Community outreach: WLA Member Lotteries giving back to their communities.
SGEP Lotteries have weekly per capita sales that are 56% higher than self-managed lotteries and 27% higher than lotteries managed by other vendors. Drive more to your bottom line and to the good causes your lottery supports.

Based on CY 2019 Weekly Per Capita Instant Game Sales
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Together in difficult times

The holiday season is a time to reflect back on the past year, the difficulties that we faced, and the blessing that we received. Confronted by the challenges that the COVID-19 pandemic posed, 2020 will remain in our memories as one of the most trying years that the WLA has faced since its founding two decades ago. Despite the circumstances, the world lottery community held strong through these difficult times and we learned a lot about our resiliency and our will to innovate in the face of difficulty. I was pleased to see the number of WLA member lotteries that went above and beyond their usual charitable endeavors to help alleviate the pandemic crisis in their respective communities. In this issue of the magazine we recognize some of our member lotteries across the globe that went that extra mile in the fight against COVID-19.

The WLA has also adapted and grown through the ongoing pandemic crisis. Although we were forced to postpone the World Lottery Summit until 2022, and cancel all of our live events, we were able to tailor all of our seminars to work in an online format. Working in accord with the regional associations, the webinars that we have held since the pandemic began have been highly successful. Post-pandemic, we will likely keep the webinar format to complement our regular seminars. Hosting webinars, we have learned that WLA members across the globe, who otherwise would not be able to attend our seminars, were given the opportunity to profit from the knowledge that the WLA academy has to offer. Additionally, ongoing projects have remained on schedule with the WLA staff working largely from a home-office environment. Work on the WLA’s new eCompendium and the new WLA website have been advancing, both will be launched very shortly.

Unhindered by the pandemic, the WLA Executive Committee has remained steadfast in continuing Association business. With the help of online technology, their triannual meetings remained on schedule with online conferences held in June and November of this year. The WLA’s biennial General Meeting, which would have normally been held this past October, was also efficiently handled online. Delegates were provided with the necessary documentation electronically, and all voting was done by write-in ballot. One of the most notable results of the 2020 General Meeting was that Rebecca Hargrove was reconfirmed by the delegates for a second term of office as WLA President. I would like to warmly congratulate Rebecca on her re-election and I look forward to working with her again for another two years.

The WLA Security and Risk Management Committee (SRMC) has also been working hard over the past months, finalizing the latest iteration of the WLA Security Control Standard, WLA-SCS:2020. The new standard was adopted by the delegates of the General Meeting in October and began rolling out shortly thereafter. I would like to thank the SRMC for everything that they have done to make the launch of the new standard possible.

In closing, I would like to wish WLA members across the globe a joyous holiday season and a healthy and prosperous new year. Please do take all precautionary measures to avoid the coronavirus and maintain your health. Together we will continue to fulfill the mission and vision of the WLA in 2021!

Luca Esposito
WLA Executive Director
Rebecca Paul Hargrove was elected WLA President in 2018 at the WLA General Meeting in Buenos Aires, the first woman ever to hold this distinguished office. In October 2020, she was re-elected for a second term of office – this time, owing to the COVID-19 pandemic, by mail-in ballot. She will be leading the WLA until she completes her two-year term in 2022.

With the pandemic raging across the globe since January, the lottery industry has faced unprecedented challenges throughout the year. In its unflinching response, the sector has demonstrated commendable verve, resiliency, and creativity. Adapting to the pandemic likewise, the WLA has been similarly resolute in its rejoiinder, tailoring its activities, converting live in-person events to webinars, and holding committee meetings virtually. As 2020 comes to a close, we sat down with the President to reflect on the events of the past two years, both the challenges and the achievements.

This past October you were elected for a second term as WLA President. Owing to the COVID-19 pandemic, the last year of your first term was certainly turbulent. On the positive side, what would you consider the highlights of your first term of office?
The most immediate item that jumps to mind is the work of the WLA committees. During the pandemic, they have continued to be active and work virtually to support our membership. The committees are guided by the experienced and talented leadership of Younes El Mechrafi, General Director of La Marocaine des Jeux et des Sports and chair of the Audit Committee; Lynne Roiter, President and CEO of Loto-Québec and chair of the Corporate Social Responsibility Committee; Dato Lawrence Lim Sweet Lin of Magnum Corporation Sdn Bhd and chair of the Security and Risk Management Committee; Andreas Kötter, CEO of Westdeutsche Lotterie GmbH & Co. OHG and chair of the Illegal Lotteries and Betting Committee; and my predecessor as WLA president, Jean-Luc Moner-Banet, Director General of the Societe de la Loterie de las Suisse Romande and chair of the newly formed Sports Betting Integrity Committee. Under their direction, a great deal has been accomplished on behalf of our members during this extraordinary time.

In addition to the work of the committees, the Women in Lottery Leadership program has also grown. I felt an immense amount of pride and joy when I saw that the North American Association of State and Provincial Lotteries (NASPL) had – for the first time in its history – all female officers. Maybe it was because that moment came on the very same day as the 100th anniversary of the passage of the 19th Amendment to the U.S. Constitution, which guarantees a woman’s constitutional right to vote, but it felt not like a culmination, but a giant leap in the right direction. Ensuring gender equity brings valuable depth to an organization, and I am truly excited for what the future holds for our industry because of this effort.

Looking ahead to your second term as WLA President, what challenges do you foresee, what goals have you set, and what do you look forward to?
Well, after 2020, it’s hard to predict or foresee what lies ahead because the world will be defined by potential vaccines, their rollout and any return to a semblance of normalcy – all of which have potential, significant bumps in the road. With that said, what I look forward to is watching this amazing industry continue to adapt on behalf of its benefactors. All of the good causes we support continue, regardless of the status of COVID-19. Each lottery will have its own challenges based upon its jurisdiction, but what has persevered through 2020 is our willingness to try to adapt and move forward in whatever context our individual lotteries operate. The challenge will be to stay innovative, to stay creative if the global pandemic continues, and that’s where this organization will need to step in and continue bringing energy to sharing ideas and best practices.

The WLA has reached a number of milestones in the past two years. Among these was the recent relaunch of the WLA Security Control Standard (WLA-SCS:2020). In the 20-year history of the WLA-SCS, the standard has never quite gained a foothold in the USA. Now, under your directive, the WLA Security and Risk Management Committee (SRMC) worked together with the US Multi-State Lottery Association (MUSL) to clear the path for US lotteries looking to become WLA-SCS certified. What can you say to WLA member lotteries in the US to encourage them to get WLA-SCS certified?
I would tell them that what you’re selling your players is integrity and transparency, especially during a global pandemic. There is greater potential for more players to play if they know that games are operated fairly and securely. This is another tool in the toolkit to build strong relationships with current players and potential players.

On the topic of security, the WLA SRMC recently surveyed member lotteries on the state
of their Emergency Risk Management (ERM) programs. A good 95% of survey respondents indicated that they maintain a business continuity plan and test their control environment on a regular basis. However, only around 30% of respondents indicated that their business continuity plans had proven effective in the face of the COVID-19 pandemic. In your opinion, what do member lotteries have to do to be better prepared for another pandemic lockdown should one come?

The 30 percent results are more emblematic of the unique nature of the global pandemic. Nevertheless, the main course of action that should be taken if another lockdown occurs is an action that should be done before another lockdown: a full debrief of what worked and didn’t work. We have to take these steps while this experience is fresh in our minds so that we can learn every lesson to be learned and prepare accordingly.

The WLA Responsible Gaming working group also conducted a survey this summer, under the mandate of the WLA Corporate Social Responsibility (CSR) Committee. The aim of the survey was to determine how CSR programs had matured among WLA member lotteries in recent years, and whether member lotteries had broadened their CSR programs beyond responsible gaming to embrace other aspects of social responsibility. Moving beyond responsible gaming, what do you feel is the single most pressing issue that lotteries need to address in the near future in terms of CSR?

This is a difficult question since anyone’s “most pressing” issue in social responsibility is so personal and where you live and work definitely affects perspective. I think consumers are increasingly knowledgeable about an organization’s true impact in society, and we’ve seen a number of non-lottery businesses see positive or negative impacts because of how they approach social responsibility issues. So it’s incumbent on us in the lottery industry to not only continue telling the story of how our efforts benefit our respective good causes but also to begin understanding what policies or approaches we might take with respect to other social responsibility issues important in our individual jurisdictions.

Despite the pandemic, sports betting seems to be getting a good foothold in the USA. What do you feel has contributed to the success of sports betting in America?

Wagering on sports has been around a long time, but when the U.S. Supreme Court struck down PASPA, sports betting became something that could be available in any jurisdiction should policy makers or voters decide to take that action. But it’s the technological advances of the last quarter century and the increasing comfort level of e-commerce that I think have driven its success. Many people – not just bettors – are increasingly comfortable with dollars and cents not being something you have tangibly in your wallet or pocket. And beyond even the availability of online wagering, the prevalence of information on the Internet can make even the most wary potential bettor comfortable enough to place a wager.

The Tennessee Education Lottery (TEL) is one of a few state lotteries in America that acts as state regulator for sports betting. After many months of preparation, TEL approved the first four companies and sports betting went live in Tennessee on November 1, 2020. FanDuel, DraftKings, BetMGM, and Tennessee Action 24/7 now offer sports betting in the state, and business seems to be going well. In the first week of online sports betting in Tennessee, the state collected more than half a million dollars in taxes. The road to legal sports betting in Tennessee was a long one. What were some of the challenges that you faced along the way before regulated sports betting became a reality in the state?

The biggest challenge was there was no template we could follow as we developed our rules and regulations. We are interactive sports wagering only – meaning the placement of a wager only via the Internet, a mobile device, or other telecommunications platform. We don’t have brick-and-mortar sportsbooks or casinos, and no other state had “online only” sports wagering. Other states with online wagering also had brick-and-mortar locations too, so all the processes and the due diligence we needed to conduct, we had to set up and conduct from scratch.

TEL recently joined the Global Lottery Monitoring System (GLMS). What does it mean to you and TEL to be the first US lottery to join GLMS and how will the sports betting sector in your state benefit from your affiliation with GLMS?

The Tennessee Lottery is responsible for the licensing and regulation of online sports wagering in Tennessee. By law, we are not an operator, so I think it is important that we as the regulator make sure the integrity of the system is at the heart of everything we do to support a responsible and competitive sports wagering program. GLMS’s position in the global marketplace is a critical asset to the TEL’s work to protect the customer, promote fairness in sports and regulate this new industry in our state.

Many thanks for the interview. We wish you all the best for the holiday season and another successful two years as WLA President.
Care in a Crisis:
How WLA member lotteries are helping the fight against COVID-19

As the coronavirus pandemic has swept the world, the health and economic impact on local communities has been far-reaching. Across the board, WLA member lotteries have stepped up in support of their communities, going above and beyond their usual charitable endeavors to help alleviate the effects of this unprecedented crisis. Below we provide a selection of some of the many lotteries making a difference in the fight against COVID-19.

**Argentina**

**ALEA**
Asociación de Loterías Estatales Argentinas (ALEA), the association of Argentina’s state lotteries, made a donation equivalent to USD 10,000 (EUR 8,500) to the National University of Rosario in central Argentina. The donation helped to fund the development of a special three-mode ventilation device, that in its primary mode allows patients that are awake to control the device themselves with their breathing. A second mode, is controlled by medical personnel when patients are anesthetized, and a third mode is designed wean patients into the primary mode as they emerge from anesthesia. It was developed by a team at the University, including engineers and medical specialists, with the aim of reducing the high death rates among COVID-19 patients on traditional ventilators.

Considering that people had lost many traditional forms of entertainment during the lockdown, ALEA worked with its member lotteries to communicate to the dangers of illegal gambling. The following individual ALEA members also launched various initiatives to alleviate the effects of the pandemic in their respective communities.

**Lotería de la Ciudad S.E./Ciudad Autónoma de Buenos Aires**
The Argentina capital’s own lottery, Lotería de la Ciudad S.E./Ciudad Autónoma de Buenos Aires put in place support measures for its network of point of sale operators, including awareness of using protective equipment and proper sanitization. The operator’s employees also participated in voluntary activities, including assembling food packages for vulnerable people and providing support to those who were isolated or hospitalized.

**Lotería Chaqueña**
Serving the northeastern province of Chaco, Lotería Chaqueña, collaborated with the Provincial Urban and Housing Institute (IPDUV) to open a 100-bed shelter for COVID-19 patients and healthcare workers. With many health professionals arriving in Chaco to help the province fight the virus, Lotería Chaqueña also worked to provide them with accommodation and assistance. The operator financed a three-story complex for housing incoming doctors.

The lottery authorities in Chaco also worked together with local government to support affected local residents with deliveries of food and essentials.

**Instituto de Ayuda Financiera a la Acción Social (IAFAS)**
IAFAS operates the local state lottery for the northeastern province of Entre Ríos. The operator put its entire communication structure and network at the service of fighting COVID-19 in the region. During the lockdown, IAFAS helped publicize a call for blood donors to help COVID-19 patients in need of plasma.

**Lotería La Jujeña**
In the northwestern Jujuy province, Lotería La Jujeña worked together with the Jujuy
Development Bank on an information campaign. It used its own network channels to help distribute messages advising citizens to stay at home and be mindful of the necessary personal hygienic and self-care measures.

**Instituto Provincial de Loterías y Casinos de Misiones (IPLyC)**

Across the province of Misiones, IPLyC provided extensive financial assistance to help mitigate the impact of the pandemic. This included providing social packages throughout its own sales network and fiscal advances to the provincial Ministries of Health and Social Action to help them meet their expenses. IPLyC also provided sanitary kits to health and security personnel and carried out awareness campaigns on social and other media.

**Instituto de Juegos de Azar del Neuquén**

Serving Argentina’s central province, Instituto de Juegos de Azar del Neuquén made its disposable income available to local authorities to help the fight against the virus. The funds were used to purchase respirators, medical equipment, and to provide financial assistance to non-profit associations in the healthcare sector.

