbia (monopoly): • Lotteries • Casino games (including poker)	<i>In August 2013:</i> regulation allowing issue of license to private operators.  <i>In September 2013:</i> no license issued (last available data – consulted sources).	Act of Games of Chance Ministry of Finance
<b>Slovakia</b>			
TIPOS, narodna loteriová spoločnosť, a.s.	TIPOS: offers online games: • Lotteries (monopoly) • Casino games (monopoly) • Betting	3 other licensed operators in the country offer their online games: betting.	The Law on Games of Chance Ministry of Finance
<b>Slovenia</b>			
Loterija Slovenije, d.d. Športna Loterija, d.d.	Loterija Slovenije : • Number games • Bingo • Instant games  Športna Loterija: • Lotteries • Sports betting  For the classic games of chance: a limit of 2 licenses for a 10 year period and as often as desired.	Operators must have a land-based license for a casino or for existing classic lotteries. Only the 2 lotteries and the casino distributors can get a license. No list available. • Hit Casinos: casino games  For the special games of chance: the government can issue up to 15 casino licenses and 45 gaming hall licenses, for a 10 year period, renewable for 5 years as often as desired.	Act on Gambling 1995 Rules of Games of Chance via the Internet and other Means of Telecommunication (Official Gazette 42/08 and 103/08) Ministry of Finance and Tax Administration

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Spain</b>			
<p>Loteria de Catalunya</p> <p>Organizacion Nacional de Ciegos Espanoles ONCE</p> <p>Sociedad Estatal Loterias y Apuesta del Estado (SELAE)</p>	<p><i>Loteria de Catalunya:</i> does not appear to offer online gaming.</p> <p><i>Organizacion Nacional de Ciegos Espanoles ONCE:</i> lotteries</p> <p><i>Sociedad Estatal Loterias y Apuesta del Estado (SELAE):</i> lotteries</p>	<p>Two levels: federal and autonomous regions.</p> <p>At the Federal level: operators must get 2 licenses: a general license (10 year period, renewable) and a license for each game.</p> <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Horse betting</li> <li>• Casino games (including poker (cash and tournament) also roulette, baccarat, blackjack)</li> <li>• Bingo</li> <li>• Tombola</li> </ul> <p><i>In February 2014:</i> 51 licenses (does not take into account licenses issued by the autonomous regions).</p> <p><i>In February 2014:</i> 3 autonomous regions regulated online gaming: Madrid, Basque Country, Castilla y Leon).</p> <p>Madrid (no list of games offered, only 2 licenses issued since 2012). Basque Country (no data). Castilla y Leon (no license issued).</p> <p>The government is working on regulation of slot machines and the betting exchanges, including in the law but not regulated).</p>	<p>Law 13/2011</p> <p>National Gaming Commission (the Comision Nacional de Juego – NGC)</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Sweden</b>			
Miljonlotteriet AB Svenska Spel	Miljonlotteriet: <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Bingo</li> </ul> AB Svenska Spel: <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Poker</li> <li>• Bingo</li> <li>• Sports betting</li> </ul>	Only authorized for the 2 monopolies Svenska Spel and ATG (horse betting). Lotteries for charities are also authorized (non-profit licensed organizations).	Lotteries Act 1994 The Swedish Gambling Authority
<b>Switzerland</b>			
Société de la loterie de la Suisse Romande Swisslos Interkantonale Landeslotterie	Except for Loterie de la Suisse Romande and Swisslos, online gaming is unauthorized: <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Bingo</li> <li>• Sports betting</li> <li>• Horse race betting</li> </ul>	Only authorized for the 2 state lotteries: la Société de la loterie Suisse Romande and Swisslos.	Federal Law on Games of Chances and Gaming houses The Swiss Federal Council
<b>Turkey</b>			
Turkish National Lottery Administration	Loterie Nationale (Milli Piyango) <ul style="list-style-type: none"> <li>• Lotteries</li> </ul>	Only authorized for the state societies.	Turkish Criminal Code Regulation Regarding Online Gambling National Lottery Administration (lotteries) General Directorate of Youth and Sports
<b>United Kingdom</b>			
Camelot UK Lotteries Ltd.	Camelot (monopoly) <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Health Lottery (legal loophole)</li> </ul>	Licenses issued to licensed operators in UK and those based in the European Economic Area in UK and those in the white list <ul style="list-style-type: none"> <li>• Betting (all types)</li> <li>• Casino games (including poker, table games, slot machines)</li> <li>• Bingo</li> <li>• Tombola</li> <li>• Game of skill (using chance)</li> </ul>	The Gambling Act 2005 Gambling Commission

