

Identification and assessment of the risk of money laundering on the Swedish gambling market

Innehåll

Summary	4
1 Introduction	5
1.1 Swedish gambling regulation and the Swedish Gambling Authority's assignment.....	5
1.2 Money laundering risk assessments	6
1.3 Purpose of the Swedish Gambling Authority's risk assessment	7
1.4 Need for oversight.....	8
1.5 Delimitations	9
2 Method	10
2.1 Subdivision of gambling.....	10
2.2 New methodology	10
2.3 Threats	11
2.4 Vulnerabilities	12
2.5 Risk.....	13
Risk matrix	14
Risk interval	14
2.6 Impact	15
3 Threats	15
3.1 Consumption of illegally acquired funds	17
3.1.1 Pure consumption of illegally acquired funds	17
3.1.2 Turnover of illegally acquired funds	17
3.2 Exchanging of illegally acquired funds	18
3.3 Cash accounting of illegally acquired funds.....	19
3.4 Transferring illegally acquired funds	19
3.5 Storing illegally acquired funds	20
3.6 Reverse money laundering	21
3.7 Gambling companies as tools of crime	21
3.8 Gambling fraud	22
4 Vulnerabilities.....	22
4.1 Complex transaction flows.....	23
4.2 Use of agents	23

4.3	Lack of face-to-face meetings.....	23
4.4	Payment methods	24
4.5	Cross-border gambling.....	25
4.6	Availability	26
4.7	High return to player	26
5	Risk analysis	27
5.1	Gambling reserved for the State – Casinos.....	27
5.2	Games reserved for the State - Token gambling machines	30
5.3	Gambling reserved to the State and gambling for public benefit purposes - Lotteries without a gambling account.....	32
5.4	Gambling reserved to the State and gambling for public benefit purposes - Lotteries with a gambling account.....	34
5.5	Gambling for public benefit purposes - Bingo.....	36
5.6	Gambling for public benefit purposes - Local pool games.....	38
5.7	Commercial online gambling	40
5.8	Online betting.....	43
5.9	Land-based betting	46
5.10	Land-based commercial gambling – Casino games.....	49
5.11	Land-based commercial gambling - Goods gambling machines	52
5.12	Land-based commercial gambling - Card game tournaments.....	54
5.13	Gambling on vessels in international traffic	56
6	Impact assessment.....	59
	Risk assessment overview.....	61

Summary

On its own initiative, the Swedish Gambling Authority has produced this money laundering risk assessment in order to provide comprehensive information about threats, vulnerabilities and risks in the Swedish gambling market. The risks of money laundering being conducted in connection with gambling vary between different forms of gambling. This risk depends on the extent to which the different forms of gambling are exposed to threats and vulnerabilities.

The consumption of illegally acquired funds is considered to be the most common form of money laundering on the Swedish gambling market. Other relevant threats are the transfer and storage of illegally acquired funds, two money laundering methods enabled, inter alia, by the use of gambling accounts. In addition, match fixing, which is a type of gambling fraud, poses a particularly serious threat to the gambling market since it not only allows for the laundering of illegally acquired funds but increases their value.

Vulnerabilities include circumstances which are deemed to impact the possibility of a threat occurring, which depends, for example, on the characteristics of a gambling form and the regulatory environment in the Swedish market. Vulnerabilities identified and emphasised by the Swedish Gambling Authority among others the turnover opportunities within each form of gambling, possible payment methods and the availability of the gambling form.

The risk of gambling being exploited for money laundering purposes is deemed highest in commercial online gambling and online betting. This is mainly because these forms of gambling offer the possibility of large bets and winnings and have high turnover and availability. With online gambling, the risk is high that gambling accounts can be used for various threats, for example to store the illegally acquired funds.

The risk of money laundering in state casinos and land-based betting is considered significant. This is not least due to the fact that these forms of gambling can be utilised for a number of money laundering schemes which are deemed to be recurring, as well as the possibility of turning over large sums. Land-based commercial casino gambling is deemed a medium risk for money laundering, largely due to a large number of possible threats combined with the presence of cash and other payment methods. Lotteries where gambling accounts are used are also deemed a medium risk. Other forms of gambling on the Swedish market are deemed to be a low risk, which is mainly due to the restrictions on the size of bets and winnings.

1 Introduction

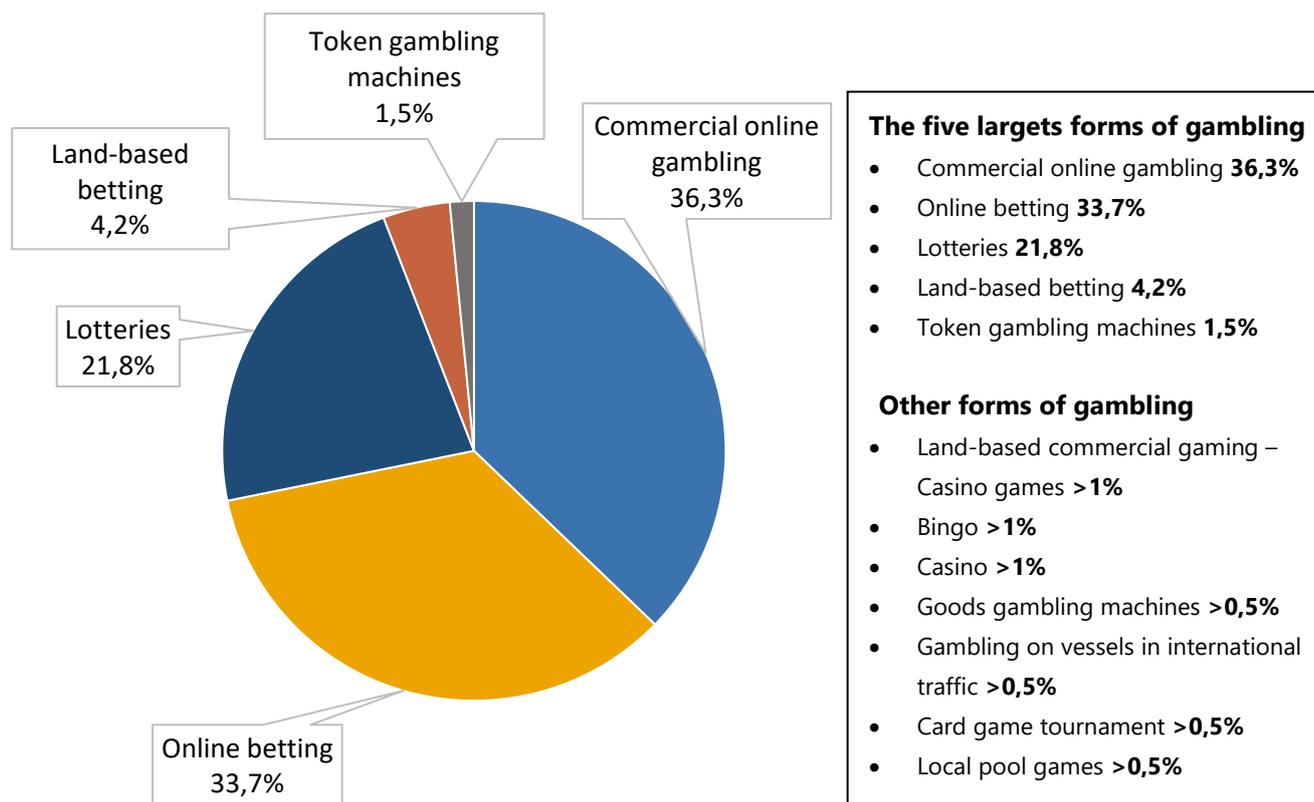
1.1 Swedish gambling regulation and the Swedish Gambling Authority's assignment