**Administración General de Juegos de la Rioja (AJALAR)**

In northwestern Argentina, AJALAR provided supplies including masks and sanitizer to its own network of ticket vendors, along with delivering food to the local community. This included cooked meals for children, as well as catering equipment and ingredients to help feed those in need.

**Lotería de Río Negro**

In the southern region of Patagonia, Lotería de Río Negro put in place a program to help people affected by confinement measures. This included a campaign providing advice for controlling anxiety and alleviating boredom. The operator broadcast the campaign across multiple channels, including commercial television, radio, and the Internet.

**Caja Social y Financiera de San Luis**

In central Argentina, Caja Social y Financiera de San Luis set up therapeutic care...
centers along with a call center and follow up service, to help support those affected by COVID-19. The initiative was open to citizens and healthcare workers.

**Australia**

**Lotterywest**

Early in the pandemic, the Western Australian State Government, through operator Lotterywest, allocated all profits up to AUD 159 million (EUR 96.5 million/USD 113 million) into the COVID-19 Relief Fund. The Fund rolled out grants in two phases – the first running from March to June, and the second, from June onwards.

During the first phase, the COVID-19 Relief Fund issued 93 grants worth AUD 11.2 million (EUR 6.75 million/USD 8 million) to crisis and emergency relief services. A further AUD 26.3 million (EUR 15.8 million/USD 18.7 million) was allocated to support arts, sports, and community groups financially impacted by COVID-19.

Midland Information, Debt, and Legal Advocacy Service (MIDLAS) was among the first community groups to receive support in the crisis and emergency relief category. The service used AUD 60,000 (EUR 36,000/USD 43,000) in grant funding to expand its provision to online and phone-based assessments ensuring continuous support throughout the COVID-19 shutdown. It also delivered food hampers, vouchers, and essentials to those unable to leave their homes.

Give Write was another recipient, a charity that helps ensure students have access to stationery for their educational needs. Over the crisis, it worked with 50 schools to provide over 1,400 stationary packs using a grant of AUD 12,750 (EUR 7,500/USD 9,000.)

In the arts, sports, and community category, Lotterywest has provided Relief Fund grants to animal rescue organizations, charities supporting aboriginal groups, and various initiatives supporting arts, music, dance, and sports.

The second phase of Lotterywest’s COVID-19 Relief Fund is split across three grant programs. These are aimed at supporting the most vulnerable, building community, and strengthening and adapting organizations. Over the rest of 2020 and into 2021, the Fund will allocate up to AUD 20 million (EUR 12 million/USD 14.2 million) to support the vulnerable, with streams covering crisis and emergency relief along with prevention and early intervention. A further AUD 40 million (EUR 24 million/USD 28.5 million) will be put towards community connection, arts and culture, helping aboriginal communities, and the environment. Finally, an additional AUD 10 million (EUR 6 million/USD 7 million) will be aimed at strengthening and adapting organizations.

**Canada**

**Loto-Québec**

Loto-Québec made several contributions to help fight the coronavirus pandemic in the province. In March, it donated CAD 1 million (EUR 645,000/USD 750,000) to Québec’s Moisson food banks. Furthermore, when gaming establishments were ordered to close, Loto-Québec organized its venues to transfer any unused food inventory and supplies to the Moisson centers. It also provided disinfectant products and over 30,000 N95 masks to the Québécois Ministère de la Santé et des Services sociaux (Ministry of Health and Social Services.)

In a separate initiative to support local food banks, Loto-Québec also partnered with local food charity La Tablée des Chefs in its Les Cuisines Solidaires (Solidarity Kitchens) project. The project delivers meals to the most vulnerable members of society. In mid-April, Loto-Québec opened up the kitchen of its casino premises in Montreal to serve up 35,000 meals each week. Later in the month, the Casino du Lac-Leamy, also operated by Loto-Québec, joined the effort, preparing more than 16,000 meals each week. The total value of both casinos’ contribution was estimated at CAD 150,000 (EUR 95,000/USD 115,000) per month.

**Czech Republic**

**SAZKA a.s.**

In the Czech Republic, state lottery operator SAZKA a.s. has been involved in two key initiatives aimed at providing relief to some of the country’s hardest-hit by the pandemic. The company has been the key partner for fundraising for a collaboration between the country’s Social Care Services and the charitable "Podane Ruce" ("Given Hands") foundation. Funds have been directed into purchasing protective equipment, disinfection, and medical supplies for those who work in social assistance services. Part of the funds were also allocated to purchasing PCR tests that were donated to nursing homes for testing employees, along with oxygen supplies.

In the second initiative, SAZKA employees participated in a volunteer program to use the company’s fleet of delivery trucks to provide food and basic products to people in need. This project was run in collaboration with the EMIL Endowment Fund, a nonprofit organization. It started with a test run in the South Bohemian and Pilsen regions, which was successful enough to roll out in the rest of the country.

SAZKA technical worker-turned-volunteer driver Martin Česnek described a typical day covering around 400 kilometers (250 miles), visiting care homes for the elderly and institutions for mentally disabled people. However, the initiative also benefited people caring for family members in their homes, including one mother who described the relief of not having to leave her disabled son to visit the store for supplies. Other beneficiaries also expressed their gratitude for assistance, with one care home director in Pilsen stating: “I would like to thank all the volunteers. There has been a huge wave of solidarity and it is priceless.”

**France**

**La Française des Jeux**

French lottery operator La Française des Jeux (FDJ) has made a series of donations to various causes committed to fighting the ongoing impact of the coronavirus. In March, FDJ contributed EUR 1 million (USD 1.15 million) to the French national initiative “Tous unis contre le virus” (“United Against the Virus”), which aims to provide support to medical workers, researchers, and those in society who face the most significant disadvantages due to COVID-19. The initiative was a collaboration between the philanthropic organization Fondation de France, biomedical research center Institut Pasteur, and the French public hospital system, Assistance Publique-Hôpitaux de Paris.

The EUR 1 million donation came after the FDJ Foundation had already committed EUR 200,000 (USD 235,000) to an ap-
ap from Secours Populaires Français, a non-profit organization for helping vulnerable people. This allocation was targeted at providing elderly people with essential daily products direct to their homes. FDJ also purchased three million face masks for distribution to nursing homes and retailers at its network of 30,000 points of sale. It also offered suspension or partial relief on the financial levies for point of sale operators.

Employees of FDJ also rallied round in support of the fight against COVID-19. The Group’s employees donated over 1,400 days of annual vacation leave, enabling a further donation of EUR 340,000 (USD 400,000) in June. Along with the United Against the Virus cause, these funds were also distributed to other charities supported by the FDJ. These include the French Red Cross, which received EUR 157,000 (USD 183,000) to help fund emergency food aid for those in poverty and to help alleviate the isolation of elderly people in nursing homes.

The FDJ also allocated a further EUR 12,000 (USD 14,000) of the employee’s donation to Rêv’Elles, an association dedicated to developing the potential of young women and to broadening their professional perspectives. Along with the cash donation, the FDJ also donated 100 computers intended to help guarantee the ongoing education of those under the assistance of Rêv’Elles.

FDJ employees also provided individual voluntary assistance to the supported charities through activities such as mentoring and academic support.

Finally, although the French government had put in place extensive fiscal packages to help employers through the crisis, FDJ declined to benefit from any of these arrangements. Instead, the company opted to rely on its existing cash reserves to navigate through the crisis, providing an opportunity to redirect public funds to companies facing greater financial risk.

Germany

State lottery operators in Germany stepped up to the plate with various initiatives to support communities in their respective regions.

Lotto Bayern

The Bavarian lottery operator, Lotto Bayern, put in place an aid package worth EUR 3.5 million (USD 4.1 million) for its operators that ran into economic difficulties due to the closures mandated by the German government.

Land Brandenburg Lotto

Covering Berlin and the surrounding regions, Land Brandenburg Lotto has been a longtime sponsor of the “Hilfe für Familien in Not” (“Help for Families in Need”) foundation. In April, Land Brandenburg Lotto made a special donation of EUR 5,000 (USD 5,800) to the foundation aimed at supporting low-income parents and their children.

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Another west German lottery operator, WestLotto, provided multiple support measures to communities impacted by the virus. In the city of Münster, WestLotto provided 300 cloth masks to street sellers of the magazine “draußen” (“outside”), which aims to provide meaningful employment and income for homeless people. The company has also worked with the North Rhine-Westphalia Red Cross on promoting the use of face masks to the public.

WestLotto commits 40% of its stakes to non-profit institutions supporting welfare, environment, arts, and cultural causes. One beneficiary is the State Sports Association of North Rhine-Westphalia, which organized online exercise classes to help people keep fit at home during the time when gyms and exercise clubs were not operating.

The operator has also provided support to independent artists unable to earn an income during the crisis, commissioning twenty artists to produce an exclusive video clip for WestLotto’s YouTube channel.

Lotto Rheinland-Pfalz also donated 1,600 rain ponchos to the German Red Cross, used as personal protective equipment for those transporting patients infected by COVID-19. A further 1,400 ponchos were distributed to clinics and hospitals within the region.

In the eastern region of Germany, Lotto-Toto Sachsen-Anhalt allocated an aid fund of EUR 1 million (USD 1.15 million) for covering the pandemic-induced financial losses of non-profit associations and institutions. By September, the operator’s Supervisory Board had agreed on allocations of EUR 600,000 (USD 700,000). Beneficiaries include sporting associations, animal charities, as well as artistic and cultural institutions.

The Hong Kong Jockey Club (HKJC) has launched a program of support designed to help those impacted by COVID-19. As Asian countries were among the first to become affected, the HKJC had already begun making donations in February, starting with the provision of 680,000 masks to the community. The Club’s Charities Trust arm also ringfenced an initial emergency fund worth HKD 50 million (EUR 5.4 million/USD 6.5 million) for grants to NGOs. This included immediate funding of HKD 23 million (EUR 2.5 million/USD 3 million) to the Hong Kong Council of Social Services to provide “Care Packs” to elderly and disabled people confined at home. The packs included non-perishable food along with personal hygiene and household cleaning products.

By early March, HKJC had significantly extended its support, doubling the initial emergency fund allocation of HKD 50 million to HKD 100 million. The Club also distributed another round of Care Packs worth HKD 30 million (EUR 3.2 million/USD 3.9 million), expanding its reach to include low-income families and other vulnerable groups. The Care Pack initiative reached an estimated 670,000 people.

HKJC was also swift in allocating funds to NGOs in need. Within three weeks of confirming the initial allocation, it had approved and funded 84 projects to help the elderly, those with disabilities and other medical conditions, ethnic minorities, children, and those on low incomes.

They also launched an initiative to provide free bandwidth to school students who had to resort to online learning during school closures. Working with NGO partners and mobile carriers, HKJC funded a packaged worth HKD 42 million (EUR 4.6 million/USD 5.4 million) to provide free mobile internet coverage to 100,000 underprivileged primary and secondary school students during two months of home education.

In May, HKJC announced a new Community Sustainability Fund worth a further...
HKD 150 million (EUR 16.3 million/USD 19.3 million.) The new fund was targeted at helping the physical and mental wellbeing of underprivileged and vulnerable groups impacted by COVID-19. HKJC opened applications for grants to small-to-medium sized community service agencies and sports organizations. The fund also supported a non-profit technology organization called Social Career in developing an online platform to share resources developed under COVID-19 initiatives that HKJC had funded. The funding covered three years of running the platform, which hosts health-related information, learning materials, and virtual experiences in arts and culture.

The most recent initiative HKJC launched was the Jockey Club Food Assistance Programme. This released a further HKD 240 million (EUR 16.4 million/USD 19.3 million) from the HKJC Charities Trust, aimed at helping feed those rendered unemployed or underemployed by the COVID-19 crisis. Specifically, the program targeted those who were not eligible for government social security assistance – around 70,000 people.

By mid-September, HKJC had provided a total of HKD 586 million (EUR 64 million/USD 76 million) for funding COVID-19 initiatives.

Ireland
Premier Lotteries Ireland
In April, Irish national lottery operator Premier Lotteries Ireland released EUR 16 million (USD 18.7 million) in unclaimed prize money to the Irish Exchequer. Minister for Finance and Public Expenditure and Reform, Paschal Donohoe TD confirmed that the funding would be used to support the health sector in its response to the COVID-19 crisis. The funds were an addition to the extensive fundraising program that forms an integral part of the Irish National Lottery, with thirty percent of all revenues channeled into causes including health, welfare, youth, sport, education, heritage, and more.

Morocco
La Marocaine des Jeux des Sports
At the onset of the pandemic in March, Moroccan state sports betting operator La Marocaine des Jeux des Sport (MJDS) allocated MAD 100 million (EUR 9.3 million/USD 10.9 million) to a special fund established by His Majesty King Mohammed VI. The fund was dedicated to helping Morocco withstand the impact of the coronavirus crisis, including upgrading medical infrastructure, acquiring medical supplies and equipment, and supporting the national economy.

New Zealand
Lotto New Zealand
All profits from Lotto New Zealand are funneled directly into 3,000 good causes each year. Throughout the pandemic, New Zealand has made global headlines due to its remarkably low case numbers. However, the country could only achieve this by implementing a swift and strict lockdown. While containing the spread of the virus, the lockdown also left many elderly and vulnerable people isolated at home and unable to access groceries and essentials.

One of many good causes supported by Lotto NZ is the Student Volunteer Army (SVA), an education charity that works with 65,000 students. Assisted by lottery funds, the SVA worked with the authorities to ensure it could implement a COVID-secure home delivery service to those who needed it. The initiative involved a collaboration with Foodstuffs New Zealand, with Hyundai providing the vehicles and Z Energy providing the fuel. The SVA also worked with tech entrepreneurs to set up an online shop and payment portal where people could order their groceries and essentials.