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Latin America</b>			
<b>Argentina</b>			
<p>Association de Loterias, Quinielas y Casinos Estatales de Argentina (A.L.E.A.)</p> <p>Loteria Nacional Sociedad del Estado</p> <p>ENJASA – Entretenimientos y Juegos de Azar S.A.</p>	<p>Online gaming unregulated at the national level. However, 2 autonomous provinces (Misiones and Tucuman) have regulated online gaming.</p>	<p><i>Tucuman:</i> 1 license issued (Palpitos Deportivos)</p> <ul style="list-style-type: none"> <li>• Sports betting</li> <li>• Casino games</li> </ul> <p><i>Misiones:</i> 1 license issued (Funny Games)</p>	<p>No legislation for online gaming neither at the national or provincial level. However, the law No. 25.295 Sports Forecasting (<i>pronosticos deportivos</i>) gives the National Lottery the control of the administration and operation of all sports forecasting games who can market them via all technological media.</p> <p><i>Tucuman:</i></p> <ul style="list-style-type: none"> <li>• Caja Popular de Ahorros de la Provincia de Tucuman</li> </ul> <p><i>Misiones:</i></p> <ul style="list-style-type: none"> <li>• Instituto Provincial de Loteria y Casinos</li> </ul>
<b>Brazil</b>			
Caixa Economica Federal	<p>Online gaming unauthorized</p> <p>In 2011 <i>Caixa</i> started to offer online lottery Mega Sena as a pilot project (as of March 2014).</p>	–	<p>No specific legislation on online gaming, but the government thinks online gaming is illegal on the basis of the Criminal Contravention Act.</p>
<b>Chili</b>			
Loteria de Concepcion Polla Chilena de Beneficencia	<p>Unregulated. However, Loteria de Concepcion and Polla Chilena de Beneficencia (state lotteries) are exceptions and offer online gaming.</p>	–	<p>The Chilean Civil Code</p> <p>Ministry of Finance (oversees and regulates lotteries)</p>
<b>Ecuador</b>			
Loteria Nacional de la Junta de Beneficencia de Guavaquil	<p>Loteria Nacional: the only operator offering its products online (traditional lotteries and lotto).</p> <p>Last data: January 2012.</p>	–	<p>2008 Constitution</p> <p>Ministry of Tourism</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Honduras</b>			
Loterias electronicas de Honduras	Very few information. Does not appear to offer online gaming according to consulted sources.	–	–
<b>Mexico</b>			
Pronosticos para la Asistencia Publica Loteria nacional para la Asistencia Publica	Loteria nacional: (monopoly) <ul style="list-style-type: none"> <li>• Lotteries</li> </ul> Pronosticos para la Asistencia Publica: <ul style="list-style-type: none"> <li>• Sports betting</li> </ul>	Market is unopened to foreign operators. Only incorporated companies in Mexico which have a land-based license to operate can get a license (same license). <i>In November 2013:</i> no list of operators available (games authorized are: casino games, sports betting, horse betting, dog races, bingo).	Federal Gaming and Raffles Law (Article 85 of the 2004 Regulation) – does not cover lotteries. Secretaria de Gobernacion (SEGOB) – does not control lotteries. <i>Lotteries:</i> Loteria Nacional Organic Law Government
<b>Panama</b>			
Loteria Nacional de Beneficencia Panama	Online gaming regulated but the regulation is not clear.	Operators can get licenses. They cannot offer games to residents of Panama (authorized games: casino games and sports betting).	Law Decree 2/1998 Resolution 65 (October 2002) Gaming Control Board
<b>Peru</b>			
Intralot de Peru S.A.C.	Online gaming unregulated so no license issued and it is considered unauthorized. However, lottery companies bypassed this in saying that online playing is an extension of the traditional operations. <i>Intralot of Peru:</i> lotteries and sports betting.	<i>Capital Management</i> (in association with a charity organization): operates 3 lotteries on mobile and SMS. <i>Galena Capital</i> (in association with a charity organization): offers lotteries on mobile and SMS. Monterrico Racetrack: horse races.	Law Decree No. 21921 (general), Law No. 26651 et Law No. 26918 (lottery) National Comprehensive Program for Family Welfare

