

June 2020



Quarterly Compliance Report

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Staying compliant with Rightlander

Q2 has seen an increasing amount of pressure put on operators around the world. The coronavirus global pandemic has fundamentally changed the way we work and our relationship with our customers. The gambling industry has had to adapt quickly to the many changes going on right now, as governments and authorities scramble to control our locked down environments. Their greatest tool for doing this appears to be in the form of regulatory changes, some of which can be very impactful to business.

Rightlander's Social Responsibility reporting helps to identify affiliates using COVID-19 to promote gambling products and terms which imply that gambling can be a solution to all our problems. It can also identify affiliates promoting to self-excluded players.

Read on for more information and contact our sales team to find out how these reports could help your business.

COVID-19: The effects on online gambling

Adapting to the increasing challenges posed by COVID-19

The Impact of Recent Events

With the majority of the population being at home all day every day for the last 8 weeks, the risk of harm from online gambling becomes ever more apparent. Reports have already identified an increase in online slots, casino games, poker and virtual sports play. YouGov revealed that 64% of more engaged gamblers reported that they have increased the time or money they are spending on at least one online gambling activity.

New Rules

In light of the developments, the UK Gambling Commission (UKGC) set out additional requirements for all operators in an increased effort to protect children and vulnerable people from being harmed by gambling:

- Stopping all reverse withdrawal options for customers until further notice.
- Ceasing bonus offers and promotions to all customers displaying 'harm indications'.



- Reviewing safer gambling thresholds and triggers for new customers.
- Requiring direct interaction with all customers that have participated in 'an hour single session of play'.
- Conducting further affordability checks on players displaying harm indications.
- Enforcing immediate deposit limits and blocks on customers displaying harmful behaviour.
- Ensuring comprehensive monitoring of customer bases – identifying dangerous play and spending habits.

The commission will also be looking to strengthen measures around ethical product design, including reverse withdrawals and VIP inducements.

Sweden: What's Next?

Sweden introduces interim online gambling laws for 2020

The Legal Landscape

The new Gambling Act launched on the 01 January 2019, represents a complete overhaul of the legislative framework in Sweden regarding gambling and betting.

Previously, only two monopolies – Svenska Spel and AB Trav & Galopp (ATG) – were allowed to operate gambling services.

Prior to 01 January 2019, international operators acted in Sweden on the basis of licences held in other jurisdictions, leading to the creation of a grey market. However, since the re-regulation, the SGA has approved more than 80 companies, the majority being online gambling and betting operators.

Swedish betting laws have found a balance between giving players freedom of choice and shielding them against unlawful players.



Promotion of betting without a permit has been prohibited, and the Swedish Betting Authority has now been allowed to block transfers between participants and unauthorised operators.

Player Safety: New Rules For the remainder of 2020

During the current COVID-19 situation, the absence of sports betting has led to a rise in online casino wagering, putting consumers at a higher risk than usual.

As a result, the Swedish Regulator has proposed new stricter rules for the remainder of this year. Should these come into effect:

- It will be mandatory for players to set a limit on their online casino playing time.
- The highest weekly deposit limit will be 5,000 Swedish Krona (roughly £400).
- Online bonus offers cannot exceed SEK 100 (around £8).

Spelinspektionen, the country's gaming regulator is also expected to keep a closer eye on the market and enforce gambling limits in order to ensure player safety.

Germany: The Status Quo

Where are we with the current licensing situation?



What do we currently know?

In March 2020, the heads of state approved gambling regulations to legalise online casino and poker from the 01 July 2021. However, this is yet to be ratified by each state parliament and submitted to the European Commission for approval before it can be brought into effect.

Online Gambling

While online sports betting, online poker and online casino games including slots will be permitted, these will come with significant restrictions:

- Slot stakes limited to €1 per spin.
- No jackpot or autoplay functionality.
- Spins to average 5 seconds.
- €1000 Spending limit across all products.

Sports Betting

The sports betting licensing process came to a halt in April 2020,

after being deemed discriminatory and non-transparent. However further discussions in May revealed that:

- Sports betting licenses would be issued on a 5 - 7 year basis, with restrictions in place.
- In-play betting will be allowed but limited to final result or low score games.

Advertising Online and Offline

Although advertising will be permitted online and offline, this will also come with limitations:

- No online advertising and TV advertising between 6am - 9pm for casino and poker products.
- Affiliate advertising will be permitted with the exclusion of revenue share deals.

What's Next?

Although the above rules have been outlined, we are still awaiting approval from the member states and European commission. The deadline has been set as the 31st March 2021. In the meantime, the sports betting license procedure will remain on hold until a decision is made.

Market Roundup

The latest regulatory update: France, Latvia & Spain



French gambling authorities ban online poker bonuses

The French gambling regulator, **Autorité de régulation des jeux en ligne (ARJEL)**, has prohibited gambling operators from offering online poker bonuses during the Coronavirus lockdown. The regulator brought in the measures after noticing a 'significant increase' in new online poker players signing up during lockdown. This spike in new poker players was largely attributed to the lockdown situation and lack of sports being broadcast.



Latvia suspends licenses of all gambling operators

On the 22nd of March, Latvia

passed an emergency coronavirus (COVID-19) bill banning all physical forms of gambling. A subsequent article of the bill confirmed that online gambling and lotteries would also be included in the ban. The bill will be enforced for the duration of the Coronavirus outbreak.



Spain restricts gambling advertising to the early hours

The Spanish government has imposed a number of restrictions during the novel coronavirus (COVID-19) pandemic, including limiting online gambling advertising to between 1am - 5am.

Other restrictions that have been imposed include a limit of 100 EUR on welcome bonuses for new players, although these are part of broader gambling regulations in the country.

Q2 and beyond

Find out what we've been working on in Q2 and how we can help you next quarter...

The UK Gambling Commission (UKGC) has issued a warning to white-label providers, clearly stating that they will be held accountable for the regulatory breaches of their third party partners. The stark warning came after FSB technology was hit with a £600,000 fine for compliance failures of its third party clients. The commission has ordered FSB to change the way it operates as a business and warns other white label providers to stay alert and not get complacent during these times.

Rightlander scans millions of pages a month, so you can be aware of all marketing activity taking place in multiple markets across multiple brands, reducing the risk to your business. We also cover territories such as UK, Spain, Germany, Italy, Sweden, USA, Canada, Finland and many more. These countries can be added to your current package at any time, ask us for a quote today.

For more information, please contact your account manager here at Rightlander.

What's happening with Rightlander?

Weekly Vlogs

Due to the current situation surrounding coronavirus, most industry events have been cancelled or postponed. As a result, we can't meet you face to face, but we continue to work closely with you to get the most out of your Rightlander products and software. You will have seen our weekly Q and A's on social media, answering questions coming from various faces within the industry. If you have any questions you'd like answered, please send them in via [LinkedIn](#), [Twitter](#) or [Facebook](#) and we will do our best to answer them for you.



You will also find Rightlander founder Ian Sims taking part in panel sessions at many of the upcoming virtual conferences. Look out for him at the upcoming Casinobeats summit in June.

If you'd like to know more about recent developments, please get in touch with Nicole Mitton: nicole.mitton@rightlander.com to book a meeting.

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