With the revised gambling regulation of 2019, the gambling market includes state-owned and state-governed groups, international gambling companies with large annual turnovers, as well as small associations that arrange local lotteries on a small scale. In between are organisations of various sizes and natures. The turnover for the various forms of gambling varies considerably, as do the risks that can be associated with different forms of gambling and the way in which they are operated.

Everyone who conducts gambling activities on the Swedish market must have a licence, and operators without a licence must be excluded. The Swedish Gambling Authority is responsible for oversight and must check and ensure that the Swedish gambling market is legal, reliable and safe. This work also includes combating illegal gambling and match fixing, as well as preventing the gambling sector from being used for money laundering. Operators that are licensed or registered under the Gambling Act (2018:1138) must generally comply with the regulations contained in the Act on Measures against Money Laundering and Terrorist Financing (Anti-Money Laundering Act) (2017:630).

The number of unique operators with a licence on the Swedish gambling market was 354 on 31 March 2025 (excluding licences for gambling software and possession licences). In 2024, net turnover (players' bets less winnings paid out) in the regulated gambling market totalled approximately SEK 27.8 billion, with commercial online gambling and betting accounting for the largest share.

Part of the Swedish gambling market's net turnover in 2024 – 27.8 billion SEK



1.2 Money laundering risk assessments

The extent of money laundering through gambling is relatively unknown, and not many cases have resulted in convictions. As part of the Swedish Gambling Authority's work to identify and assess the relevant risks on the Swedish gambling market, the Authority has chosen to produce and publish a risk assessment focusing on forms of gambling. The first risk assessment for money laundering on the Swedish gambling market was completed by the Swedish Gambling Authority in 2014. Over the years, this risk assessment has been reviewed and updated, most recently in 2020. This fourth version of the Swedish

Gambling Authority's risk assessment for money laundering in the Swedish gambling market replaces previous versions.

The Coordinating Body for Anti-Money Laundering and Countering Financing of Terrorism (the Coordinating Body)¹ prepares a comprehensive risk assessment at the national level of money laundering and terrorist financing in Sweden. This assessment is based on the Anti-Money Laundering Act and the operators covered by the Act², including licence holders operating on the Swedish gambling market. The last national risk assessment covering all sectors subject to the anti-money laundering framework was published in 2021.

The development and updating of the gambling risk assessment also takes into account the EU supranational risk assessment on money laundering and terrorist financing. This contains a comprehensive mapping of the risks in all relevant sectors affecting the internal market and involving cross-border activities. The latest supranational risk assessment was published in 2022.

The EU supranational risk assessment and the Coordinating Body's national risk assessment are both based on recommendations issued by the Financial Action Task Force (FATF). The FATF is an intergovernmental organisation consisting of some 40 member countries, including Sweden, which, among other things, issues international standards and recommendations for its members' anti-money laundering and terrorist financing efforts.

1.3 Purpose of the Swedish Gambling Authority's risk assessment

The Swedish Gambling Authority has chosen to produce and publish a risk assessment focusing on forms of gambling on its own initiative. The purposes of the Swedish Gambling Authority's risk assessment are as follows.

¹The Coordinating Body consists of 16 public authorities, including the Swedish Gambling Authority and the Swedish Bar Association, for which the Swedish Police Authority has overall responsibility.

² According to Chapter 1, Section 8, item 8 of the Anti-Money Laundering Act (2017:630), an operator is defined as "a natural or legal person who carries out activities covered by this Act."

- To provide comprehensive information on threats, vulnerabilities and risks on the Swedish gambling market.
- To provide a basis for assessing and deciding whether to exempt forms of gambling in whole or in part from the requirements of the Anti-Money Laundering Act and the provisions of the Gambling Act.
- To provide support for the Authority in its work on risk-based oversight.
- To serve as a basis for operators' risk-management work.

1.4 Need for oversight

Financial crime and money laundering are major, society-wide problem in Sweden. Organised crime is widespread and has become increasingly professional and sophisticated in recent years. Criminal actors use legitimate business structures and various professions to launder money, making schemes increasingly complex.³ Although the use of cash has declined in society at large, cash continues to play a significant role in the criminal economy. New modes of operation and trends are observed as criminality shapeshifts and adapts to societal developments.

The Swedish gambling market is also constantly changing. In recent years, the gambling market has been characterised by extensive digitalisation, with mobile gambling in particular becoming an increasingly important source of revenue for gambling companies. A major change in the Swedish gambling market is that the last land-based casino in Sweden, Casino Cosmopol in Stockholm, closed in April 2025. The closure followed a decision by the Swedish Government to phase out the state-owned casinos, with the legislative change taking effect at the turn of the year, on 1 January 2026.

In the context of such changes, new legislation or new actors and products or services on the market, the risk assessment needs to be reviewed. When reviewing and updating the risk assessment, methodologies, valuations and

³ Swedish Police Authority, *Professionella penningtvättare - Branscher, modus och koppling till kriminella nätverk*, March 2024.

assessments can be revised where it has been shown that other considerations would contribute to a more accurate description.

The methodology used for the Swedish Gambling Authority's risk assessment must also be reviewed, with a view to harmonising it with the methodology used for the supranational and national money laundering risk assessments.

1.5 Delimitations

This risk assessment focuses on the risk that licence holders in the Swedish gambling market will be exploited for money laundering. The risk of being exploited for terrorist financing is not addressed in this risk assessment. The issue of how the gambling market can be exploited for terrorist financing is instead addressed in the Coordinating Body's national risk assessment. Unlicensed operators, regardless of whether they target Sweden, are not covered by the risk assessment as these operators operate outside the scope of the Swedish gambling regulations and are not covered by the scope of the Anti-Money Laundering Act. The Swedish Gambling Authority is not responsible for the registration or supervision of so-called "registered lotteries", which is why these are also excluded from this risk assessment.