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Uruguay</b>			
Direccion de Loterias y Quinielas Banca de quinielas de Montevideo	Although online gaming is easily available in the country, only Banca de Loterias y Quinielas has a clear regulation concerning online gaming.  <i>Banca de Loterias y Quinielas:</i> (monopoly) offers online traditional lotteries.	–	Uruguayan Criminal Code Direccion Nacional de Loterias y Quinelas
<b>Venezuela</b>			
Loreria de Tachira	No data on online gaming (consulted sources).	–	–



<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>North America &amp; Caribbean</b>			
<b>Canada</b>			
Atlantic Lottery	<p>*Horse racing: under federal jurisdiction can be offered by licensed racetrack operators by Canadian Pari-Mutuel Agency (CPMA).</p> <p>Atlantic Lottery (monopoly):</p> <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Bingo</li> <li>• Sports betting</li> <li>• Pick'n Click (Entertainment games)</li> </ul>	No other operator because against Canadian Criminal Code.	<p>Canadian criminal code (Federal)</p> <p>Gaming Control Act</p> <p>Provincial governments (Nova Scotia, New-Brunswick, Newfoundland and Labrador, Prince Edward Island)</p>
BCLC	<p>BCLC (monopoly):</p> <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Bingo</li> <li>• Casino games</li> <li>• Poker</li> <li>• Sports betting</li> </ul>	No other operator because against Canadian Criminal Code.	<p>Canadian criminal code (Federal)</p> <p>Gaming Control Act</p> <p>Gaming Policy and Enforcement Branch (under Ministry of Energy, Mines and Natural Gas)</p>
Loto-Québec	<p>Loto-Québec (monopoly):</p> <ul style="list-style-type: none"> <li>• Lotteries</li> <li>• Casino games</li> <li>• Poker</li> <li>• Sports betting</li> </ul>	No other operator because against Canadian Criminal Code.	<p>Canadian criminal code (Federal)</p> <p>Act respecting the Société des Loteries du Québec</p> <p>Ministry of Finance</p>
Ontario Lottery and Gaming Corporation	Will be online in September 2014) (monopoly).	No other operator because against Canadian Criminal Code.	<p>Canadian criminal code (Federal)</p> <p>Ontario Lottery and Gaming Corporation Act</p> <p>The Alcohol and Gaming Commission of Ontario</p> <p>Ministry of Finance</p>
Western Canada Lottery Corporation	Service contract with BCLC.	No other operator because against Canadian Criminal Code.	<p>Canadian criminal code (Federal)</p> <p>Gaming Control Act</p> <p>Manitoba Lotteries Corporation Act</p> <p>Manitoba Gaming Control Commission</p>