Asthma NZ is another recipient of state lottery funding that provided additional support to sufferers of respiratory illnesses throughout the pandemic. Nine nurses from across the country conducted virtual “home visits” to ensure that high-risk respiratory patients were prepared to handle the threat of COVID-19. These visits involved delivering education, training, and support to over 600 families each month with members who have asthma, chronic obstructive pulmonary disease, and bronchiectasis.

Lottery funding also helps maintain Coastguard NZ, New Zealand’s primary maritime search and rescue service. During the strictest period of the lockdown, Coastguard NZ worked with St. Johns Ambulance services to provide assistance with emergency evacuations from inhabited islands around the coastline. This included six urgent transfers of patients to COVID-19 facilities in hospitals.

Finally, Lotto NZ proceeds also help fund the Wellington Hospitals Foundation. The Hospital Volunteer service includes over 200 knitters, quilters, and sewers. A lottery grant awarded last year meant that the Foundation could continue supplying volunteers with materials during the COVID-19 crisis. Volunteers use these materials to make blankets, socks, and slippers for newborn babies and elderly people being treated in the hospitals.

Poland
Totalizator Sportowy
In Poland, state lottery operator Totalizator Sportowy has launched several community support initiatives in the fight against COVID-19. In March, the company pledged PLN 4 million (USD 1 million/EUR 880,000) to the healthcare sector, with funds distributed among six hospitals and the Independent Public Healthcare Complex in Sanok, which conducts medical research. The donation was made via the LOTTO Halina Konopacka Foundation, a charitable organization established by Totalizator Sportowy in 2009.

As part of a collaboration with the Polish Ministry of State Assets and the Ministry of Health, Totalizator Sportowy also donated 90 vehicles to hospitals. The cars have
been deployed to transport equipment and food to those healthcare institutions treating COVID-19 patients.

The company also made an extensive on-going financial commitment to keep supporting the national efforts to combat the coronavirus. Since the end of March, Totalizator Sportowy has been donating ten percent of revenues from all bets and tickets on lotto.pl – a contribution that it states will continue indefinitely. It has achieved this without raising prices. From the donations, PLN 5 million (USD 4.9 million/EUR 4.42 million) has been allocated to a program called Sports Holidays+, which is aimed at alleviating the impact of the pandemic on physical and mental health.

The total amount raised by Totalizator Sportowy stood at over PLN 19 million (USD 4.9 million/EUR 4.42 million) by mid-October. The funds have helped to purchase personal protective equipment, medical apparatus, disinfectant and cleaning goods, and specialist ambulances.

Finally, Totalizator Sportowy also initiated a nationwide campaign illustrating ways that state lottery operators can help fight against the pandemic without direct financial intervention. The #MilionySposóbówNaNude initiative, or “Millions of Ways to Fight Boredom,” aimed to help people keep busy during the national lockdown, which ended in May. The company engaged celebrities, athletes, and influences to help promote activities that people can do at home. These include learning new skills such as origami or magic tricks, cooking, physical activities, and games. The initiative also featured a two-day esports event, in which twenty players livestreamed their gaming to fans watching at home.

At the end of March, Totalizator Sportowy also ran a three-week contest on Facebook, whereby members of the public could upload photos and videos of their creative ways to keep busy at home. The contestants who uploaded the most interesting contributions received online shopping vouchers as a prize.

ONCE

At the time of writing, Spain has the highest number of coronavirus cases in Europe, with over one million affected. Spanish charity and lottery operator ONCE (Organización Nacional de Ciegos Españoles or Spanish National Organization of the Blind) has a long history of supporting blind and disabled people across the country. As such, it was well-placed to step up and assist with extensive support measures for the 72,000 people under its own care to help alleviate the impact of the crisis.

The initiatives included reaching virtually all of its network of blind and deaf-blind seniors, providing access to psychologists, social workers, and volunteers to ensure their needs were being met. It also recruited the assistance of teachers to ensure that blind students could keep up with their education while schools were closed.

The charity managed to draft in over 780 volunteers to help reach disabled people confined at home during the crisis, increasing its voluntary workforce by 120% above the usual levels. Many of these participated in a program called #NoEstáisSolos (“You’re Not Alone”) to deliver food and medical equipment to those who could not get to hospitals or medical facilities.

Along with hands-on support, ONCE also set up webinars for the 90 million Spanish people living with disabilities to help equip them with the education and tools to navigate their rights regarding employment, social protection, access to health services, and community support, and more.

Educators have also played a prominent role in ONCE’s efforts to help fight the virus. Two teachers from the ONCE Educational Care team took the initiative to help raise awareness of the virus and social distancing among their blind and visually impaired students in a fun and stimulating way. They asked students to dress up as members of the “ONCE Patrol,” posing as superheroes to fight the virus and make recordings on their phones to share with others.

Another ONCE teacher in the Salamanca region put in place a project to help reinforce positive thinking and self-esteem in blind and visually impaired students during the pandemic lockdown. In Andalusia, ONCE educators helped their blind and visually impaired students record video and audio messages of encouragement that were sent to residents in a nursing home to boost their spirits during the height of the pandemic.

To help keep hospitals equipped, the ONCE Social Group put its 3D printers to work, producing visors and respirators for hospitals. It also opened up schools and hotels as medical residences to provide extra capacity to overburdened hospitals.

Finally, ONCE also works with the La Caixa Foundation, which raised over EUR 1 million for food banks across Spain.

SELAE

Sociedad Estatal Loterías y Apuestas del Estado (SELAE), the Spanish State Lottery, has also been contributing to the cause through its collaboration with the Spanish Red Cross, which provided 1,000 tablet computers to vulnerable children. The initiative ensured that their education could continue uninterrupted despite the national lockdown.

United Kingdom

Camelot UK Lotteries Limited

In April, UK lottery operator Camelot announced it would repurpose GBP 600 million (EUR 666 million/USD 680 million) worth of funds from The National Lottery to support charities and organizations impacted by the coronavirus. The package is being distributed across affected sectors with half of the total initial allocation – GBP 300 million (EUR 333 million/USD 390 million) – earmarked for the National Lottery Community Fund, aimed at helping the most vulnerable in UK society. The Community Fund provides support for food banks and charities that alleviate the causes of loneliness and isolation among the elderly and those affected by physical or mental health issues.

By October, the Community Fund confirmed that it had exceeded its target by one-third, with a total of GBP 400 million (EUR 444 million/USD 520 million) distributed to 8,200 community groups over the six months leading up to September 23, 2020. One example of a beneficiary is a local charity called Disability Peterborough, which received GBP 50,000 (EUR 55,500/USD 65,000). It provides home handyperson services, such as gardening or small home maintenance tasks, to local disabled people. Aside from the practical help, the visiting charity workers often provide much-needed social contact to those in isolation. Through
observation and conversation, the charity's workers have also been able to identify other issues such as financial difficulties, referring people to other charity services for additional support.

As a separate initiative to Camelot’s efforts, the UK government has also confirmed that it would allocate part of a GBP 750 million (EUR 830 million/USD 970 million) pot for frontline charities as a grant to the National Lottery Community Fund.

Aside from the Community Fund, the National Lottery has also been providing support to hard-hit sectors, including the arts, heritage, and sport. The Arts Council England has received GBP 144 million (EUR 160 million/USD 187 million), and the Arts Council of Wales GBP 5.1 million (EUR 5.6 million/USD 6.6 million). A further GBP 4.6 million (EUR 5.1 million/USD 6 million) is aimed at sustaining the flagging film industry via the British Film Institute. Creative Scotland also received GBP 10 million (EUR 11.1 million/USD 13 million) to allocate across the arts, screen, and creative industries.

In the sports sector, Sport England and Sport Wales received GBP 157 million (EUR 174 million/USD 204 million) and GBP 4.75 million (EUR 5.27 million/USD 6.15 million), respectively. These funds support clubs and partner networks, along with financing campaigns to help people to stay active at home during the period of lockdown.

Finally, the National Lottery Heritage Fund has made GBP 50 million (EUR 55 million/USD 65 million) available to help safeguard heritage sites and support heritage organizations that are losing money, including investment in digital skills training for staff.

A successful TV advertising campaign thanking UK National Lottery players for their support to local and national projects helped Camelot push through its initial targets. The adverts highlight the National Lottery’s relief efforts, with selfie-style clips from charity workers explaining different projects’ goals and outcomes. By raising the profile of its campaign, Camelot generated an average of GBP 30 million (EUR 33 million/USD 39 million) each week in contributions to the pandemic fund.

Many thanks to the WLA member lotteries who made this article possible. We received more contributions than we could include in this extensive reportage. If you would like to share further community service programs that your lotteries have initiated to alleviate the impact COVID-19 pandemic in your respective communities, we would be happy to consider them for a follow-up article.
Along with the many benefits that digital technologies have brought to the lottery sector, they have also created numerous new security challenges, including the threat of cyber-attacks. For more than two decades, the WLA Security Control Standard has provided lottery operators with an independent endorsement of the concrete measures in place to uphold the highest standards of integrity within their organizations. The latest iteration of the standard, WLA-SCS:2020, offers lotteries and their suppliers added assurance that they can maintain secure operations in the digital age.

The security and integrity of a lottery plays a crucial role in maintaining the public’s trust in the organization and confidence in its gaming products. It is therefore vital for lotteries to develop and maintain a visible and documented security and integrity environment.

Over the last twenty years, the WLA Security Control Standard (WLA-SCS) has gained recognition as the global security management baseline for lottery organizations. It is designed to help lotteries around the globe to obtain a level of security in line with generally accepted best practices. The
WLA-SCS specifies the practices underpinning an effective security management structure that enables a lottery to maintain the integrity, availability, and confidentiality of information vital to its secure operation.

WLA-SCS is aligned both with internationally recognized standards and with a common security baseline of lottery and gaming best practices. It comprises a comprehensive set of information security management requirements, which call for certification to the ISO/IEC 27001, including global scope requirements. This provides for a risk-based approach to lottery security within a framework of continuous improvement.

The WLA-SCS is developed and maintained by the WLA Security and Risk Management Committee (SRMC), which includes experienced security specialists from lottery and gaming operators from around the world. To ensure that the WLA-SCS reflects the latest best practices in lottery security, the SRMC has worked relentlessly to update and upgrade the standard, releasing its most recent iteration in October 2020. WLA-SCS:2020 replaces WLA-SCS:2016 and all other versions released prior to the 2016 edition.

The lottery security standard for a new era
WLA-SCS:2020 includes new controls for gaming system suppliers and operators, the use of cloud hosting of lottery gaming systems, applications security, and individual privacy protection. It also enhances the previous version of the standard, consolidating controls in some areas to avoid redundancy and offering additional clarifications where needed.

In the development of WLA-SCS:2020, the SRMC favored a generic approach rather than a detailed approach to provide a comprehensive set of controls that can be easily adapted to the varying needs of WLA members across the globe. Additionally, WLA-SCS:2020 incorporates new controls to bring it in line with the latest cybersecurity and Internet technology.

As in previous issues of the standard, WLA-SCS:2020 features general security and integrity controls as well as lottery specific controls. WLA-SCS:2020 also brings in two new sets of controls for gaming system suppliers and operators, and for multi-jurisdictional games. Together, these four sets of controls specify the minimum requirements for effective security management of lotteries, sports betting operators, and industry suppliers.

General information security controls
The 24 general information security and integrity controls (Annex A) complement the provisions of ISO/IEC 27001. They have been reorganized in the latest iteration of the standard to avoid redundancies and accommodate the latest technologies in information security management. Improvements include the addition of HR controls to clearly define corporate wagering and delineate the segregation of duties. A new control requiring ISO/IEC 27017 compliance for cloud environments used to host gaming systems has also been added to the general information security and integrity controls.

Lottery-specific controls
The lottery-specific controls (Annex B) represent current best practice in the lottery industry. They have been reorganized and consolidated in WLA-SCS:2020, and the number of controls has been reduced from 114 to 64. Controls on physical instant tickets, retailer security, prize payment, and sports betting, have been consolidated for greater efficiency and to eliminate redundancies. Additional controls covering the broadcast or live streaming draws and the
establishment of a responsible disclosure policy are among the improvements introduced in the latest version. A number of other controls have been moved to the new category for gaming system suppliers and operators (Annex C).

Controls for gaming system suppliers and operators
These 21 controls (Annex C) cover products and services offered by gaming system suppliers and gaming systems designed and maintained by a lottery organization’s own in-house developers. These controls focus on system security assurance and integrity measures related to the development of hardware, software, and firmware of gaming systems. They include release-process integrity checks, the provision of adequate security logging, file integrity, hardware integrity, vulnerability and patch-management processes, responsible disclosure, and integrity measures related to the printing of retail instant tickets. These controls are designed to strengthen the lottery supply chain in areas that were only partially covered by previous versions of the standard.

Controls for multi-jurisdictional games
A set of new controls (Annex D) has been developed to include multi-jurisdictional games. Currently, Annex D only relates to games run by the U.S. Multi-State Lottery Association (MUSL). The 11 controls are mandatory for WLA member lotteries that sell MUSL games in the U.S. to obtain WLA-SCS:2020 certification. Future iterations of the standard will be expanded to include other multi-jurisdictional games across the globe.

Framework 2020
One of the key innovations of WLA-SCS:2020 is a new two-level certification framework, known as Framework 2020, that has been introduced to make the standard more inclusive and more accessible to WLA member lotteries around the world. Striving for simplicity, WLA-SCS:2020 Level 1 does not require compliance with the ISO/IEC 27001 Standard for Information Security Management Systems. It does however provide for a robust level of information security for lotteries and sports betting operators. Level 1 certification is designed for WLA member organizations that want to take a more step-by-step approach to certification and are committed to achieving the highest level of certification, WLA-SCS:2020 Level 2, in a more incremental fashion. Certification to WLA-SCS:2020 Level 1 is only available for WLA lottery members. WLA associate members must be certified to Level 2.