The concept of actual risk is often used when assessing the risk of money laundering. The actual risk is the product of the inherent risk⁴ of a particular form of gambling and the risk-management measures the company has implemented. Risk management measures refer to the operators' compliance with the regulations, their understanding of the risks and the tangible measures implemented to manage the risks. If the inherent risks are high, measures are also required by the operators who are encountering the risks in question. The risk assessment does not assess the operators' risk management measures, since these are monitored under the supervision of the Swedish Gambling Authority. Thus, when the term 'risk' is used in this risk assessment, it refers to the inherent risk, unless explicitly stated otherwise.

⁴ 'Inherent risk' refers to the degree of risk present before any risk-mitigation measures are implemented.

2 Method

2.1 Subdivision of gambling

As in previous versions of the risk assessment, the forms of gambling are broken down according to the classifications in the Gambling Act. Exceptions have been made for betting, where we distinguish between land-based and online gambling as well as lotteries that use gambling accounts and those that do not. As a general rule, the fact that transactions are carried out online has more of an effect than the product in question.

2.2 New methodology

In this version of the risk assessment, the Swedish Gambling Authority has chosen to change its methodology from previous versions. The model used for this risk assessment is based on the methodology used for both the national risk assessment and the EU supranational risk assessment. This change has been made in order to harmonise the Swedish Gambling Authority's detailed risk assessment with the cross-sectoral risk assessments at national and EU level.

This change entails, among other things, that threats and vulnerabilities are initially assessed separately in this risk assessment. The likelihood of the threats occurring, and the possibility of exploiting the vulnerabilities, has been assessed as low (1), medium (2), significant (3) or high (4), using the tables on the following pages⁵. A weighted assessment was then made by combining the value of the estimated threat and the value of the vulnerabilities in a so-called risk matrix, which generated a final risk level.

In the work on the risk assessment, a number of threats and vulnerabilities linked to money laundering in the gambling market have been identified and assessed based on the various forms of gambling in the Gambling Act. The assessment is based on a qualitative assessment of the threats and vulnerabilities for each form of gambling in accordance with the tables provided. Thus, the number of identified threats or vulnerabilities does not

⁵ See tables 1 and 2.

necessarily have a direct impact on the assessment, since what is assessed is rather the qualitative impact of the form of gambling. Some threats and vulnerabilities are common to several forms of gambling, while others are linked to specific forms of gambling.

Guidance regarding what should be considered when developing national risk assessments has been developed by the FATF.⁶ The principles described in that publication are also relevant for the development of more focussed risk assessments, such as those of a specific sector.

2.3 Threats

The threats identified in the risk assessment consist of various approaches that allow companies to be exploited for money laundering purposes, by means of their products and services being used to conceal the link between crime and the illegally acquired funds.

An understanding of both actual and potential threats that may exist, now or in the future, is a prerequisite for carrying out a risk assessment. A potential threat might involve money from criminal activities being deposited in a gambling account in order to make it more difficult for authorities to trace the origins of the money.

The assessment of threats takes into account the likelihood of the threats materialising. The assessment also takes into account the complexity of the activity, i.e. how difficult and time-consuming the activity is to implement. The assessment is based on the Swedish Gambling Authority's collective knowledge and experience in the area. In addition, the experiences of other supervisory authorities and relevant reports are taken into account. Previously known cases – both in Sweden and internationally – are also taken into account to the extent they are applicable.

The outcome of the assessment of threats to the form of gambling is defined on a four-point scale as low (1), medium (2), significant (3) or high (4) as shown in Table 1.

⁶ FATF, *Money Laundering National Risk Assessment Guidance*, November 2024.

Table 1. Threat assessment

Risk criteria	Low (1)	Medium (2)	Significant (3)	High (4)
Threats	There are no indications that criminals intend to use this form of gambling to launder money.	Criminals may be using this form of gambling to launder money.	Criminals are likely using this form of gambling to launder money.	Criminals regularly use this form of gambling to launder money.

2.4 Vulnerabilities

A vulnerability is a situation that is deemed to be able to affect the possibility of a threat occurring. Some vulnerabilities relate to specific threats, either notional or actual, while others are more general in nature and thereby relevant to a wide range of threats.

As previously stated in the demarcation, the risk-management measures of operators are not considered in this risk assessment. However, in order to assess vulnerability, it is necessary to consider the nature of the Swedish market, including regulations and other relevant circumstances that affect vulnerability. One example of this is the Swedish population register and the fact that all Swedish citizens have a unique personal identity number.

The characteristics of different forms of gambling, as well as applicable regulations and turnover opportunities, are attractive to varying degrees, and are exposed to various threats and vulnerabilities. An example of a vulnerability is where gambling companies allow deposits to gambling accounts from several different payment providers and credit institutions or deposits through various types of vouchers. This vulnerability can then be exploited in order for the threat to occur – that money acquired by means of crime is deposited in a gambling account.

As with the assessment of threats, the assessment of vulnerabilities is based on the Swedish Gambling Authority's collective knowledge and experience in the

area. The experience of other supervisory authorities and relevant reports are also taken into account in the assessment.

The outcome of the gambling vulnerability assessment is defined on a four-point scale as low (1), medium (2), significant (3) or high (4) as shown in Table 2.

Table 2.

Risk criteria	Low (1)	Medium (2)	Significant (3)	High (4)
Vulnerabilities	Low attractiveness and limited opportunities to use the form of gambling for money laundering given its characteristics, regulation and turnover opportunities.	Some risk of money laundering given the characteristics, regulation and turnover opportunities of this form of gambling.	Significant risk of money laundering given the characteristics, regulation and turnover opportunities of this form of gambling.	High risk of money laundering given the characteristics, regulation and turnover opportunities of this form of gambling.

2.5 Risk

The values resulting from the threat and vulnerability assessments are combined in a so-called 'risk matrix', resulting in a risk score. The assessment of risk does not take into account any risk-management measures implemented by the operator. The risk score determines the risk interval within which the final risk of the gambling form is assessed. The risk ranges, as shown in the matrix below, consist of a colour-coded four-point scale; low, medium, significant and high.

In line with the EU supranational risk assessment, vulnerabilities are slightly outweighed by threats, based on the assumption that vulnerabilities may lead to future threats.⁷ The risk matrix is thus based on a weighting where

⁷ European Commission, REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities (SWD (2022) 344 final). COMMISSION STAFF WORKING DOCUMENT (SWD (2022) 344 final), p. 285.

vulnerabilities represent 60 per cent of the risk level and threats 40 per cent of the risk level.

Risk matrix

T H R E A T	High	2,2	2,8	3,4	4
	Significant	1,8	2,4	3	3,6
	Medium	1,4	2	2,6	3,2
	Low	1	1,6	2,2	2,8
		Low	Medium	Significant	High
VULNERABILITY					

Risk interval

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

2.6 Impact

In addition to threats and vulnerabilities, a risk assessment should, according to FATF guidance, include an assessment of the impacts on society of money laundering and terrorist financing.⁸ Such an assessment can be difficult to make and therefore need not be overly in-depth. The impact assessment has taken into account the turnover and risk level of the forms of gambling in order to visualise the potential impact that money laundering by means of the respective forms of gambling can have at the societal level.