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>Dominican Republic</b>			
Loteria Nacional Dominicana	–	No list of online games offered. It was established that licenses are for games of chance and bets.  <i>In April 2014:</i> only one license issued (Amaya Dominicana).	Law 351/1964 (casinos) – first, other regulations/laws were added for specific needs.  Law 689/1927 and Law 5158/1959 (lotteries)  National Directorate of Casinos and Games of Chance (under Ministry of Finance)
<b>Saint-Lucia</b>			
CBN St Lucia Inc.	Does not offer online gaming (lottery website).	–	–
<b>Trinidad &amp; Tobago</b>			
National Lotteries Control Board	Online gaming unauthorized.	–	Gambling and Betting Act of 1963
<b>United States</b>			
California Lottery	Online gaming unregulated.	–	–
Connecticut Lottery Corporation	Online gaming unregulated.	–	–
Hoosier Lottery (Indiana)	Online gaming unauthorized.	–	–
Illinois Lottery	Illinois Lottery (monopoly) Online gaming unauthorized except for some lotteries (draw tickets). Pilot project started on March 25, 2012 for a period varying from 36 to 48 months.	–	720 ILCS 5/28-1(b)(6) – Illinois Lottery Law Illinois Control Board
Iowa Lottery	Online gaming unregulated.	–	–
Kentucky Lottery Corporation	Online gaming unregulated. *In Section 226 of the Kentucky Constitution: banning of gaming in the state (some exceptions).	–	–
Louisiana Lottery Corp.	Online gaming unauthorized.	–	–

<i>WLA members</i>	<i>Member – online gaming</i>	<i>Other authorized operators</i>	<i>Law and regulator</i>
<b>United States</b> (continued from the previous page)			
Minnesota State Lottery	Minnesota State Lottery (monopoly) Online gaming unauthorized except for lotteries (draw tickets and instant). On September 2013: draw tickets and on February 6, 2014: instant. March 2014: bill which would ban sale of online lotteries.	–	Minnesota Statutes Gambling Control Board
Missouri Lottery	Online gaming unregulated.	–	–
Nebraska Lottery	Online gaming unregulated.	–	–
New Jersey Lottery	Regulated online gaming. No online lotteries.	Casino games (including poker): you must have a casino service industry license; majority of casinos offer online gaming.	New Jersey Statutes Internet Gambling Bill A2578 Division on Gaming Enforcement Casino Control Commission
New York State Gaming Commission	Online gaming unregulated. On March 28, 2014: bill authorizing Gaming Commission to grant 10 licenses to offer online poker.	–	–
North Carolina Education Lottery	Online gaming unregulated.	–	–
Pennsylvania Lottery	Online gaming unregulated. April 2014: bill allowing casinos to offer online poker.	–	–
Tennessee Education Lottery corporation	Online gaming unregulated.	–	–

*Consulted sources:*

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- Site de PLAYSALOTTERY Gidani (Pty)
- WLA members websites
- Other websites

#### 4.7 Appendix G

### Blocking of illegal sites, payments and restriction on advertising with regard to gaming offered on the Internet

#### List of jurisdictions

Lynne Roiter, Loto-Québec

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Europe/Middle East</b>			
<b>Austria</b>			
Under license: sports betting.  Online lottery and casino games remain under a state monopoly.	No website blocking.  No blacklist.	Banks that knowingly process payments in connection with unlicensed gambling with international context and in are held responsible.	No advertising by unlicensed operators.  Administrative penalties in case of infringement.
<b>Belgium</b>			
Under license: casinos games, arcade games, sports betting and horse race wagers.  Lottery, keno, bingo and instants games are monopoly of the national lottery operator.	Websites blocking for unlicensed operators who also are on a blacklist.	Payment blocking agreement with the Belgian bank trade association to block payments to unlicensed operators.	No advertising by unlicensed operators.  Anyone found guilty is liable for a fine of up to €620 and up to three years' imprisonment.  Licensed operators can advertise according to a strict legislative framework.
<b>Bulgaria</b>			
Under license: sports betting including horse and dog racing, casino games and lotteries, with the exception of instant.	Websites blocking for unlicensed operators who also are on a blacklist.  Operators have three days to cease to target Bulgaria with their services. After this period, the SCG can get an injunction asking Internet service supplier to block the illegal site.  Suppliers have 24 hours to comply and are passible of penalties in case they do not.	No payment blocking.	No advertising by unlicensed operators.  Licensed operators are permitted to advertise in a restraint manner on: the names of the games, the registered trademark of the organizer, the results of games and earned profits and the drawings.