WLA-SCS:2020 Level 2 represents the most comprehensive certification standard for lottery and sports betting operators and their suppliers. It combines mandatory ISO/IEC 27001 compliance with an extensive set of controls for the lottery and sports betting operators and suppliers of products and services to the industry.

Framework 2020 represents a significant turning point for the WLA security program. By making certification more attainable for member lotteries around the globe, the new certification framework significantly strengthens the position of the WLA-SCS as the only internationally recognized standard for lottery operators around the world.

Transition from WLA-SCS:2016 to WLA-SCS:2020
With the release of WLA-SCS:2020 in October 2020, the SRMC established the following time frame for transition from the previous version of the standard. For WLA
members certifying for the first time, a six-month period has been established, extending until April 30, 2021, during which they can choose to certify to either the WLA-SCS:2016 or the WLA-SCS:2020. First-time certifications, undertaken after April 30, 2021 must be to the WLA-SCS:2020.

For WLA members recertifying, the SRMC has established a transition period of two years, extending until October 31, 2022. During this time, WLA members can choose to recertify to either the WLA-SCS:2016 or the WLA-SCS:2020. Recertifications after October 31, 2022 must be to the WLA-SCS:2020. Within the two-year transition period, WLA members certificed to the WLA-SCS:2016 can recertify to the WLA-SCS:2020 within the framework of an annual review assessment. Should this be the case, all new controls of the WLA-SCS:2020 must be assessed in addition to the controls originally scheduled for the annual-review assessment.

**Updated guide to certification**
To highlight the key changes to the standard and explain the new certification framework, the WLA has published a new edition of its Guide to Certification for the WLA Security Control Standard. The new edition also details requirements for becoming a WLA-affiliated Assessment Service Entity (ASE) or WLA-approved auditor, and specifies the operating principles for WLA-approved auditors performing assessments.

**Next steps**
Going forward, the SRMC will continue to ensure that WLA security program remains on a path of continuous improvement and satisfies the needs of the world lottery community. To complement the existing documentation, the SRMC is currently working on a Code of Practice, which will provide guidance on individual controls in order to facilitate interpretation and implementation. It will be useful for WLA member organizations preparing for an assessment as well as for the WLA approved auditors who conduct the assessments.

The WLA thanks the SRMC for the tremendous investment of time and effort they have put into developing the new standard, and the WLA member lotteries that actively support the work of the SRMC. The launch of WLA-SCS:2020 marks a significant milestone in the life of the standard and the overall WLA security program.

For further information, please visit the WLA website at www.world-lotteries.org.

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Survey: Enterprise Risk Management in the lottery sector

Taking risks can give organizations a competitive edge and create new business opportunities. But the right risks must be taken and they must be constantly managed and re-assessed. A recent survey of WLA members provided insights into the overall state of play in risk management in the lottery and sports betting sector, and pointed to some specific priorities for lottery leaders.

What is Enterprise Risk Management?

Disruptive innovation, cyberattacks, and player protection are just a few examples of the risks faced by lottery organizations. Leaders need a strategic perspective to manage risk proactively and increase the likelihood that their operations can continue to achieve their core objectives, come what may. Enterprise Risk Management (ERM) provides that strategic perspective, allowing organizations to gain a clearer picture of their overall risk level and to assess the effectiveness of the processes in place to manage different types of risks.

Conducted over the summer of 2020, the survey was organized by the WLA Security and Risk Management Committee (SRMC) to offer a broad view of risk perception and crisis preparedness in the lottery sector and assess how the COVID-19 crisis has affected the priorities of lottery leaders and risk managers.

The survey questionnaire went out to a representative sample of around 80 WLA
lottery members and achieved a response rate of about 50%. The regional breakdown of respondents was consistent with the wider WLA membership. From an organizational standpoint, 72% of respondents indicated that their companies had a dedicated Enterprise Risk Management team, ranging from one to seven persons, depending on the size of the organization. In 75% of cases, the ERM team reports directly to the CEO, finance director or Management Committee.

The survey focused on the 20 risks that the SRMC considered the most likely to have been impacted by the COVID-19 pandemic and its devastating effects. Respondents were asked to assess the severity of impact for each of the 20 risks – in terms of financial, reputational and regulatory consequences – on a scale of 1 to 5. The same five step scale was used to determine the probability of occurrence for each of the 20 risks over the next three years.

Inherent risk and residual risk

The survey sought to determine both inherent risk, which is the perceived potential impact and probability of undesirable events before any controls have been put in place; and residual risk, which is the level of risk that remains after controls have been implemented. As such it provides insights into not only the type of risks that lotteries face, but also the level of confidence they have in the measures in place to reduce those risks.

The averages of the impact and probability scores were blended to assess the magnitude of each inherent risk, yielding an overview of WLA member inherent-risk perception. A standard deviation in a number of the risks reveals a certain dispersion of answers, consistent with three features of the respondents: (a) different geographical footprint; (b) business diversity; and (c) ownership (state or privately owned, or a blend of the two).

Top priorities

Survey results indicated that cybersecurity remains a high priority for lottery members, and that vulnerability to cyberattacks is seen as one of the highest areas of risk in terms of both probability and impact. Other data security risks, such as those related to logical access and the Information Security Management System, also ranked high in probability, and just below cybersecurity in terms of impact.

According to the survey results, operational compliance and fraud are considered high on the list of priorities for risk managers based on their impact on the organization’s operations.

The timing of the survey during a major pandemic might have influenced member perceptions of the probability and impact of catastrophic events, health and safety risks, and dependence on suppliers.

Financial risks – liquidity, bad debt, and indebtedness – were perceived as relatively low in terms of probability and impact, likely because more than half of the respondents work for state-owned companies.

Control effectiveness

A majority of respondents considered that their organizations had particularly effective controls in place to mitigate financial risks, data security risks and risks related to compliance with gaming licenses and

“IT infrastructure capacity was challenged by the emergency, and it took some time to react.”  
Survey respondent

“The crisis management group was too big.”  
Survey respondent
contractual obligations. In contrast, respondents felt less protected by the controls in place to manage country risk, catastrophic events, and human error.

This seems to be in line with the typical human and capital resource allocation priorities for a lottery organization. In the survey, however, residual risk levels were primarily clustered around "low" or "irrelevant", which indicates an optimistic view of the controls in place and makes a good case for stepping up compliance activity in order to continually confirm the effectiveness of established controls.

**Shifts in risk perception**

Around 80% of the respondents described the risk environment within their organizations as "mature" or "maturing". But has the COVID-19 pandemic caused a shift in risk perception among WLA member lotteries? One survey question asked respondents to compare their company’s risk perception today with that of 2019. And although cybersecurity remained at the top of the list of priorities, and health and safety is seen as more relevant than in 2019, lottery organizations appear to have also sharpened their focus on other areas of risk management, including dependence on suppliers, catastrophic events, and change management.

**Risk management and business continuity**

The survey confirmed that Enterprise Risk Management is well established in the business culture of participating members. A full 95% of the respondents indicated that they maintain a business continuity plan and test their control environment at least once a year. And 49% of respondents said that risk was formally discussed by senior management on a monthly or quarterly basis.

On the downside, less than 33% of respondents indicated that their business continuity plans had proven effective in the face of the COVID-19 pandemic. Around 54% of the respondents claimed their organization’s business continuity plan proved somewhat effective, while 10% said it had proven to be very ineffective in mitigating the impact of the crisis.

**Key takeaways**

Government measures to control the pandemic forced many organizations into an almost complete shutdown. As in many other industries, working from home has become the norm for large numbers of lottery employees in order to keep their organizations up and running. According to the survey, lotteries quickly realized that the physical presence of staff on site could be limited to a few key people – in the datacenter or the prize office, for example – without significantly impacting their ability to run the business efficiently. Looking ahead, WLA member lotteries will likely be reshaping their operations to better accommodate remote working, for example by drawing up emergency laptop-provisioning plans and deploying secure VPN connections for home workers.

Beyond these provisions for homeworking, survey respondents pointed to a number of strategic and organizational changes that have been introduced or scheduled since the pandemic began and that could help lotteries deal with future crises. Examples include:

- Adapt business continuity plans in a dynamic way
- Re-assess risks across all business units following the pandemic
- Monitor financial risks more closely
- Introduce new measures to manage logistics in a lockdown situation
- Support the digitalization of previously manual processes
- Encourage digital-driven product innovation
- Introduce a back-up site for draws

The exceptionally disruptive and long-lasting COVID-19 crisis has forced many organizations to adjust their business continuity plans. Survey respondents were asked whether their organizations had taken any unplanned action or adjusted their business continuity plans in key areas because of the pandemic.

<table>
<thead>
<tr>
<th>Action taken in key areas of risk</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health &amp; safety risk mitigation</td>
<td>98%</td>
<td>2%</td>
</tr>
<tr>
<td>Supply chain / logistics risk mitigations</td>
<td>68%</td>
<td>32%</td>
</tr>
<tr>
<td>IT / cyber risk mitigations</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Financial risk mitigations</td>
<td>61%</td>
<td>39%</td>
</tr>
<tr>
<td>Internal &amp; external communication</td>
<td>85%</td>
<td>15%</td>
</tr>
</tbody>
</table>

*The business continuity plan includes back-up sites for employees, but these physical alternatives were not viable during the pandemic.*

*Survey respondent*
• Explore the feasibility of electronic draws to replace physical draws
• Divide critical teams in two sub-groups to avoid contagion and create a back-up capacity
• Pre-approve a budget for expired winning tickets
• Adjust compensation and benefits plans
• Support change management by improving employee communications and expanding online training

Thinking ahead
Risk management is about thinking ahead, drawing up different scenarios, evaluating potential impacts, and being aware of the risks an organization faces. The SRMC survey in itself has helped to raise awareness among WLA members of the benefits of an Enterprise Risk Management strategy, and its findings provide valuable input for members’ efforts to anticipate risks and minimize their impact. In view of the substantial consequences of the current crisis for the lottery and sports betting industry, the SRMC hopes the survey will help WLA members to embrace Enterprise Risk Management, incorporate this approach more fully into their strategic planning, and better prepare for possible further COVID-related restrictions.

“"We encountered troubles in managing call center and customer care services."”
Survey respondent

We wish to thank Lottomatica, FDJ, Camelot UK, and the WLA SRMC for making this survey possible. The complete survey report is available for downloading from the WLA website at: https://www.world-lotteries.org/services/security/erm

Risk appetite and tolerance
Risk appetite is a written enterprise-level statement that can inform individual business decisions regarding how much risk the organization is prepared to assume. It sets a target level of loss exposure that the organization views as acceptable, given its business objectives and resources. Risk tolerance is the degree of variance from the organization’s risk appetite that the organization is willing to tolerate.

About 78% of the survey respondents indicated that their organizations have an explicit posture on risk appetite and risk tolerance.

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Taking CSR beyond responsible gaming

Over the years, the notion of Corporate Social Responsibility (CSR) as it applies to the lottery sector has become much broader. Lotteries are increasingly looking beyond responsible gaming to assess their impact on the environment and the well-being of their employees and their communities at large. The WLA recently ran a survey of its members to gain insight into the priorities of their CSR programs and better understand how they are addressing the responsibility issues that fall outside the strict definition of responsible gaming.

The WLA has always been committed to supporting its member lotteries in their efforts to operate in a socially responsible way, primarily through the WLA Responsible Gaming Framework (WLA-RGF). The WLA also recognizes that CSR should ideally cover every aspect of a lottery’s activities and govern its relationships with all its stakeholders. Lotteries increasingly need to provide material evidence that the moral and ethical values underpinning their operations are based on sustainable economic, environmental, and social performance goals.

In July 2020, the WLA Responsible Gaming working group was mandated by the WLA Corporate Social Responsibility Committee to conduct a survey of WLA member lotteries in order to better understand how their approach to CSR fits into this broader context. The survey will help the WLA develop a more holistic CSR program as member lotteries move beyond responsible gaming.

The survey questions were designed to determine the scope of the member lotteries’ existing CSR programs beyond responsible gaming.
gaming, and aspects such as program maturity, governance models, and the framework used to guide their CSR initiatives. Around one-third of WLA member lotteries responded to the survey.

The vast majority of respondents – about 90% – indicated that the scope of their CSR initiatives is indeed broader than responsible gaming. In terms of program maturity, the majority of those respondents revealed that their CSR programs have been operational for three to ten years, and 30% specified that their CSR program has been operating for ten or more years. This would indicate that a significant number of WLA member lotteries indeed have a CSR program that has reached a fairly high level of maturity and goes beyond responsible gaming. Only about 6% of respondents indicated that they did not have any CSR initiatives addressing issues other than responsible gaming.

Who does what?
Respondents were asked to indicate which department is responsible for CSR at their respective lotteries. These answers offer insight into where CSR is integrated within each organization and how each organization might prioritize its CSR initiatives. Around one-third of the respondents (29%) revealed that their marketing and communications departments are responsible for CSR. About 21% of the respondents indicated that their CSR programs are run by their legal or compliance departments, with corporate affairs departments accounting for a further 20%. The remaining 17% of respondents listed other departments, ranging from public affairs and public information to development and transformation, and even security.

Encouragingly, more than half of the respondents (52%) said that their organizations have a team of two to five people dedicated around 90% of the lotteries that responded say they maintain CSR initiatives that go beyond responsible gaming.

The majority of respondents with CSR initiatives beyond responsible gaming revealed that their CSR programs have been operational for three to ten years, and 30% of those specified that their CSR program has been operating for ten or more years.
to CSR, and more than five people in around 15% of cases. On the downside, the remaining 33% of respondents stated that they had only one person, or no one at all, dedicated to CSR within their organizations.

The importance of a structured framework
The WLA survey also sought to understand which frameworks lotteries use to structure their CSR initiatives. According the answers received, 36% of lotteries use a global framework or standard (UN Global Compact, UN Sustainable Development Goals, Global Reporting Initiative, or ISO 26000). More than 23% of lotteries rely on their respective governments’ frameworks or directives, and a significant number indicated that they implement their company’s own framework. Another 23% do not use a framework at all. It is interesting to learn that there is not one framework that is being extensively used across WLA member lotteries, which may point a need for an industry-wide alignment in this regard.