3 Threats

A threat scenario requires a broad view of which transactions and gambling patterns may constitute money laundering, as well as an understanding that money laundering may involve more than just cash transactions.

Money laundering is defined as measures that may conceal the fact that money or other property derives from crime or criminal activities.⁹ The approaches adopted by criminals can be simple or more complex in their design. The process of laundering money is usually described in three distinct steps: placement, layering and integration. Placement involves moving the illegally acquired funds into the financial system, for example through cash deposits or the buying and selling of goods. Layering refers to measures taken to conceal the origin of funds by moving money in different stages. The final step, integration, creates a legitimate explanation for the origin of the funds, which is done through everything from current consumption to investments in companies. For a measure to be considered money laundering, not all steps need to be fulfilled. Depending on the nature of the property, the criminal may need to carry out various measures to conceal the origins of the property. Illegally acquired funds may be in the form of goods, cash or funds in the financial system, for example. For example, consumption of the illegally acquired funds is deemed¹⁰ to be common in the gambling market, which in the

⁸ FATF, *Money Laundering National Risk Assessment Guidance*, November 2024 p. 34.

⁹ Chapter 1, Section 6, Anti-Money Laundering Act.

¹⁰ Swedish Police Authority (Coordinating Body), *Nationell riskbedömning av penningtvätt och finansiering av terrorism i Sverige 2020/2021*, April 2021 p. 118.

context of gambling means that the illegally acquired funds are used as a bet in gambling.

Certain types of crime, such as robberies, the sale of drugs and prostitution, tend to generate a lot of cash. A large amount of cash can attract unwanted attention and suspicion. In such cases, it is therefore necessary to deposit cash funds in the financial system.

Financial crime is the name given to offences commonly committed in the course of legitimate business activities. The most common financial crimes include tax offences and accounting offences. Such crimes do not usually generate new property, but rather are intended to retain elements of the property that should actually go to taxation or other charges.

Fraud is one of the most common money laundering offences in Sweden. Illegally acquired funds from fraud were estimated to amount to SEK 6.3 billion in 2024, down 16 per cent from the previous year.¹¹

Financial crime has become an increasingly important element of organised crime. There are more sophisticated criminal activities in which criminal actors use companies as tools of crime in various industries to finance criminal activities and launder money.¹² The Financial Intelligence Unit (FIU) also describes the problem posed by criminal networks that utilise actors in different professional sectors, such as lawyers and bankers, to make the detection of illegal transactions and various money laundering schemes more difficult.¹³ As stated in the EU supranational risk assessment, it is also possible that gambling companies are used for various types of money laundering schemes.¹⁴

Set out below are the threats related to money laundering that have been identified as relevant for the Swedish gambling market.

¹¹ Swedish Police Authority, *Brottsvinsterna för bedrägeribrottsligheten 2024*, February 2025 p. 2.

¹² Swedish Police Authority, *Myndighetsgemensam lägesbild organiserad brottslighet*, June 2023 p. 9.

¹³ Swedish Police Authority, *Professionella penningtvättare - Branscher, modus och koppling till kriminella nätverk*, March 2024.

¹⁴ European Commission, REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities (SWD (2022) 344 final). COMMISSION STAFF WORKING DOCUMENT (SWD (2022) 344 final), see e.g. p. 193.

3.1 Consumption of illegally acquired funds

3.1.1 Pure consumption of illegally acquired funds

When consumed, criminally acquired funds encounter a variety of industries in the trade and service sector, including the gambling industry.¹⁵ Consumption of illegally acquired funds through gambling is probably the most common form of money laundering in the Swedish gambling market.¹⁶

As a rule, actors within serious organised crime handle large sums of cash in order to avoid any links between themselves and accounts. Travel, hotels and day-to-day consumption are paid for in cash, thereby enabling consumption that is not traceable. Consumption of the illegally acquired funds may also relate to types of transactions other than cash, and a significant proportion of the illegally acquired funds are used for day-to-day and luxury consumption.

By gambling with the illegally acquired funds, the funds' links to crime or criminal activity can be concealed. Pure consumption of illegally acquired funds is characterised by the fact that the purpose of the bet is entertainment, i.e. the gambler does not expect to get money back on his bet.

3.1.2 Turnover of illegally acquired funds

Turnover of the illegally acquired funds borders on the pure consumption of the illegally acquired funds. This approach is also based on using criminally acquired funds in gambling, but it differs from the pure consumption of illegally acquired funds as the gambler does not use the licence holder's services for entertainment. Rather, the primary purpose of the bet is to launder money.

Criminally acquired funds can be used in gambling with high rate of payback. For example, according to the Swedish Gambling Authority's external monitoring, it is not unusual for so-called 'slots' in commercial online gambling

¹⁵ Swedish National Council for Crime Prevention, *Penningtvätt och annan penninghantering – Kriminella, svarta och grumlige pengar i en legal ekonomi*, 2015 p. 61.

¹⁶ Swedish Police Authority (Coordinating Body), *Nationell riskbedömning av penningtvätt och finansiering av terrorism i Sverige 2020/2021*, April 2021 p. 118.

to have, over time, a return-to-player ratio of over 95 per cent. A cost for laundering the money is accepted in this approach in the form of a small gambling loss. Moreover, in cases where the payout ratio is very high, it is conceivable that the gambling loss may be less than the cost of hiring a professional money launderer.

The money can also be wagered in several rounds to avoid getting caught in the betting companies' monitoring. The remaining funds can then be transferred to a bank account and recognised as a gambling win.

One possible approach is that, in some cases, turnover is carried out with the help of so-called 'bots'. Bots are the name given to software, with or without artificial intelligence, created for specific purposes. For example, bots can be used to analyse odds and sports data in real time and place advantageous bets in betting or to create betting accounts and take advantage of bonus offers. At present, the Swedish Gambling Authority has no information that such activities actually exist on the Swedish gambling market, but the Authority's external monitoring has shown it to exist in other jurisdictions.

3.2 Exchanging of illegally acquired funds

Exchanging illegally acquired funds applies to forms of gambling where bets can be paid in cash.

Given the increasingly international nature of organised crime, the cross-border movement of cash remains a common element of money laundering schemes.¹⁷ With some types of crime, such as smuggling offences, large sums of cash are transported abroad to pay for supplies or to remove proceeds from Sweden. If the proceeds from a crime consist of banknotes in smaller denominations, these tend initially to be exchanged for larger denominations in order to reduce the risk of attracting attention.¹⁸

¹⁷ Swedish Police Authority, *Finanspolisens årsrapport 2023*, March 2024 p. 14.