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Croatia</b>			
Under license: only casino games and poker are authorized to those with land based license.  Online lottery remains under a state monopoly.	No website blocking.  No blacklist.	No payment blocking.	Total banning to advertise on the games offered at the international level.
<b>Cyprus</b>			
Under license: only online gaming is authorized.  Online casino games are prohibited.	Website blocking for unlicensed operators who also are on a blacklist.	No payment blocking.	Advertising of unlicensed operators is prohibited and sanctioned as a criminal activity with prison sentences and monetary fines.  Licensed operators can advertise according to a strict legislative framework.
<b>Denmark</b>			
Under license: only casino games and online betting (except betting on horse racing) are authorized.  Lottery games monopoly of state lottery operator.	Websites blocking for unlicensed operators.  Order of the Court requested.  No blacklist.	Forbidden for financial institutions and electronic payment providers to transfer payment of winnings to or from a specific account owned by an unlicensed operator.	No advertising by unlicensed operators.  The Danish Gambling Authority can enter into agreements with licensed operators to allow advertising if it judges that the advertising rules in their jurisdiction comply with Denmark rules.
<b>Estonia</b>			
Under license: all casino games and forms of wagering.  Lottery remains under a state monopoly.	Websites blocking for unlicensed operators who also are on a blacklist.	Payment service providers cannot transfer payments to unlicensed operators.	General banning of advertising on games, regardless of the type of operator.
<b>Finland</b>			
Monopoly of 3 State owned companies.	Studying possibility of blocking unlicensed operators from market.	Not being considered as a primary measure.	–

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>France</b>			
Under license: sports betting, horse racing, poker and its variants. All other online casinos games prohibited. Lottery and bingo remain under state monopol.	Websites blocking for unlicensed operators who also are on a blacklist. Order requested. *Existence of an automated management file on fight procedures against illegal sites.	Blocking done by administrative decisions of Ministry of Finances, based on ARJEL's opinion but without the necessity of obtaining an injunction.	No advertising by unlicensed operators. Licensed operators can advertise according to a strict legislative framework.
<b>Germany</b>			
Under license: sports betting, poker and other non-banked casinos games (Maximum: 20). Lottery and bingo remain under a state monopoly.	No website blocking. No blacklist.	Payment blocking for unlicensed operators.	No advertising by unlicensed operators. Criminal code criminalized advertising of unlicensed operators with imprisonment of up to one year and a fine.
<b>Great Britain</b>			
Under license: all games including skill games if have element of chance. Lotteries – Camelot and because of legal loophole health lottery.	No blocking.	No payment blocking.	Banning of advertising for all gaming activities not coming from the EEA or from countries which are on the white list. Licensed operators can advertise according to a strict legislative framework.
<b>Greece</b>			
Under license: sports betting, horse racing wagers, casino games. Online lottery under state monopoly.	Websites blocking for unlicensed operators who also are on a blacklist. Internet site providers must block sites of unlicensed operators. As of December 6 2012, notices were sent to unlicensed operators, to the effect that measures were to be undertaken towards those operators.	Financial institutions must block operations not made by licensed operators.	No advertising by unlicensed operators. Only licensed operators can advertise on the services they offer in the country.