Priorities beyond responsible gaming
Finally, survey respondents were asked to indicate the areas of CSR, beyond responsible gaming, in which their lotteries are currently active.

According to the responses, protecting consumers’ health and safety, personal data and privacy is an area of active involvement for 54% of the respondents, suggesting that most lotteries are doing substantial work in this area. This was followed by community support, with 50%, and business operations – including anti-corruption and supply chain integrity – also with 50%. About 40% of re-
spondents said that their lotteries are also doing substantial work to develop their people and to promote diversity and inclusion. However, only slightly more than 30% of respondents indicated that their lotteries were particularly active in societal issues such as job creation and skills development, although almost 50% of lotteries do appear to be involved in these initiatives to a lesser extent.

Perhaps surprisingly, the environment is the area of CSR that appears to be the subject of least focus among lotteries. Almost 30% of respondents reported that their lotteries were not doing any active work in this area, and only a small percentage (15%) indicated that they were actively working on environmental issues. Close to 60% of respondents indicated that they were doing “some work” in this area, but the relatively low percentage of respondents saying that their lotteries were doing “a lot of active work” on environmental issues suggests that this is an area that could merit closer attention going forward.

**What next?**

The WLA Corporate Social Responsibility Committee and Responsible Gaming working group thank member lotteries for taking part in this operation. Although a 30% response rate could be considered rather low, the survey does provide encouraging signs that WLA member lotteries have a perception of CSR that goes well beyond a strict definition of responsible gaming. With the knowledge gained through this survey, the WLA now has a roadmap for the further development of its own CSR program, and will continue to work with members to take CSR to the next level industry-wide.

More than 23% of the respondents said they rely on their respective governments’ frameworks or directives; another 23% do not use a framework at all. A significant number of the respondents indicated that they implement their own company’s framework.
Harnessing the collective effort of its international membership, GLMS supports stakeholders around the globe in their quest to protect the integrity of sports. While the primary membership is made up of lotteries offering sports betting and toto, other stakeholders include international and national sports federations, law enforcement agencies, gaming regulators, gaming industry suppliers. Headquartered in Lausanne, Switzerland, GLMS now has monitoring hubs in Europe, Asia, and North America. These Monitoring hubs keep a constant eye on sports betting activity around the globe and quickly share information on suspicious sports betting patterns, making a crucial contribution to the worldwide fight against match fixing. Meanwhile, the GLMS team, coordinated by the HQ, engages in supporting its members at policy-making levels, with research studies and educational and training tools.

**A full-service organization dedicated to the integrity of sports**

GLMS endeavors to support its members’ efforts to identify sports manipulations and to prevent against competition manipulation by enhancing their structures and helping them find their place in the national and transnational fight against the phenomenon. In addition, by providing a global framework for the systematic surveillance of sports competitions to detect suspicious betting patterns, the GLMS monitoring platform and its hubs combine automated alerts and human in-depth analysis to act as respected relay of the time-sensitive informa-

The core purpose of the Global Lottery Monitoring System (GLMS) is to protect the integrity of sports competitions from the scourge of manipulation. Now in its sixth year of operation, the non-profit, member association has gained widespread recognition as a standard-bearer for the core values of sports, and has become a leading advocate of the good reputation of the world's state-authorized lottery and sports betting providers.
tion needed to fight match fixing effectively. In addition to its monitoring and intelligence activities, GLMS provides a range of member services including strategic consulting, policy support, education and training events related to sports integrity, and actively facilitates co-operation among its member lotteries.

Through its educational activities, regulatory policy consultation, and legal advice, GLMS raises awareness of the dangers of sports manipulations, and to propagate a culture of integrity in the world of sports, in the sports betting industry, and in the minds of sports fans around the globe.

Origins of GLMS
The rise of the Internet in the 1990s radically altered the sports betting landscape. Online sports betting companies, many of them unlicensed, began to proliferate on the web, coinciding with a rapid rise in the number of cases of match fixing around the globe. By the end of the decade, licensed sports betting operators in Europe saw the need act in order to protect the industry. In 1999, they established Matchinfo, the first monitoring and information-sharing system for the sports betting sector. The European State Lotteries and Toto Association (EL) went a step further in 2005, signing a memorandum of understanding with UEFA which ultimately led to the creation of the European Lotteries Monitoring System (ELMS) in 2009.

As the global scope of corruption in sports became increasingly clear, the WLA and EL began working together in 2011 to create a global sports betting monitoring system based on the ELMS. Four years later, they achieved their objective, and the Global Lottery Monitoring System went live in 2015.

Interwoven destinies
The integrity of the lottery and sports betting sector is inextricably tied to the integrity of sports, both on and off the playing field. Just as the integrity of sports is built upon a foundation of fair, honest, and transparent competition, so too the reputation of a lottery organization depends on a public perception of fairness, honesty, and transparency.

More than half of the world’s state-authorized lotteries offer some form of sports betting, so it is in their direct interests to demonstrate a material commitment to honesty and fairness in sports. If the integrity of sports competitions is compromised, a lottery’s reputation is automatically damaged and its mission of raising funds for good causes is at risk.

According to the 2019 edition of the WLA Global Lottery Data Compendium, sports betting accounted for roughly a quarter of total global lottery sales. Compendium figures also showed that WLA member lotteries returned around USD 87 billion to society in support of worthy causes in 2018. Of that, an estimated USD 4.5 billion – roughly 5% – went directly back into the sports sector. From funding grass-roots sports to supporting aspiring young athletes, state lotteries make a substantial contribution to the development of sports in their respective jurisdictions.

For lotteries and their beneficiaries, it has become increasingly necessary to protect sports betting as a source of revenue, and many governments are stepping up their efforts to regulate sports betting in their respective jurisdictions.

GLMS has always advocated for regulated and socially responsible betting markets, rather than prohibition, which would merely exacerbate the proliferation of criminal organizations intent on corrupting the integrity of sports for their own ends.

Training and education
GLMS maintains a comprehensive education and training program to support stake-
The Macolin Convention

The Council of Europe’s International Convention on the Manipulation of Sports Competitions – also known as the Macolin Convention – is the only legally binding international treaty that promotes global cooperation in the fight against the manipulation of sports competitions, including match fixing and illegal sports betting.

The Convention aims to prevent, detect, and sanction all forms of manipulation of sports competitions, and makes recommendations about how to fight illegal sports betting in accordance with the applicable laws of each jurisdiction. Illegal sports betting is defined by the Macolin Convention as any sports betting activity whose type or operator is not allowed under the applicable law of the jurisdiction where the consumer is located.

The Convention strives to facilitate the international exchange of data related to the manipulation of sports competitions, share intelligence on the proliferation of illegal sports betting, and promote cooperation between public authorities, including relevant government ministries, national and international law enforcement agencies and judiciaries, gaming regulators, national and international sports federations, and both public and private sports betting operators.

In November 2020, the statutory committee of the Convention, named the Follow Up Committee, admitted three observers – non-States Parties who will be able to contribute to the further development of subjects on the table to the Committee, including GLMS. Interpol and the International Olympic Committee were the two other organizations that were admitted.

For further details on the Council of Europe Convention on the Manipulation of Sports Competitions, please refer to the Council of Europe website at: https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/215

Owing to the COVID-19 restrictions, GLMS has been forced to adapt its educational program and move to an online format. In June 2020, for example, GLMS organized highly successful online event in partnership with the WLA and EL. The webinar, holders in their efforts to detect and prevent instances of match fixing. A range of education and incident prevention modules for athletes and officials aims to instill and sustain a culture of integrity within the sports community; educational tools for law enforcement agencies are also available. Specific training for members in 2021 will address the needs of lotteries, with regard to online markets, betting sponsorship and advertising, and much more.

The organization also organizes specialized training programs and workshops to support the implementation of the Macolin Convention (see box), helping members to develop national platforms and strengthen their relationships with relevant national stakeholders, as required by the Convention. The programs also help ensure that members comply with national and regional legislation on gathering, storing and transmitting sensitive information.

GLMS provides a comprehensive educational and training program related to sports integrity, and actively facilitates co-operation among its member lotteries.
titled "Solidarity, community and alliance: Embodying a new culture of sports integrity", focused largely on the impact of the COVID-19 pandemic on the lottery and sports betting industry. Topics included a discussion of the status of monitoring and intelligence since the lockdown, a review of new measures in the fight against match fixing, and an update on the recent sports betting developments in the United States.

GLMS collaborated with its strategic partner, Sports Betting Community, to deliver the "Lottery Day" segment of two SBC Digital Summits, in April and in September 2020. It also participated in the SBC Betting on Sports Europe summit in October 2020. A large number of Industry leaders and GLMS members from all continents were present as speakers, including members of the GLMS Executive Committee, members of the GLMS team, and other lottery and associate member representatives.

On September 23, Ludovico Calvi and GLMS Hubs Coordinator Daniel Chan participated in an online awareness session for law enforcement and judiciary officials in the Slovak Republic, as part of the IntegriSport ERASMUS+ project, of which GLMS is a partner. The session was organized by the CSCF Foundation for Sports Integrity – a non-profit organization working to protect sports from competition manipulation, corruption, and fraud – and the Slovak National Crime Agency of the Police Force Presidium. Following up on November 9, GLMS Legal and projects manager, Cassandra Fernandes, and GLMS Canadian hub analyst, Chris Yaakoubian, participated in a similar event, hosted by the Dutch Ministry of Justice in the Netherlands. The respective national lotteries were involved in all sessions, as they spoke about the basics of sports betting, the interpretation and use of GLMS reports by law enforcement, and the value of law enforcement interaction with GLMS member lotteries at the national level. They were joined by other insightful speakers from the European Elite Athletes Association, the Belgian Prosecution Service, and experts from CSCF.

**Policy making and research**

GLMS goes beyond helping members identify and qualify suspicious alerts. GLMS supports its members in their sport integrity efforts. GLMS is therefore present at Council of Europe meetings on the topic of sport integrity, becoming the first and currently only sport integrity body representing sports betting operators in the statutory committee of the Convention on the Manipulation of Sports Competitions (Macolin Convention). GLMS also participates in EU expert groups on sport integrity and gambling as well as other ad hoc groups. In addition, many members are part of or should be part of national platforms, the concept of the Macolin Convention that promotes a coordinated approach to education, prevention, detection, and sanctioning of sports manipulations. GLMS acts at a policy level ensuring the role of its members in national efforts to protect sport integrity and endeavors to ensure that its members respect the Convention in their role as sports betting operators, while addressing general sport integrity issues from various aspects. For example, at the initiative of one of our members, GLMS published its very first in-depth study in July 2020 entitled "Betting Operators and their sponsorship of sport".

During the COVID-19 pandemic lockdown, GLMS adapted its educational program to a highly successful webinar format.
24/7 intelligence
The range of services that GLMS provides to its members is what makes it the outstanding organization it has become today. Its core value proposition is the monitoring and alerting system, supported by three hubs that monitor sports betting patterns around the world and around the clock. To provide 24/7 coverage, these hubs are strategically located in Europe (hosted by Danske Spil in Denmark), in Asia (hosted by the Hong Kong Jockey Club in Hong Kong), and in North America (hosted by Loto-Québec in Canada). The unique added value of GLMS’s monitoring hubs is the intertwining of their automated system with the human-analysis factor of their coordinators.

When betting irregularities are detected, the monitoring team conducts an in-depth investigative analysis, exchanging with members and relevant partners, before GLMS members are alerted. All relevant parties receive advisories ranked according to their risk level or severity. GLMS regularly publishes detailed match analyses on all major sports, and issues a monthly operational report detailing alerts of the previous month and listing potentially questionable fixtures in upcoming competitions; a monthly policy update on current activities in the area of sports integrity policy worldwide; and a monthly newsletter providing sports integrity news and highlights of GLMS events. Finally, GLMS endeavors to remain in constant contact with its membership base on a regular basis.

Global engagement
The sports community extends beyond national borders, so sports integrity programs and initiatives need to have a global reach. GLMS co-operates closely with key

Communication objectives are fulfilled primarily through the GLMS website at www.glms-sport.org. A key feature of the GLMS website is its Integrity Info-Hub, which includes information about sports integrity initiatives and policy developments, and a database of sports betting regulations covering more than 30 countries.

In addition to the Quarterly Monitoring and Intelligence Reports, GLMS members and stakeholders receive: monthly operational reports detailing alerts of the previous month and listing potentially questionable fixtures in upcoming competitions; a monthly policy update on current activities in the area of sports integrity policy worldwide; and a monthly newsletter providing sports integrity news and highlights of GLMS events. Finally, GLMS endeavors to remain in constant contact with its membership base on a regular basis.

Communication and collaboration
Combating match fixing and illegal sports betting relies on effective communication and information sharing between legal sports betting operators and their stakeholders. To keep members up to date on the latest opportunities and challenges, GLMS regularly shares best practices and case studies, promotes members’ events and projects, and flags their achievements in the area of sports integrity.

In July 2020, GLMS published this in-depth study on the nature of betting sponsorships in sport, and the relationship between betting operators and sports teams, athletes, and sporting events.

A STUDY OF BETTING OPERATORS AND THEIR SPONSORSHIP OF SPORT

JULY 2020

In July 2020, GLMS published this in-depth study on the nature of betting sponsorships in sport, and the relationship between betting operators and sports teams, athletes, and sporting events.
external sports integrity groups, promoting awareness through various projects, workshops, and other initiatives. GLMS also has observer status in the US National Council of Problem Gambling (NCPG). GLMS actively supports awareness programs such as the Council of Europe’s Keep Crime Out of Sport Plus Program (KCOOS+) and projects within Erasmus+, the EU’s program to support education, training, youth, and sports in Europe.