¹⁸ Swedish National Council for Crime Prevention, *Penningtvätt - Rapportering och hantering av misstänkta transaktioner*, 2011 p. 27–28.

The gambling market can be exploited for exchanging illegally acquired funds by means of a variety of possible methods. One of the simplest methods is to exchange money for chips, which after a period of time are exchanged back into money to give the appearance of a win. Another method is the payment of bets in small denominations and the subsequent payout of winnings in larger denominations. Exchange may also take place if the gambling venue allows payment of bets in foreign currency and payout of winnings in Swedish kronor.

3.3 Cash accounting of illegally acquired funds

As mentioned above, cash is an important means of payment for criminal actors, as its use permits transactions and assets to be hidden and anonymised.

Forms of gambling that offer to deposit funds or winnings to a bank account, or equivalent, after cash bets, can be used to introduce cash derived from criminal activities into the financial system. In addition, this creates a seemingly legitimate explanation for the origin of the funds, as the deposit appears to be a gambling win, and the funds can then be used for legal consumption.

The purchase with cash of gambling chips, which are then redeemed and paid into a bank account, is an example of a simple method of accounting for the cash illegally acquired funds.

3.4 Transferring illegally acquired funds

A remote customer relationship where several different payment methods are available can be exploited for purposes other than those intended, for example to transfer criminally acquired funds.

The Gambling Act does not allow transfers between different gambling accounts, although funds can be transferred between players through deliberate losses in poker, known as "chip dumping". This can be done between players who are acting in collusion with each other or with the aid of utilised e-IDs.

Law enforcement authorities also report that gambling accounts have been used as mere transfer accounts without the account holder actually gambling.¹⁹ If the gambling operator does not verify that the recipient of a payout is the same as the holder of the gambling account, it is conceivable that gambling accounts may be used solely to make transfers to persons other than the holder of the gambling account.

It is also clear from the reporting of banks and payment institutions to the Financial Intelligence Unit that multiple persons can make direct or indirect transfers to one gambling account.²⁰ For example, several people can make deposits into a bank account via Swish, whereby the bank account holder transfers the joint sum to their gambling account. Gambling companies may find it difficult to detect this, as they do not see the whole transaction chain.

The illegally acquired funds can also be transferred outside of online markets by means of chips or winning lottery tickets changing owners.

3.5 Storing illegally acquired funds

Gambling accounts pose an increased risk that licence holders will be exploited for money laundering by using gambling accounts for purposes other than gambling, e.g. to hide criminally acquired funds.

It is known that in some cases gambling accounts have been used for the storage of illegally acquired funds, i.e. funds are transferred to a gambling account for the sole purpose of being held there pending further processing.²¹ Withdrawals from the gambling account can then provide a seemingly legitimate explanation for the origin of the funds in the form of gambling winnings. To evade the companies' monitoring systems, funds placed in a gambling account can be used for limited gambling with the aim of minimising losses.

¹⁹ Swedish Gambling Authority, *Slutredovisning av uppdrag Fi2023/03130 - Den offentliga kontrollen över spelmarknaden*, 2024 p. 10.

²⁰ Swedish Police Authority, *Penningtvätt på spelmarknaden - Via onlinespel, vadhållning och statliga kasinon*, March 2021 p. 8 et seq.

²¹ Swedish Gambling Authority, *Slutredovisning av uppdrag Fi2023/03130 - Den offentliga kontrollen över spelmarknaden*, 2024 p 8.

In the event of money laundering, the player does not use the operator's services in the expected manner based on the purpose and nature of the business relationship. The purpose of using the gambling account may be to conceal funds that have illegal origins, for example. At a later stage, the money is withdrawn using the same or another payment option, with the assertion that the money originates from online gambling. Deposits into a gambling account that do not match the player's financial situation may pose a risk.

The purchase of gambling chips with criminally acquired funds can also be used to store the illegally acquired funds. Instead of directly redeeming the chips for cash, in some cases chips can be removed from the physical betting location and exchanged at a later date.

3.6 Reverse money laundering

In the case of certain financial crimes, such as when paying for illegal labour, there is a need for access to cash. In such cases, the criminals' aim is to turn over booked funds, which may have been acquired legally, into cash (reverse money laundering). This can be done by purchasing gambling or gambling chips with a payment card and where winnings are allowed to be paid out in cash or chips exchanged.

3.7 Gambling companies as tools of crime

There is a risk that gambling companies or other licence holders are infiltrated or directly owned by criminals, who exploit the business to launder money.²²

Business activities may be part of a criminal operation relating to money laundering, where transactions involving criminal money can be concealed among a company's legitimate transactions.²³ In an international perspective, there are indications that serious organised crime groupings are using gambling

²² European Commission, REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities (SWD (2022) 344 final). COMMISSION STAFF WORKING DOCUMENT (SWD (2022) 344 final), see e.g. p. 193.

²³ Swedish National Council for Crime Prevention, *Penningsvävtsbrott - En uppföljning av lagens tillämpning*, 2019 p. 30.

companies to some extent to facilitate money laundering. This may relate to legal gambling activities, through which black money is laundered to make it clean, or illegal gambling activities whose earnings should be regarded as the illegally acquired funds.²⁴

3.8 Gambling fraud

Match fixing is considered one of the biggest threats to sport today and is a significant problem to the gambling market when it comes to betting on sports and sporting events.²⁵ Having prior information about the final or interim results of a particular sporting event provides an advantage in terms of information compared to bookmakers and other players, which can be used to win and launder money. Criminally acquired funds can be given a façade of being legally earned by being used as bets in gambling. Funds can not only be laundered, but can also increase in scope as a result of match fixing. The actors behind the schemes are often linked to organised crime networks operating internationally.²⁶

Gambling fraud can also be used to win and launder money in a variety of ways. In addition to match fixing, this also includes race fixing (fixing e.g. horse races) and manipulation of lotteries.

4 Vulnerabilities

The preconditions for organising gambling are governed by laws, regulations and conditions. Certain preconditions are likely to limit the attractiveness of particular forms of gambling for money laundering. A low return to player would probably have a dissuasive effect, as there is a high risk of losses. Large bets and winnings allow the handling of larger sums, as opposed to forms of gambling with low stakes and winnings that require more resources. Restricted availability, e.g. if a form of gambling may only be sold within a certain geographic area, will limit the scope, turn-over and attractiveness of the gambling.

²⁴ European Commission Directorate-General for Migration and Home Affairs (DG HOME), *Mapping the risk of Serious and Organised Crime infiltrating legitimate businesses*, 2021 see e.g. p. 71.

²⁵ Ministry of Health and Social Affairs, *Promemoria - Sveriges tillträde till Europarådets konvention om manipulation av resultat inom idrotten (Macolinkonventionen)*, 2024 p. 5.

²⁶ Swedish Police Authority, *Idrottskorruption*, 2023 p. 5.