<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Hungary</b>			
Under license: only sports betting, card games and casino games are permitted). Online lottery, under state monopoly.	Websites blocking for unlicensed operators who also are on a blacklist. Fiscal authorities (National Tax and Customs Administration) can issue provisional internet service providers to block unlicensed operators sites for 90 day period. If necessary, a permanent blocking injunction on illegal site can be obtain by a Court order.	Financial institutions cannot assist in the acceptance of illegal gambling offers.	No advertising by unlicensed operators.  Licensed operators, financial organizations and communication service providers cannot authorize advertising from unlicensed operators.
<b>Ireland</b>			
–	Under review: draft legislation.	–	–
<b>Israel</b>			
Only the state operator can offer online sports betting.	Draft legislation under way to broaden police powers to illegal site blocking without an order of the Court.	Although there is no specific law regarding payment blocking, some laws exist to enable regulators of the financial system to instruct financial institutions to block the processing of the online gambling transactions.  Therefore, the Bank of Israel published a notice in January 2012 that banks and credit cards companies operating in Israel would need to monitor transfers mentioned in the government's blacklist accounts. Israeli financial institutions would be able to refuse transactions from online gambling sites following this notice.	–

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Italy</b>			
Under license: sports betting, casino games, cash poker and poker tournament, bingo, betting on events, betting exchange.  Online lottery is operated by state licensed operators.	Websites blocking for unlicensed operators who also are on a blacklist.	No blocking, but banks and financial institutions are required to report transactions made by unlicensed operators on the blacklist.	No advertising by unlicensed operators.  Media companies allowing advertising by such operators are subject to administrative and criminal sanctions.  Licensed operators can advertise according to a strict legislative framework.
<b>Latvia</b>			
Under license: sports betting, casino games, bingo.  Online lottery remains under a state monopoly.	Under review: blocking and blacklist proposed by the draft legislation.	Blocking proposed by the draft legislation.	Prohibition on advertising. No distinction is made between licensed and unlicensed operators.
<b>Macedonia</b>			
Only the state operator can offer online gambling for two years, since the mid-2014, in partnership with a private operator.  All games are offered.	In January 2014, government representative announced that Macedonia will begin illegal website blocking.	No payment blocking.	No blocking.  Authorised sites can advertise according to a strict legislative framework.
<b>Netherlands</b>			
Only the state operators will be able to offer online gambling which is sports betting.  The only game possibly open for a license would be horse racing.	Under study as per draft legislation, internet service providers could, ultimately, be required to block internet sites of unlicensed operators. A Court of Appeal decision was rendered to the effect that internet services providers cannot be forced to block internet sites, because of freedom of press. Furthermore, this is inefficient.	–	–

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Norway</b>			
Only the state operator can offer online gambling, including: sports betting, lottery, poker, casino games, instant and bingo.	No website blocking. No blacklist.	Some credit institutions can process payments from Norwegian nationals to unlicensed internet companies providing gambling services.  With regards to payment transfer by credit, they will not be automatically blocked. Gaming authority must intervene to block the account of an illegal game service supplier for the credit transfers to this account be blocked.	Total ban for unlicensed operators.
<b>Poland</b>			
The only license authorized is for bookmaking.  State operator can offer online gambling.	No website blocking. No blacklist.	The Banking Act enables the blocking of payments of online gambling operators deemed to be illegally operating in Poland.	Total ban for unlicensed operators.  Licensed operators can advertise on their site.
<b>Romania</b>			
Under license: sports betting, casino games, poker.  Online lottery under state monopoly.	Law provides website blocking for unlicensed operators but there is no obligation for Internet service suppliers to block these sites.  No blacklist.	Financial institutions may be obliged to refuse to process any payment order from Romanian nationals to foreign online gambling providers.	No advertising by unlicensed operators.  Breach of the prohibition can be sanctioned with a fine ranging between RON50,000 and RON100,000 (approximately €23,000).  Licensed operators can advertise.
<b>Serbia</b>			
Under license: all games	Websites blocking for unlicensed operators who also are on a blacklist.	Payments for organized games outside Serbian territory are prohibited.	No advertising by unlicensed operators.