GLMS shares its expertise and knowledge within the framework of the IntegriSport and Integriball projects, both of which are organized in conjunction with the Erasmus+ training program by the CSCF Foundation for Sports Integrity. IntegriSport provides law enforcement and judicial authorities with training opportunities in the area of sports competition manipulation, while Integriball focuses on match fixing awareness and prevention training in both women’s and grass-roots football. GMLS is a partner on both of these important projects, alongside Interpol and UEFA.

**GLMS membership**

Becoming a GLMS member is a reflection of an organization’s commitment to the highest standards of integrity. Through GLMS membership, organizations become part of a unique global network of sports betting operators, sports federations, law enforcement agencies, technology suppliers, and gaming legislators, all united in the fight to prevent and report match fixing, and to preserve the integrity of sports around the world.

As of December 2020, GLMS has 33 members from 31 countries, six associate members (suppliers and sport organizations), two collective members (EL and WLA), and one regulating member (state regulatory bodies). As the integrity of sports continues to grow in significance around the globe, GLMS has come to play an essential role as an international organization dedicated to safeguarding the integrity and core values of sports. The WLA commends GLMS on five years of growth and success, and will continue to stand by them in the future.

To learn more about GLMS please visit their website at [www.glms-sport.org](http://www.glms-sport.org).

![GLMS President Ludovico Calvi addresses the participants at the 17th CIBELAE convention in Costa Rica in November 2019.](image)

The GLMS website provides members with information about sports integrity, initiatives and policy developments, and a database of sports betting regulations covering more than 30 countries.
Interview with GLMS General Secretary, Giancarlo Sergi

Giancarlo Sergi has devoted his life to sports. Starting out as a professional basketball player, he went on to work for UEFA and later ran his own sports consultancy serving mandates for FIFA, UEFA, and the IOC. As Board Member of FIBA Europe and President of Swiss Basketball, his passion for sports and his commitment to sports integrity led him to join GLMS as General Secretary in 2018, where he has been the driving force behind many of the associations initiatives since that time. In an informal conversation, we spoke to Giancarlo about the basic tenets of sports integrity and the common bonds that the world of sports and the lottery and sports betting sectors share.

What does sports integrity mean to you and why is it important?

Coming from the sports sector, sports integrity means a lot to me. While integrity is about being honest with strong moral principles, sports integrity means ethics and values, which promote confidence in sports, including positive conduct by its community. Hence, the purpose of the sports integrity framework is to protect the athletes and sport competitions themselves against illegal and immoral activities, including the manipulation of sports competitions.

What are the main issues affecting the integrity of sports today?

Any actions or activities that are against honesty, trust, values, ethics, morals, beliefs, respect, inclusivity, and fairness in sports affect the integrity of sports today. Sports integrity goes beyond the sole fight against sport competition manipulation; it also includes illegal activities such as doping and political corruption.

Which safeguards are essential for protecting the integrity of sports?

I believe that while it is important to professionalize and globalize the fight against sports competition manipulation, for instance through strong cooperation with law enforcement agencies, the best investment the sports sector can benefit from is education. For sports, sanctioning means failing as any scandals would automatically lead to a loss of credibility for the sport, a deterioration of the image, and ultimately, a loss of partners and sponsors. Therefore, educating athletes and their entourage, as well as competition organizers themselves, is of great importance and represents the best safeguard in the long term. In the Macolin Convention as well, education appears in an early chapter, while in the more established anti-doping field, it is a major component. GLMS is investing a lot in its educational services. The IOC is a catalyst in this domain and we are happy they are one of GLMS’ Partners. A series of workshops will be proposed for our members as of 2021 to address their concerns in governance and risk management as well as other issues related to legal issues such as legal ability to exchange information with private stakeholders (such as sport organisations to better investigate and collate information on competition manipulation).

Which vulnerabilities or risk factors increase the likelihood of match fixing? How has the ongoing COVID-19 pandemic exacerbated these vulnerabilities and risk factors?

In 2020, in these unprecedented times of COVID-19, corruption has drastically increased in sports, and criminal organizations have been active, replacing primary sports competitions with risky lower-level events and ghost matches. GLMS received an important number of requests from its partners and members, including a request for new sport competitions to conduct risk analyses.

The issue is that during a crisis such as the one through which we are living in 2020, an increasing number of sports competitions and clubs become vulnerable, as the financial burden is very high. From the betting side, at the same time, despite fewer competitions, our member lotteries remained under significant pressure to find competitions on which to offer bets. Unfortunately, in this kind of situation the main risk is the manipulation of competitions with unusual types of offers appearing, especially when clubs are hit hard and athletes’ salaries are cut.

GLMS has been very busy in 2020, notably liaising with its members, with regulators and law enforcement agencies. Investigations are ongoing in a number of cases. We also organized a webinar together with EL and WLA in order to communicate actively to safeguard our members’ integrity.

COVID-19 potentially threatens the future of organized and competition sports itself on multiple fronts, from the financial threat to professional sports, the medical threat to individual players and participants, and the threat to youth sports and children’s health caused by lockdowns and school closures. The lottery and sports betting industry is renowned for its commitment to sports, especially at the grass-roots level. What if anything can GLMS and the global lottery and sports betting industry do to help ensure that sports not only survives but thrives in this age of COVID-19?

Sport must survive, this is crucial at all levels, from grassroots to professional sports. There is no way it can properly survive being in this situation repeatedly. Concerning sport betting, the second wave is different from the first one as the...
sport industry has learned from the first wave; many major leagues and competitions have resumed, even behind closed doors. The situation is not ideal but there is a general will to continue playing, as this is crucial to make the younger generation dream and not lose too many partners or sponsors along the way. The DNA of lotteries is to fund and support sports. There is a need to find a balance.

Whose responsibility is it ultimately to maintain the integrity of sports?
The responsibility of maintaining the integrity of sports must be shared between different actors and institutions, which act complimentarily in their respective sectors. The autonomy of sport is a very important principle to remember. However, there unfortunately are a number of external influences that threaten the integrity of sports itself. For this reason, the actions of other actors are crucial. To start with, I would say that the individual states have a major role to play in maintaining sports integrity by facilitating education, legislation and other similar actions, and GLMS strongly encourages all states to ratify the international Macolin Convention, which also provides a platform and legislative framework for joint action via its national platform concept. Second, through its highly professional OM Unit PMC, the IOC oversees the overall prevention of competition manipulation in the Olympic movement, including the athletes and officials. In a larger sense, sports federations have a duty to attribute resources to education for athletes, personnel, and entourages – relying on the IOC where possible, on projects under programs such as ERASMUS+ in Europe, and on exchange with other federations for good practices. Finally, as the sports integrity body for the lottery sector, GLMS is very active in preserving sports integrity through its different services and through its monitoring hubs across three continents.

What role can sports betting operators play in preserving the integrity of sports?
Operators are considered key stakeholders, with dedicated articles in the Macolin Convention and should be treated as such. While the abuse of sports betting only forms one part of the problem, it should be considered in context with other motivations. While it may not always
be the primary motivation, often it is a consequential activity that follows from other manipulations and therefore sports betting operators have a key role here. Education of their consumers and employees, due diligence, close cooperation with regulatory authorities to set limits and regulations, and then with sports organizers prior to offering sports are some of the important tasks. In addition, good cooperation with law enforcement and judiciary will also be important in addressing any ongoing investigations. Through GLMS, the state lotteries have a major role to play. We work with a “glocal” approach, meaning activating our services and monitoring globally but, thanks to our members, with local knowledge. The cooperation is crucial in the fight against the manipulation of sport competitions and without our individual members – the state lotteries – it would be difficult to act locally. GLMS is proud to have been admitted in November, to be one of the first three observers of the Macolin Convention Statutory Committee, along with Interpol and the International Olympic Committee. As the only sports integrity body representing the interests of betting operators, GLMS will endeavor to contribute to the fight against sports manipulations worldwide, while ensuring that the interests of our members and the society as a whole are represented.

How can state lotteries best help GLMS achieve its objectives?
A constant cooperation is crucial between GLMS and its individual members, the state lotteries. This applies whether it concerns timely monitoring and exchanging information on the various competitions and reports or whether it involves education and facilitating exchange of good practices, and helping our members develop better relationships with other relevant national stakeholders. A new series of workshops will be organized by GLMS for its community in order to foster education and the prevention of sports competition manipulation, and to facilitate such inter-stakeholder relations.

What is the correlation, if any, between match fixing and illegal betting?
When an operator is offering bets on competitions in a jurisdiction without a license to offer bets in that jurisdiction, then it is harder to control the offer, to trace the money, and to identify whether there is any suspicious activity. Without entering into further detail, I would answer that GLMS is in line with the Council of Europe Convention on the Manipulation of Sports Competitions, which calls on governments to adopt measures that include the fighting illegal sports betting; allowing for the closing of, or restricting access to the operators concerned; and blocking the financial flow between illegal operators and consumers. The definition from the Convention, and in many of our member countries, states that "illegal sports betting" refers to any sports betting whose type or operator is not allowed (such as by exclusive rights, a license or automatic recognition of licenses granted by certain third countries) by virtue of applicable law in the jurisdiction of the Party where the gambler is located. The illegal market which gives customers a very high pay-out has attracted criminal groups, interested in manipulating the sports competitions on which bets are placed so as to exploit the information through betting, and in the course of this activity laundering criminal finances. This damages the image of sports.

As part of their internal risk management analysis, most betting operators have their own surveillance system, to monitor the betting activity of their customers and to spot unusual movements across the betting market. What does GLMS offer its members above and beyond this?
The fight against the sport competition manipulations is a global phenomenon and the organized crime does not stop at the border. GLMS provides its stakeholder an international information-sharing network. Its global activities include close relationships with law enforcement agencies such Interpol and Europol and the governing bodies of the sports sector. Being a Member of GLMS, especially with our new statutes, means taking an active role in the prevention of sports competition manipulation worldwide. When GLMS’ monitoring system raises an alert, our analysts assess and conduct a deep and thorough investigation, combining internal research and the collation of information gleaned from our members to...
compile a complete file on the situation and determine whether a given activity requires further attention or whether it can be justifiably explained. Or, when a member identifies suspicious activity, they contact the GLMS monitoring team, who can then verify the suspicious activity in the same way, by contacting other members, consulting its monitoring platform, and compiling a report.

However GLMS goes beyond helping members identify and qualify suspicious alerts. GLMS supports its members in their sport integrity efforts. Many members are part of or should be part of national platforms, the concept of the Macolin Convention that promotes a coordinated approach to education, prevention, detection and sanctioning of sports manipulations. GLMS acts at a policy level ensuring the role of its members in national efforts to protect sport integrity and endeavors to ensure that its members respect the Convention in their role as sports betting operators, while addressing general sport integrity issues from various aspects including for example, responsible gaming and advertising. For example, at the initiative of one of our members, GLMS published its very first in-depth study in July 2020 entitled “Betting Operators and their sponsorship of sport”.

Both doping and match fixing continue to exist despite a monumental effort by all those who have a stake in the integrity of sports. Is the fight against corruption in sports a never-ending battle or do you foresee a day when sports will be free of corruption?

Protecting athletes from activities such as doping and match fixing is an endless fight against an international phenomenon that needs to be treated globally with a maximum of professionalism. It will take time before we manage to eradicate match fixing or doping completely, we all need to progress step by step. Of course, this will always be a challenge, given the ever-evolving technological world in which we live. And criminals will always try to concentrate their efforts in domains that are not well legislated and engaged. The best we can do is to ensure that legislation and regulations are appropriately enforced and that with good governance and a coordinated approach, we are able to ensure that sports remains fair.
Between July 6 and October 31, 2020, Sisal once again invited pioneering start-ups, existing companies and students within Italy to take part in its annual GoBeyond contest; an initiative intended to provide tangible support to young entrepreneurs and business owners with innovative designs and ideas.

Now in its fourth year, Sisal's GoBeyond initiative was accompanied by a new look and a two-pronged approach: the call for ideas and the innovation content hub. This is all set against the backdrop of Sisal’s deep desire to play a leading role in reviving Italy's economy by offering entrants the opportunity to enhance their business through digital and technological innovation.

GoBeyond – Shaping Italian resilience and innovation

For the fourth year, the Sisal GoBeyond contest has attracted numerous innovative competitors. GoBeyond aims to provide start-ups and small businesses with an opportunity to flourish. This year in particular, it played an important role in helping Italian businesses recover from the devastating effects of the COVID-19 pandemic.

About Sisal

Sisal is an Italian gaming and betting company, which operates within the regulated gaming and betting industry and manages a wide range of on- and offline games, including lotteries, betting, casino games, AWP and VLT. Sisal reports EUR 9.8 billion in the gaming sector for 2019, has more than 1,800 employees, and operates a network of more than 39,000 points of sale.

The success of Sisal’s ideas underpins the financial results and reputation of a company that has built a relationship of trust and credibility with over 6.8 million Italian consumers over more than 70 years.

Today, Sisal is also a leading player abroad and, through a careful strategy of internationalization, the company has successfully managed to develop new business opportunities and consolidate its leadership in new markets. In particular, in addition to the Italian market, Sisal also operates in Morocco, Spain, and Turkey.
As always, the 2020 edition of GoBeyond called on new and existing companies that put people and pioneering ideas at the center of their business philosophy. This year, participants were presented with two eligible categories, namely Business Resilience, and Collectivity. An overall winner was also selected.

The first category, Business Resilience, refers to projects intending to bolster the resilience of companies as they resume in the wake of the COVID-19 pandemic, which has had a profound impact on the country and businesses in general. The second category, Collectivity, was directed at projects aimed at offering original solutions to social issues, and the advancement of local communities.

As it pertains to prizes, the best overall project was awarded a EUR 50,000 grant, while the winning idea in each of the two competing categories received a EUR 30,000 prize. In addition, each category winning idea was granted entry into an excellence advisory program of their choice, offered with the support of a network of enabling partners. These partners include: Corriere Innovazione, Osservatori Digital Innovation – Politecnico di Milano, Google, frog design, Roland Berger, Brunswick, K&L Gates, Aruba.it, Mamacrowd, and Angels4Women.