4.1 Complex transaction flows

In operations with a large number of transactions and a high turnover, it of course may be more difficult to identify suspicious transactions and behaviours. A large variety, frequency and volume of transactions within a particular form of gambling thus makes it more vulnerable to money laundering.

4.2 Use of agents

In those cases where agents are engaged for the sale of gambling, the operators must ensure that the agents implement the necessary customer due diligence measures. This is because it is the licence holder who is responsible for the gambling activities and that they are carried out in accordance with the gambling regulations.²⁷ However, it cannot be ruled out that agents may be less able to comply with the requirements to take the necessary measure (e.g., due to unfamiliarity with money laundering regulations). There is also the risk that some agents may use such cooperation to launder money, which organisers should take into account and have procedures to check.

4.3 Lack of face-to-face meetings

Transactions that facilitate anonymity and make the traceability of funds more difficult are an important prerequisite for money launderers.

As a general rule, anyone wishing to participate in gambling must be registered²⁸, including by name and personal identity number or equivalent. Also, bets may not normally be placed until the player's identity has been confirmed.²⁹ Anonymous gambling is therefore not possible in most cases on the Swedish gambling market. However, all online gambling involves a lack of face-to-face interaction between the player and the provider. This apparent anonymity can be attractive to those who want to launder money through gambling.

²⁷ Govt. bill 2017/ 18:220 p. 133.

²⁸ A few types of gambling have been exempted from the registration requirement under SIFS 2022:2, based on the assessment that the risk of money laundering and terrorist financing is low.

²⁹ Chapter 12, Section 4 Gambling Act

The lack of face-to-face meetings increases the risk that identities will be exploited. This entails that a person's identity, usually in the form of an e-ID, is used by another person for various criminal activities. It is common for the criminal to have a large number of digital identities at his or her disposal, with the potential to have the e-IDs of several different individuals linked to the same device.³⁰

4.4 Payment methods

Cash, a means of payment that is quite anonymous, is used in the criminal economy to hide payments and assets derived from crime. Cash-intensive activities are particularly attractive to criminals as they allow, among other things, the consumption of criminally acquired funds.

The use of cash in combination with financial services, to pay bets and receive winnings by means of various payment methods, may be considered particularly attractive for the accounting, storage and transfer of funds between accounts. Such a procedure permits, among other things, the integration of cash into the financial system.

Some types of payment methods are also inherently attractive for money laundering. For example, law enforcement authorities have shown that mobile payment services are used in criminal activities. They are therefore deemed to constitute a high risk in relation to money laundering, for example through the potential to conduct transactions of relatively large amounts in real time.³¹

The presence of fully digital banks, known as neobanks, is increasingly common in financial crime and money laundering investigations. The possibility of anonymity, given less oversight and the immediate availability of money, is an important factor in the increased use of neobanks.³² By accessing accounts at

³⁰ Swedish Police Authority (Coordinating Body), *Nationell riskbedömning av penningtvätt och finansiering av terrorism i Sverige 2020/2021*, April 2021 see e.g. p. 31.

³¹ Swedish Police Authority (Coordinating Body), *National risk assessment of money laundering and terrorist financing in Sweden 2019*, June 2019 p. 14.

³² Swedish Police Authority (Coordinating Body), *Nationell riskbedömning Neobanker 2023/2024*, August 2024 p. 14.

several different neobanks, criminal actors can vary their money laundering schemes, layer money and disperse assets. The large number of transactions and the large amounts involved make the criminally acquired funds difficult to trace. Deposits to neobank accounts can also be made in a variety of ways, in some cases through transfers from gambling and cryptocurrency platforms.³³

4.5 Cross-border gambling

Money laundering is an international and cross-border phenomenon. Illegally acquired funds that have been generated outside Sweden's borders can be brought into the country as a link in a chain of measures aimed at moving and concealing the origins of the money. The reverse situation also exists, i.e. that illegally acquired funds that have been generated in Sweden are taken out of the country. It is therefore not only domestic threats and actors that are relevant when assessing risk in a Swedish context; gambling that is offered to people outside of Sweden is also vulnerable to international actors.

There are a number of risks associated with gambling and cross-border transactions. As customer relationships exist with foreign individuals, practical problems arise when attempting to identify and verify client identities.

The risks for Swedish operators are probably greatest when customers outside Sweden have the opportunity to gamble in pools administered by the Swedish operator. If the customer due diligence measures are carried out by a foreign partner of the operator, the Swedish operator must ensure that it is possible to obtain information gathered by the foreign partner in order to satisfy the requirement for customer due diligence, auditing and reporting measures. It is not always the case that the partner who handles the direct contact with the customer will be willing to hand over all the information about the customer to the Swedish gambling operator.

³³ Swedish Police Authority, *En rapport om neobanker och deras risker relaterade till penningtvätt och finansiering av terrorism*, May 2022 p.15.

4.6 Availability

The extent to which it is possible to gamble, i.e. where, when and how, has an impact on the vulnerability of a form of gambling to money laundering. This refers, for example, to the geographical spread and the environment in which the form of gambling is provided. Certain environments where a given form of gambling is offered are deemed to make it more or less attractive for money laundering.

Other availability factors are whether gambling opportunities are limited in time or available around the clock, as in the case of, e.g. online gambling. Due to technological developments, many forms of gambling are available directly via mobile phones, enabling gambling virtually any time, anywhere.

4.7 High return to player

Gambling with criminally acquired funds generally entails a risk of losing the bet and thus losing all or part of the assets. A form of gambling with high return to player, i.e. where a large proportion of the bets are paid back to the players over time, can be considered attractive, as money is laundered by being gambled. As a result, high return to player increases the vulnerability of this form of gambling to be exploited for money laundering.

The level of return to player is in most cases pre-determined, for example through a winnings schedule, rules, settings in machines or software, and differs between different forms of gambling. Betting differs from other forms of gambling in that the return to player depends entirely on the player's own choices and, to some extent, skill. By betting on safe matches with very low odds, a high return to player can be ensured in most cases. Players can also compare odds themselves, or use software services that constantly collect very large amounts of odds from gambling companies, and place one bet per each outcome of an event with different operators. In this way (so-called 'arbitrage betting'), a profit can be guaranteed. Arbitrage betting is generally forbidden by the terms and conditions of European betting companies. However, in markets with high turnover and high betting limits, it can be difficult for betting companies to detect individual players. Furthermore, part of the bets can be spread on foreign gambling markets to avoid the risk of detection.

5 Risk analysis

The circumstances described under each form of gambling are those deemed most relevant to the assessment of its threats and vulnerabilities. Threats and vulnerabilities other than those mentioned may be relevant to the form of gambling, but not to such an extent that they are considered decisive for the assessment.