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Slovenia</b>			
Under license: casino games, lottery, bingo and sports betting.	Regulator authorities must obtain a court order to block illegal site. Offenders are liable for a fine ranging from € 7,500 to € 52,500. No blacklist.	Transmission and reception of payments in line with unlicensed operators are forbidden. Offenders are liable for a fine ranging from € 7,500 to € 52,500.	No advertising by unlicensed operators.  Breach of prohibition can be sanctioned by a fine ranging from € 7,500 to € 52,500.
<b>Spain</b>			
Under license: sports betting, horse racing wagers, social events, casino games, poker (cash and tournament), bingo.  Online lottery operated by state monopolies (ONCE and SELAE).	Websites blocking for unlicensed operators. Order of the Court requested. No blacklist.	Gaming regulator can establish payment blocking on transactions considered coming from an unlicensed operator.	No advertising by unlicensed operators.  Only licensed operators can advertise on the services they offer in the country.  If these licensed operators allow advertising from unlicensed operators, they can be sanctioned to administrative fines.
<b>Sweden</b>			
Only the state operator can offer online gambling. The only authorized games: sports betting and horse racing, poker, bingo and lottery.	No website blocking. No blacklist.	No payment blocking.	Ban on advertising on unauthorized games.  A Court's decision ruled that the different penalties imposed were discriminatory. After this case, advertising by unlicensed operators increased in 2013, as enforcement measures to the advertising restrictions are not effective in the country.
<b>Turkey</b>			
Under license: lottery and sports betting.  Online casino games remain unauthorized.	Gaming Directorate, a National Lottery General Directorate division, can obtain order to block illegal websites by the internet service providers. It can also obtain order to end gaming illegally obtained.  No blacklist.	Financial institutions are forbidden to pay for illegal gaming services.	No advertising by unlicensed operators.  Licensed operators can advertise under a strict legislative framework.

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>The Americas</b>			
<b>Brazil</b>			
At the present time, there is no specification with regards to license types which will be offered.	No blocking.	Draft legislation on restrictions to use of payment cards for non-authorized transactions online gambling is under study.	No advertising by unlicensed operators.

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Asia/Pacific</b>			
<b>Australia</b>			
At the present time, there is no specification with regards to license types which will be offered.  At the present time, online casino games are unauthorized.	Under review: bill revising legislation on online gambling currently under way. Bill includes illegal site blocking and a black list.	–	–
<b>China</b>			
Online gambling is illegal, except for two state lotteries and one licensed operator China (continued).	Illegal site blocking with censorship software.  No mention of a black list.	No payment blocking, but the online gambling transactions with illegal operators are forbidden.  Offenders are liable to imprisonment and a fine between 500 and 3,000 yuans.	Banning of publicity on unauthorized gaming by unlicensed operators.
<b>India</b>			
With the exception of the state of Sikkim, online gambling is illegal.	Illegal sites blocking foreseen in the federal law.  However, online gambling is illegal, except for the State of Sikkim, where licenses are issued. No blocking in the State of Sikkim.	No payment blocking.	At the Federal level, an advertising code is applied.  In the State of Sikkim, rule applies to licensed operators doing advertising. Offenders are liable to a fine of a maximum of RS 5,000. Licensed operators can advertise according to a strict legislative framework.

<i>Country and Internet gaming</i>	<i>Illegal sites blocking/ Blacklist</i>	<i>Payments blocking</i>	<i>Advertising restriction</i>
<b>Malaysia</b>			
In general, gambling is illegal, except for licensed operators. Online gambling is not specifically regulated and major operators do not offer online gambling.	Illegal site blocking. No mention of a blacklist.	No payment blocking.	No advertising by unlicensed operators.  Banning of advertising on game of chance, in the mass media (newspaper and television) intended to Malaysian. There is an exception for Chinese, English and Hindu medias.  Licensed operators can advertise according to a strict legislative framework.
<b>New Zealand</b>			
License types: lottery, keno, sports betting and wagers on racing.	No website blocking. No blacklist.	No payment blocking.	No advertising by unlicensed operators.  Licensed operators can advertise according to a strict legislative framework.
<b>Singapore</b>			
Online gambling is neither expressly regulated nor prohibited.	Under review: government consultation restricts remote gambling other than for Singapore Pools.	–	–

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- Others Internet sites





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