The winning projects were selected by the GoBeyond jury, made up of a group of experts in innovation and entrepreneurship. The overall winning project for 2020 was awarded to COP (Chi Odia Paga – in English, Who hates, pays), the first legaltech startup in Italy to provide users all the technical and legal tools to defend themselves in a simple, fast, and safe way from online hate-speech.² The startup category winners for 2020 were awarded to:

- **VoiceMed:** for the category Business Resilience. VoiceMed uses real-world voice data, acquired through user-friendly digital tools, to identify diseases.³

- **Sabreen:** for the category Collectivity. Sabreen is a smart assistant for breast screening designed by HTLab (Healthcare Technology Lab). Sabreen allows women under 40 years of age to

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² Visit the website of COP at: https://www.chiodiapaga.it/ (in Italian).
³ For information on VoiceMed, visit their website at: https://www.voicemed.io/.

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independently perform an ultrasound screening of their breasts, using a probe connected to a smartphone.  

The first three editions of GoBeyond attracted over 600 ideas from across Italy. The winner of the first call for ideas was dbGlove, a project aimed at improving the lives of the blind and deaf-blind. The 2018 winner in the Social Innovation category was Wiseair, a smart vase that acts as a distributed, hyperlocal, and real-time air quality monitor. The winner in the Citizen Services category was Plick, the easy-to-use payment system with no IBAN, no app and no limits.

The 2019 winner in the Social category was Corax, a medical device designed to aid in dealing with complications from burns in children, while the winner in the People category was BionIT labs’ Adam’s Hand, the first fully adaptive bionic hand. In addition to its success in GoBeyond, BionIT Labs’ Adam’s Hand has also achieved other significant results, including a positive equity crowdfunding campaign on Mamacrowd, and its participation in CES in Las Vegas as one of the top 50 Italian start-ups at the world’s most influential new product and technology trade show.

Team Sabreen, developers of smartphone-linked breast screening, won the Collectivity category.  

Team VoiceMed took first place in the Business Resilience category.

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4 For more information on Sabreen, visit the website of HTlab at https://www.htlab.it/en/sabreen/.  
5 Get to know Sisal better by visiting their website at https://www.sisal.com/.
Lottery Solution

Player-centric technology that shapes the future of gaming.

INTRALOT’s new holistic and modular Lottery Solution is a best-of-breed ecosystem that will modernize your Lottery operation and thrill your players with seamless and exciting gaming experiences.

intralot.com

Certified by WLA for its Responsible Gaming program, INTRALOT is committed to the principles of responsible gaming incorporating them into its best-in-class product solutions and global operations.
Offering your customers a better choosing experience

Lottery operators are well familiar with the challenges of finding quality games and products to offer the public while competing with illegal and unregulated operators. However, providing the right combination of products takes expert understanding of the market. INTRALOT’s strategy: working directly with lotteries to design the right games for their customers, while minimizing the complexity of choice for the operators.

Psychology of choice does not rely on price/prize alone, so it is always a good idea to run a retrospective evaluation on your product portfolio and verify that it is indeed optimum.

Do your games have a clear value proposition?
Designing a lottery games portfolio can be quite a handful. Most of us are deep diving into the game types, prize structures, draws frequencies, looking for ways to attract more players and increase our revenues. Still, players tend to surprise us. During the pandemic, while we were all looking for touchless solutions – because it felt right to provide the answer to a different problem (contamination) – the product that sells rocket-high numbers was the only one that you could not avoid touching: Scratch Cards!

In order for a new game to rightfully occupy its place in the portfolio, we need to evaluate all the games and not just the new one. In INTRALOT, we use a specific framework to evaluate portfolio against local cultures, demographics, recent social and financial projections, and most importantly, players’ emotions. We grant our game proposals with a clear, distinctive, and unique value proposition that addresses a specific audience and satisfies a superset of needs. This is how we make the games a clear choice for the player.
Remember that innovators are not consumers
Sometimes, within our R&D departments, diamonds pop! But just because we are familiar with a hard Keno twist or an add-on, it does not mean that the majority of the public is ready to embrace it. With research and market insights on our side, we – at INTRALOT – accompany our forecasts and projections of a new game launch with an anticipated "adoption curve" that is strictly related to how experienced the majority of the audience we are targeting is. This way, we have a clear view of who will eventually choose this innovative feature and we are in a position to evaluate its feasibility against time.

Less is more
In his book Future Shock (1971), Alvin Toffler says "Overchoice takes place when the advantages of diversity and individualization are canceled by the complexity of a buyer's decision-making process". Try to identify in your portfolio your true best-sellers, the ones that the Pareto principle is talking about. 80% of your sales should come from 20% of your products. What about the rest of them? Are they there because we do not want to lose our "shelf space"? In INTRALOT's lottery solution, we offer several ad-hoc and reporting functions that will help you historically identify the best game choices of your players.

Reduce complexity in choices
One of the hardest things to accomplish is the motivation of our retailers. When it comes to consumers' choices, they are the interface of our products and our key weapon in reducing choice complexity.

Imagine that you want to buy curtains and you only have a thick catalogue with pieces of fabric that is not answering any of your questions! On the other hand, an employee will make you confront one decision at a time, eliminating your options with every decision made and making you feel the progress towards the right direction.

Although lottery buyers are definitely creatures of habit, we keep complaining how no new players are choosing our games, how the pie is not growing. INTRALOT's Retailer Management Software offers a complete loyalty scheme with Retailer Incentivization possibilities and information so that eventually, people working for the lotteries will start being the true service around the product and our most valuable revenue generator.

“We grant our game proposals with a clear, distinctive, and unique value proposition that addresses a specific audience and satisfies a superset of needs. This is how we make the games a clear choice for the player.”
Ruby 7s: Journey to a top-performing eInstant game

After an extended period of development, a new fast play eInstant game from IGT PlayDigital quickly proved its ability to attract and entertain players in droves. Now it’s poised to expand into the WLA market.

In the digital lottery space, international operators are finding a new balance between longer play leisure titles, fast play eInstants, and other content specific to their market. IGT product manager Gavin Horricks explains how a new top-performing eInstants game, Ruby 7s, was designed to enhance the player experience in any lottery market – and why its development model is informing new IGT digital games destined for a global audience.

Across nearly two decades of advances in digital technology and delivery, eInstant game designers everywhere have continued to push the envelope, producing games with increasingly sophisticated graphics and complicated mechanics. As a result, the trend in recent years has been toward ever-more immersive digital play experiences. But when it comes to the core category of fast play Instant Win, many players are responding to games that, paradoxically, align more closely with traditional instant tickets.

This player insight was one of several that informed the making – and remaking – of Ruby 7s, a new IGT PlayInstantWin title conceived for the U.S. market, which, after its breakout as a top-performer there, is set to debut in WLA markets.

Reflecting on the development of Ruby 7s, IGT Product Manager Gavin Horricks observed, “The whole industry went through a learning curve with digital games, because certainly, in the early days, digital players weren’t necessarily retail players. Today, because a higher proportion of sales are online, people around the globe are just playing in the channel that’s most convenient at the time. It has created a new scenario where there’s cross-fertilization, and familiarity between games and channels is more important today than it was 10 years ago.”

A recognition of this shift drove the original internal brief that put Ruby 7s on the IGT product roadmap. And the insight has only become more relevant with the COVID-19 crisis, when more players have been at home and playing online. Horricks, who has worked on IGT PlayInstantWin products for 20 years, noted that “flashy graphics alone don’t necessarily make game play satisfying. When you get halfway through a game and you’ve got no chance of winning due to the design – when players realize there’s no way they can collect enough symbols to win – they’re not satisfied. We design games to keep players satisfied and in the game until the end.”

Knowing what to keep and what to leave out

Although there was no instant ticket to serve as a model, Ruby 7s looks similar to
**Game Development**

Ruby 7s progressed from a “Find the 7s” concept to a record-breaking instant win title through a series of steps that refined the game mechanic and removed noise and clutter.

Originally, the game did not look like close enough to a physical instant ticket, as specified in the brief. Early designs featured pearls and a background with a freshwater pool and fish, as well as a “charm” theme – all judged to be too busy.

Further refinements led to the use of rubies as a theme, tapping into the popularity of other gem-themed games, as well as changes to the row mechanic and bonus chest. The London design studio completely reworked the bonus wheel mechanic and further improved the user experience. Finally, designers “tuned” the Ruby 7s eInstant game for color and brightness, then added floating and shimmering background effects.
Typically, after IGT assigns a development slot to a new PlayInstantWin title, a single producer oversees the game from the initial request through to sign-off from Quality Assurance (QA). In the case of Ruby 7s, the company spent longer in development than usual, and two producers shared the work: Carlo Bush brought the concept to the green-light stage before handing over production to Jo Mills, who had previous success with games like EmotiCollect.

Reflecting on the discarded concepts and changes to both theme and mechanics required to reach the game’s final design (see sidebar), Horricks notes that the studio learned to adhere to the original brief in order to maintain an easier and more intuitive player experience – and resist the temptation to layer in complexity where it might not add to the game’s success. For example, players can find it difficult to pick out symbols quickly on top of very complex backgrounds. Internal reviewers rejected several concepts for being too busy or not close enough to a physical product. “With this game, we connected the producers and the larger team more directly with the market requirements they were trying to meet, and we continue to apply these lessons,” said Horricks. After four rounds of refinement, the design cleared concept review, but the de-cluttering process wasn’t over yet.

Testing and refining

Just prior to releasing the game, IGT performed player tests and made further changes after judging the game mechanic to be too complicated. “Again,” said Horricks, “where you might normally try to pack as much as possible into a game – let’s have two bonus features, let’s have six different ways of winning and an accumulator – we learned to interpret the brief literally. Some popular games are complex, with lots of different ways of winning, but Ruby 7s wasn’t that. It was about simplifying everything down to bring together the right concept.” Further, all IGT PlayInstantWin games are designed for customers to apply any pay model they want, meaning that Ruby 7s is as adaptable to a highly progressive lottery market as it is to a conservative lottery market.

As the game moved through development, IGT invested in a new animation tool that gives Ruby 7s an increased frame rate and smoother graphics. Finally, before the game entered QA testing, the studio redesigned the bonus game to remove some re-spins on the wheel, another refinement that made a big improvement in player satisfaction.

Looking to the future

Following the game’s breakout success, IGT is developing a slate of new games that apply the insights from building Ruby 7s. And with the growing brand recognition for original PlayInstantWin games like Ruby 7s, the company is now actively engaged in

“All IGT PlayInstantWin games are designed for customers to apply any pay model they want, meaning that Ruby 7s is as adaptable to a highly progressive lottery market as it is to a conservative market.”

Gavin Horricks, Product Manager
developing physical instant tickets based on PlayInstantWin titles – a reversal of the usual sequence. This move supports lotteries in capitalizing on the synergy between games that exist both physically and digitally. Physical tickets help to reinforce the recognizability of digital games, and players like familiarity. Also, lotteries can promote both versions of the game with one advertisement and get more bang for the marketing buck.

“Instant tickets and eInstants are core lottery products designed to appeal to a broad spectrum of players,” said Horricks, “and we will continue to ensure that in a changing world, players will always have the best choice of content from our customers.”

For more information about Ruby 7s, contact your IGT Account Representative.

Ruby 7s Set to Extend Recent North American Success

Ruby 7s launched in two U.S. jurisdictions in mid-2020 and quickly become a top-five game across sales, average spend, total transactions, and unique player count.

Among its success indicators, Ruby 7s became one of the best-selling digital games ever for the first lottery to release the game. Four months on, it was still being played by 40% of that lottery's monthly online players, signaling that Ruby 7s has the potential to be an enduringly popular game – something achieved by only a handful of games.

The second U.S. lottery to introduce Ruby 7s saw it become the most successful game launch in terms of sales in the lottery's history. Over the first five weeks, Ruby 7s attracted 356% higher sales than that lottery's average game launch in the past two years.
Not all lotteries are created equal. The global lottery industry spans more than 85 countries, economies and cultures with populations ranging from China’s 1.3 billion to Luxembourg’s 625,000 – and every number in between. Lotteries come in different shapes and sizes, each with different operational structures, product portfolios, regulations and unique set of challenges to drive sustainable growth.

That’s exactly why Scientific Games, the world’s largest creator, supplier and services provider of lottery instant games, is customizing its instant category management program to meet the needs of any lottery, anywhere in the world. The goal: maximizing lottery profits.

“All lotteries are looking for sustainable revenue growth to help protect and generate valuable profits for beneficiary programs. In a year filled with uncertainties caused by the global pandemic, it’s important that we align with our customers to fully develop the instant game category, which is currently leading sustainable growth in the U.S. and for several of the world’s largest lotteries,” says Sam Wakasugi, VP of Strategy for Scientific Games.

The company currently produces products that generate 74% of instant game retail sales globally. Yet instant products, which have the largest share of market in the U.S., continue to remain largely undeveloped in many countries.

**Driving Performance**

Italy’s Lottomatica, the largest instant game lottery in Europe, and five of the six top-performers in America participate in a full category management program with Scientific Games: Florida, Georgia, Pennsylvania, South Carolina and Tennessee. The company currently supplies instant games to 19 of the Top 20 performing lotteries in the world, with 12 of the Top 20 participating in its management program (La Fleur’s 2020 Almanac, per capita sales).

Customizing instant category management for international lotteries, Scientific Games looks beyond the U.S. to international experience such as launching the China Sports Lottery’s instant products across 150,000 points of sale, and its partnership growing instant game sales for La Française des Jeux in France and Camelot in the UK over the past several decades.

“There’s an old saying that a thousand opinions bow to a single fact. And in the lottery business, that fact is in the numbers. Sales performance numbers tell the real story,” shares Wakasugi.