5.1 Gambling reserved for the State – Casinos³⁴

Threats

- Both **consumption** and **turnover of illegally acquired funds** are possible because cash or other funds generated by criminal activities can be turned over to appear to have been legally earned.
- Illegally acquired funds can be used to purchase chips used in casino gambling. Remaining gambling chips can then be redeemed for cash or deposited into a bank account, enabling **reverse money laundering** or **accounting of illegally acquired funds in cash**.
- The use of cash allows for the **exchange of illegally acquired funds**, by exchanging many small denominations for larger or other currency.
- The giving and receiving of gambling chips can be used for the **transfer of illegally acquired funds**. According to the Financial Intelligence Unit's previous assessment, the scope of this arrangement, based on the number of suspicious transaction reports, has decreased.³⁵ Other schemes can also be used, for example poker can be used to transfer illegally acquired funds between players via so-called chip dumping.
- **Gambling companies as tools of crime** is not considered relevant, as this form of gambling may only be provided by the State.

³⁴ The Riksdag has decided to phase out State casinos as of 1 January 2026, written communication from the Riksdag 2024/25:171.

³⁵ Swedish Police Authority, *Penningtvätt på spelmarknaden - Via onlinespel, vadhållning och statliga kasinon*, March 2021 p. 11.

Conclusion Threats

Gambling in casinos can be used for a number of money laundering schemes. Based on experience from supervision and reports from other public authorities, several of these schemes are deemed to be recurrent. However, this form of gambling is reserved for the State, which is why infiltration of the business by criminal individuals or organisations is deemed less likely.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **significant (level 3)**.

Vulnerabilities

- The existence of high bets and winnings, as well as a large variety and high frequency of transactions, creates **complex transaction flows**.
- Several **payment methods** can be used. Casinos are generally a cash-intensive industry, making it relatively easy to convert illegally acquired funds. Winnings can also be deposited into bank accounts.
- Individuals are permitted to gamble even if they are not registered residents of Sweden, which to some extent raises the risks of **cross-border gambling**.
- State-owned casinos are currently limited to only one venue in Sweden, and opening hours are limited to certain days, which is why **availability** is assessed as relatively low.
- Some games have a **high return to player**, making them attractive to launder money by turning over illegally acquired funds.

Conclusion Vulnerabilities

High bets and winnings, as well as a high return to player, create relatively attractive conditions for money laundering. The use of cash also contributes in particular to the vulnerability of gambling to money laundering.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **significant (level 3)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **3: significant**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.2 Games reserved for the State - Token gambling machines

Threats

- Payment is made in cash or by Swish at token gambling machines, and both **consumption** and **turnover of illegally acquired funds** may be carried out.

Conclusion Threats

It is deemed very likely that both consumption and turnover of illegally acquired funds are carried out through gambling on token machines, although not in large volumes. However, this form of gambling is reserved for the State, which is why infiltration of the business by criminal individuals or organisations is deemed less likely.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Provision is made through a large number of **agents**, meaning that the number of actors and persons who must take necessary measures is greater. The licence holder must also have procedures in place to supervise the agents.
- Gambling on token machines involves low bets and winnings.
- Gambling on token machines is nationwide and is preferably organised in restaurant environments, as well as in environments with limited supervision, which contributes to the high **availability** of this form of gambling.
- Cash is an alternative **payment method**.

Conclusion Vulnerabilities

Although the number of gambling venues has decreased in recent years, availability is still deemed high. The presence of cash also contributes to the attractiveness of this form of gambling to be exploited for money laundering. However, the low bets and winnings of this type of gambling are deemed to significantly reduce its attractiveness for money laundering.

Against this background, the vulnerability of this type of gambling to being used for money laundering is deemed **low (level 1)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **1.4: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.3 Gambling reserved to the State and gambling for public benefit purposes - Lotteries without a gambling account

Threats

- Lottery tickets can be paid for in cash, with Swish, by invoice, or with direct debit or card. It is possible that **illegally acquired funds are consumed**.
- The purchase of physical lottery tickets for cash, illegally acquired funds, allows for the **accounting of illegally acquired funds in cash**. The holder of a winning ticket can collect the prize and, in some cases, have it paid into a bank account.
- The charitable organisation can commission a service company to provide gambling activities. Organised crime may be able to infiltrate or run a service company or a charitable organisation. In this way, the gambling activities can be used as a **criminal tool** to launder money.

Conclusion Threats

Accounting for illegally acquired funds is theoretically possible, although this method of money laundering seems cumbersome. Furthermore, nothing indicates that criminal actors intend to utilise the specified money laundering methods to any great extent.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **low (level 1)**.

Vulnerabilities

- Low bets and low return to player (35â€"50%) are standard.
- Several payment methods are available, including cash, Swish, card, direct debit and invoice. Winnings can be paid out in cash or, for larger winnings, deposited to a bank account.
- A large number of **agents** provide this form of gambling, which means that more actors and persons need to take measures in compliance with regulations and the licence holder must have procedures to supervise the return to player.

Conclusion Vulnerabilities

A low return to player and low bets per ticket are likely to reduce the attractiveness of this form of gambling for money laundering. Although gambling is provided through a large number of agents, it seems cumbersome and costly to launder money through this form of gambling.

Against this background, the vulnerability of this form of gambling to being exploited for money laundering is deemed significant (level 1).

Risk level

The overall value of threats and vulnerabilities is assessed at **1: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.4 Gambling reserved to the State and gambling for public benefit purposes - Lotteries with a gambling account

Threats

- Without identity checks of payment recipients from the gambling account, the use of gambling accounts enables the **transfer of illegally acquired funds** to persons other than the holder.
- The origin of illegally acquired funds can be hidden, while gambling accounts can be used to **store illegally acquired funds** without any intention of gambling with them.
- The charitable organisation can commission a service company to provide lotteries. Organised crime may be able to infiltrate or run a service company or a charitable organisation. In this way, the gambling activities can be used as a **criminal tool** to launder money.

Conclusion Threats

It is conceivable that criminal actors can use lotteries with gambling accounts to both store and transfer illegally acquired funds.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Low bets and low return to player (35–50%) are standard. However, high volumes and high turnover create **complex transaction flows**.
- The online nature of the gambling business means a **lack of face-to-face meetings**.

- Several alternative **payment methods** for deposits and withdrawals are used. However, in the case of online gambling, the licence holder may not accept cash.
- The gambling activities are available around the clock and via the internet, which is why availability is considered very high.

Conclusion Vulnerabilities

A low return to player and low bets per ticket are likely to reduce the attractiveness of this form of gambling for money laundering. However, the lack of face-to-face meetings and the high level of availability means that there are some opportunities to exploit this form of gambling. Nevertheless, it still seems cumbersome and costly to launder money through this form of gambling.