Wakasugi has worked on both the vendor and lottery side of the business since the early 1980s, traveling and living around the globe to gain experience in the world of lotteries.
the globe to work with some of the largest lotteries in the industry. He works closely with Michael Conforti, President of Global Strategic Accounts for Scientific Games, to help both mature and new instant game lotteries fully develop the instant product category.

ROI-driven solutions

“We understand the business needs of lotteries in other countries differ from those in the U.S. Working with good market data and continuous dialogue with our customers helps Scientific Games adapt our solutions to address any operational and product gap that can responsibly drive retail sales and profits for lotteries,” explains Conforti, whose four decades of industry expertise spans dozens of countries and six continents.

When it comes to instant game category management, he believes that no matter location on the globe, to achieve sustainable growth all lotteries must focus on identifying operational and product gap opportunities, then develop and execute ROI-driven solutions.

Scientific Games’ solution begins with its insights and analytics department, which provides cross-company teams with real-time data and decades of historical data, as well as findings from continuous consumer research and its ONE™ player motivational study. All of this information is used to determine if a lottery has gaps in any of four key areas: product solutions, advanced logistics, retailer optimization and digital engagement.

This approach at Scientific Games began in 1985 with the New York Lottery, perennially among the top 20 performers in the world for instant game per capita sales performance. Although a similar management program proposed to other U.S. lotteries met resistance initially, New York’s industry-leading results proved the substantial benefits of this approach.

In 1997, the company launched a full category management program for Florida Lottery, with the Pennsylvania Lottery following later that year. More than three decades later, with over 20 lotteries around the world participating, Scientific Games continues to evolve the program based on the unique needs of each lottery.

Now called Scientific Games Enhanced Partnership or SGEP the program currently performs 57% better than other game management and distribution models. It is supported by the company’s patented, next generation SciTrak Ultra™ system which securely manages inventory with more accuracy and efficiency than other supply chain solutions, and allows lotteries to be much more responsive to retail sales volume and player demand. SciTrak Ultra features the company’s OrderSorter™ automated sorting technology and OrderCast™ predictive ordering technology.

Conforti understands the need for some lotteries to purchase solutions outright, and he is on a mission to educate the industry on ROI. “We are working to understand any barriers that may prevent a lottery from adopting our SGEP solution, and collaborating to tailor the business partnership. We have demonstrated that outsourcing instant game management technology and services can drive better sales and profit performance,” he explains.
Modernizing retail, integrating digital

“Our strong game concepts are being produced for international markets with highly advanced printing technology. Portfolio management with Scientific Games as primary supplier is driving growth – proven by the top-performers that partner with us. Advanced logistics for inventory management and distribution have significantly improved with our next generation sorting and predictive ordering technology. We are integrating digital with retail products, and optimizing the lottery retail environment with first time technology like in-lane solutions and our SCiQ® intelligent instant game ecosystem,” shares Conforti.

The company is also helping international lotteries understand modernizing the retail environment with new solutions and technology, the nuances of player motivational behavior and optimizing the role of every product in the portfolio, including prize structures.

While it’s imperative that lottery retailers have the right product mix in their stores at the right time, Conforti adds that engaging players digitally by integrating the paper product with the digital product – through 2nd chance games, linked games and promotions or online/mobile sales – is crucial for success.

Often times, this means maintaining parts of the lottery’s legacy operations and providing key component parts of SGEP. “We find that anytime we engage in a truly collaborative relationship with our customers, we see strong category growth,” he says.

Scientific Games’ cross-company global teams of experienced product, logistics, retail and digital professionals are delivering instant game solutions to more than 100 lotteries around the world. This expertise extends to managed services for digital instant products – eInstants – which the company used to help launch and grow the Pennsylvania Lottery’s online/mobile program to USD 1 billion in sales in just under two years.

“We provide many different services to lotteries in more than 50 countries, and despite the differences in sales cycles and other business and cultural factors, it’s all based on the same principle. And that is identifying the need and filling that gap for the customer with a strategic and proven solution,” shares Conforti.

Protecting lottery sales and profits

“Despite shutdowns caused by the pandemic in some regions, the sheer scale of SGEP was able to keep the supply chain open and product flowing through the pipeline to retailers and players. By using enhanced data analytics and predictive modeling, we were able to ensure that our customers’ retailers maintained optimal inventory. It helped protect sales and profits for vital lottery beneficiary programs,” he explains.

Conforti cites that several of the world’s Top 20 that don’t participate in SGEP experienced distribution difficulties during COVID-19 which affected sales and growth in 2020.

Over the last several decades, in good times and in challenging times, SGEP has proven that it is an instant game management program that can drive more profits for a lottery, whether full category management or a select menu of services.

“This is a solution offered by one of the most trusted providers in the global lottery industry that is evolving from ongoing success leading the U.S. market and several large international lotteries, to meeting the very specific, different needs of any lottery,” says Conforti.

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Despite pandemic shutdowns, SGEP ensured the supply chain to retailers remained open.
To be safe, we’re putting a little distance in our schedule.

The World Lottery Summit is an opportunity to learn, engage and, most importantly, connect as an industry. And we want to keep it that way.

To ensure we can safely deliver a world-class event and give you the opportunity to experience the beauty and excitement (and restaurants!) of Vancouver, we’ve decided to postpone WLS 2020 to 2022 due to concerns with COVID-19.

We’ll keep you informed as we continue to plan and adapt, and we look forward to seeing you in Vancouver for WLS 2022.

Save the date: Oct 16-20, 2022
Pandemic pastimes ‘piece’ together strategies for continued instant ticket success

COVID-19 has changed the world in many ways including drastically limiting our entertainment options and, as an extension of that, how people spend their discretionary income. Some people have turned to both old hobbies and new pursuits to fill the endless hours of newfound free time.

Take for example, jigsaw puzzles, which have seen a massive resurgence in popularity, with Ravensburger, one of the leading manufacturers of jigsaw puzzles, reporting an astounding 370% increase in sales year over year in North America. Likewise, one recent study conducted by Deloitte suggests that people may be more willing to engage digitally, with 34% of consumers reporting they have tried a new video gaming activity during the initial COVID-19 lockdowns. Limited entertainment options have certainly helped support the rise in instant ticket sales, leaving lotteries to look at how they can ‘piece’ together a strategy that takes advantage of both consumer shifts – returning to traditional hobbies and embracing digital entertainment sources – to create sustained momentum and ongoing success in the instant ticket market.

While instant tickets have always been the driver of growth in the industry, the pandemic has proven how resilient they are. Their resiliency reinforces how important the product line is to the continued growth and success of lotteries worldwide and the good causes they support. As we see the products and strategies that have thrived throughout this time, instant tickets are in a great position to appeal to people’s desire for both traditional entertainment options and their increased willingness to engage digitally with brands. Lotteries can continue to invigorate traditional instant ticket games by adding new features and play mechanics, while also leveraging digital components to engage with new, existing, and lapsed players in a more entertaining way.

Two instant ticket categories in particular have seen magnified success over the course of the pandemic; extended play games and higher price point games. Focusing on strategies to keep these categories fresh and interesting will ensure ongoing success as the pandemic eventually passes and the pace of life returns to normal.

The extended play category, including tried-and-true classics such as Crossword and Bingo games, continues to be a staple in instant ticket lineups in many countries around the world. These popular games have gained even more traction throughout the pandemic. In the U.S., for instance, Crossword and Bingo games saw average sales increases of a powerful 36.4% and 28.1% respectively from February 2020 to June 2020 when compared to the same period in 2019. This is particularly noteworthy given that overall instant sales growth came in at an already strong 14.3% during that time. One example of the increased appeal of extended play games is the Maryland Lottery’s Crossword category which saw a 47% increase in sales from February 2020 to June 2020. A highlight of this success is the Lottery’s USD 20 game, $500,000 Crossword, which launched pre-pandemic in September 2019 and saw a significant resurgence at the height of the initial lockdowns, with an impressive 31% increase in average sales between April 2020 to May 2020.

To support the momentum in this category, lotteries can look for ways to keep these games fresh and interesting by adding fun, easy-to-understand play features, exciting innovations, and digital gameplay.

The Western Canada Lottery Corporation (WCLC)’s CAD 5 Crossword Super Ball Plus is a great example of what lotteries can do to revitalize a core game by leveraging both traditional, familiar gameplay and encouraging players to get into the digital space. The ticket’s gameplay included both a traditional scratch portion and a digital component. What made this ticket truly appealing is that players had a chance to win on the traditional scratch game, the digital component, or both! When comparing 10 weeks of sales before and after the launch of CAD 5 Crossword Super Ball Plus, the Lottery’s overall CAD 5 Crossword sales grew by a notable 32% – with most of that growth being attributed to this game. On the digital component, there was an outstanding 43.9% player par-
Western Canada Lottery Corporation’s CAD 5 Crossword Super Ball Plus scratch card and its digital component.

Maryland Lottery’s USD 20 game $500,000 Crossword.
participation rate, and Google Analytics shows that of those players, 26.8% of players playing the game were in the much sought-after 25-to-34-year-old age demographic.

Pollard Banknote’s nextgenGAMES™ are another effective way to infuse diversity into an instant ticket portfolio while keeping players excited and engaged. nextgenGAMES™ add new concepts and innovations to the instant ticket classics, such as Crossword and Bingo, extending the player experience; for instance, uncovering a word beside a lucky symbol on Lucky Symbol Crossword to instantly win USD 10 is one simple, small example of nextgenGAMES™ in action. In addition, Pollard Banknote’s unique Play Around™ fold-over and Jumbo Pop ‘n’ Play™ games provide an opportunity to offer players a new twist on extended play games. Play Around™ fold-over games consist of a two-sided ticket on which the main game appears on the front, and by folding the ticket along the score, additional play related to the main game appears on the back, giving players another opportunity to win. Jumbo Pop ‘n’ Play™ reveals a jumbo spread of games and is loaded with chances to win by popping open a perforation on the front revealing exciting scratch-off areas inside. The front panels can even be designed to look like doors or incorporate other fun themes that invite players to pop open and play!

Another instant ticket trend that has emerged amid the COVID-19 pandemic is strong sales at higher price points. For example, in the U.S., instant ticket sales of USD 10+ games increased by 26% from the end of April to the end of June 2020 when compared to the same period from the previous year. This is up more than two-and-half times when compared to the growth seen during this same timeframe in each of the previous two years. We can interpret this interesting data as an increased demand and ongoing appetite for higher price point games that feature more value-add design and play features including eye-catching print innovations and digital game extensions.

Lotteries have long recognized the importance of making products stand out at retail through impactful designs and striking print features, such as Scratch FX™, neon inks, and oversized play formats that maximize gameplay. This is particularly important for higher price point games as players want to feel like they are getting increased value for their increased spend.

Pollard Banknote’s Scratch FXtra™ innovation delivers this in spades, with dynamic three-dimensional images that capture the attention and imagination of new and established players alike. Loterie Nationale in Belgium recently launched its EUR 20 Fortune ticket with stunning Scratch FXtra™ holographic details; the early sales were so strong that the Lottery reordered the game soon after launch. Lotteries can also use Pollard Banknote’s Touchables™ line of specialty inks to give instant tickets an intriguing tactile quality and distinct visual appearance. For example, Soft Touch ink provides a luxurious finish to tickets with a sensory effect that increases the perceived value of a ticket.

The addition of a digital component to a game is another effective way to provide added value and gameplay that will engage players in a more robust way and present an opportunity to begin a digital conversation with them. Pollard Banknote’s Space Between™ products do just that by extending the life of traditional instant ticket games and providing related play online or through a mobile app. The Michigan Lottery’s new USD 20 Millionaire Wild Time™ ticket made its debut in September 2020, featuring a dazzling Scratch FX™ design and an entertain-
ing second chance app. This marked the first launch of this core game at the USD 20 price point. Even with four other USD 20 tickets available at retail, Millionaire Wild Time™ still accounted for 42% of the Lottery’s USD 20 ticket sales during its first five weeks on the market. In addition, 26% of players with a non-winning ticket played the Wild Time™ app. The combination of digital engagement with higher price points offers more entertainment value and appeals to a wide player base. Lotteries can implement this strategy to boost sales during the pandemic and use the momentum going forward.

Although this year has been one full of “unprecedented times” and surprises, it can also be considered a year of growth for the lottery industry. Lotteries around the world have engaged new players, broken sales records, and gained momentum that they will look to build on in the new year. With a focus on leveraging familiar games and playstyles, and bolstering them with fresh play mechanics, strong prize structures, and digital engagement, instant tickets will appeal to new and returning players alike. This, combined with a close eye on trends in other industries, will result in lasting success for lotteries worldwide!

The Michigan Lottery’s new USD 20 Millionaire Wild Time™ ticket features a dazzling Scratch FX™ design and an entertaining second chance app.

Belgium’s Loterie Nationale’s EUR 20 Fortune ticket with holographic details.
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WLA MAGAZINE is published by:
World Lottery Association
Avenue d’Ouchy 4
CH-1006 Lausanne
Switzerland
www.world-lotteries.org

Editor: Paul Peinado, Senior Operations Manager, Program Management
Contributing Editors: Sarah Rothrie and Bronwen Bartlett.
Layout: 3satz GmbH, Rüschlikon, Switzerland

The views expressed in the WLA magazine are those of the authors and do not necessarily reflect the views of the World Lottery Association.
Staying Ahead of the Game in Extraordinary Times

As the world’s leading gaming company, IGT is committed to responsible and sustainable practices that help our customers and communities stay ahead of the game.

Valuing our People

Advancing Responsibility

Supporting our Communities

Fostering Sustainable Operations

In these unprecedented times, we continue to connect players around the world with best-in-class solutions that respect both people and the environment, while delivering excellence to keep gaming fun and safer for all.

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LEADING THROUGH CHANGE.

Pollard Banknote's proven expertise and high-quality products and services are enriched by the unique and innovative solutions offered by our family of companies—strengthening lotteries and increasing proceeds for the good causes they support.

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