Against this background, the vulnerability of this form of gambling to being exploited for money laundering is deemed **medium (level 2)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **2: medium**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.5 Gambling for public benefit purposes - Bingo

Threats

- Payment may be made in cash for bingo games and **consumption of illegally acquired funds** may occur.
- The purchase of bingo tickets with cash, illegally acquired funds, allows for **accounting of illegally acquired funds in cash**, as it is conceivable that in some cases the winner may have the proceeds paid into a bank account.
- The charitable organisation can commission a service company to provide bingo games. Organised crime may be able to infiltrate or run a service company or a charitable organisation. In this way, the gambling activities can be used as a **criminal tool** to launder money.

Conclusion Threats

This form of gambling can be used for a number of money laundering schemes. Although it cannot be ruled out that charitable organisations or service companies are exploited by organised crime, nothing indicates that criminal actors intend to use this form of gambling for money laundering.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Low bets. As a rule, winnings are limited to one price base amount. There are exceptions to this winnings cap, but exceptions must be granted by means of special authorisation from the Swedish Gambling Authority.
- Several **payment methods**, including cash, are used.

- The fact that participants must be present during the game limits **availability**.

Conclusion Vulnerabilities

Due to the conditions for organising bingo and its nature, bingo is not deemed an attractive form of gambling for money laundering.

Against this background, the vulnerability of this form of gambling to being exploited for money laundering is deemed significant (level 1).

Risk level

The overall value of threats and vulnerabilities is assessed at **1.4: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.6 Gambling for public benefit purposes - Local pool games

Threats

- Payment may be made in cash and **consumption of illegally acquired funds** may occur.

Conclusion Threats

There are no indications that criminal actors intend to exploit this form of gambling to launder money.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **low (level 1)**.

Vulnerabilities

- Both bets and winnings are limited to low amounts. Bets may not exceed approximately SEK 7, and winnings may not exceed approximately SEK 716 (2024 level).
- Cash can be used as **payment method**.
- **Accessibility** is limited by the Gambling Act, in that local pools may only be organised in a certain municipality.

Conclusion Vulnerabilities

Due to the conditions for organising local pools and their nature, local pools are not deemed an attractive form of gambling for money laundering.

Against this background, the vulnerability of this form of gambling to being exploited for money laundering is deemed **low (level 1)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **1: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.7 Commercial online gambling

Threats

- **Turnover** and **consumption of illegally acquired funds** occur.³⁶ Bets can be funded by illegally acquired funds, and turning over these funds creates an ostensibly legitimate explanation for their origin.
- There is evidence that gambling accounts are used for the **storage of illegally acquired funds** without any intention of gambling. In order to avoid attention being drawn to the fact that gambling accounts are only used for storage of funds, deposits can be turned over through limited gambling.
- Funds can be deposited into the gambling account with the aim of withdrawing them later without having gambled with them. Through various types of payments from gambling accounts, to the gambling account holder or to others, **transfer of illegally acquired funds** may occur. The transfer of illegally acquired funds and **gambling fraud** can also take place through so-called chip dumping.

³⁶ Swedish Police Authority, *Penningtvätt på spelmarknaden - Via onlinespel, vadhallning och statliga kasinon*, March 2021 p. 7 et seq. and p. 17.

Conclusion Threats

Consumption of illegally acquired funds occurs. In some cases, the amounts involved are very large. Money from criminal activities that is deposited in the gambling account, turned over through limited gambling and then withdrawn as a gambling profit, is deemed to be a money laundering scheme that is repeatedly utilised by criminal actors. However, unlike online betting, the opportunities for gambling fraud are more limited.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **high (level 4)**.

Vulnerabilities

- Commercial online gambling is characterised by very high turnover and many transactions. Large sums are also common, creating **complex transaction flows**.
- Gambling takes place online and the **absence of face-to-face meetings** significantly increases the risk of hijacked or borrowed identities being exploited to create and use gambling accounts.
- A variety of **payment methods** for deposits and withdrawals are possible. Some payment methods may be more attractive for money laundering purposes, due to the possibility of transferring funds in real time. Foreign means of payment can also be used indirectly, if they are first exchanged at payment service providers.
- Commercial online gambling is available online 24/7, via both websites and apps. **Availability** is thus very high.

- Commercial online gambling generally has very **high return to player**, which is attractive to those looking to launder money.

Conclusion Vulnerabilities

It is possible to convert large sums of money through online gambling and there are complex, large volumes of transactions. In addition, the return to player for certain games and availability are very high. Despite the requirement that gamblers be identified and registered, other identities can be exploited. This apparent anonymity can be attractive to those who want to launder money. Together, these circumstances are deemed to create attractive conditions for money laundering through this form of gambling.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **high (level 4)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **4: high**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.8 Online betting

Threats

- **Turnover** and **consumption of illegally acquired funds** occur. Bets can be funded by illegally acquired funds, and turning over these funds creates an ostensibly legitimate explanation for their origin.
- There is evidence that gambling accounts are used for the **storage of illegally acquired funds** without any intention of gambling. In order to avoid attention being drawn to the fact that gambling accounts are only used for storage of funds, deposits can be turned over through limited gambling.
- Funds can be deposited into the gambling account with the aim of withdrawing them later without having gambled with them. Through various types of payments from gambling accounts, to the gambling account holder or to others, **transfer of illegally acquired funds** may occur.
- Betting provides an opportunity to launder money through match fixing or other forms of **gambling fraud**. In this way, the origin of illegally acquired funds can be concealed while the illegally acquired funds can increase in value.

Conclusion Threats

Consumption and turnover of illegally acquired funds occur. In some cases, the amounts are very large. Money from criminal activities that is deposited in the gambling account, turned over through limited gambling and then withdrawn as a gambling profit, is deemed to be a money laundering scheme that is repeatedly utilised by criminal actors. The possibility of betting on rigged events, such as match fixing, significantly increases the threat.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **high (level 4)**.

Vulnerabilities

- Online betting is characterised by very high turnover and many transactions. Large sums are also common, creating **complex transaction flows**.
- Gambling takes place online and the **absence of face-to-face meetings** significantly increases the risk of hijacked or borrowed identities being exploited to create and use gambling accounts.
- A variety of **payment methods** for deposits and withdrawals are possible. Some payment methods may be more attractive for money laundering purposes, due to the possibility of transferring funds in real time. Foreign means of payment can also be used indirectly, if they are first exchanged at payment service providers.
- Online betting is available via the internet 24/7, via both websites and apps. **Availability** is thus very high.
- **Cross-border betting** on horse racing occurs via pool betting products, which in practice can pose problems including identifying and verifying the identity of customers.

- Betting has no predetermined return to player. By wagering on safe matches with very low odds, a **high return to player** can often be ensured. By comparing odds and placing one bet per each outcome of an event with different operators, so-called arbitrage betting, a **high return to player** can be guaranteed.

Conclusion Vulnerabilities

It is possible to convert large sums of money through betting and there are complex, large volumes of transactions. Despite the requirement that gamblers be identified and registered, other identities can be exploited. This apparent anonymity can be attractive to those who want to launder money. Together, these circumstances are deemed to create attractive conditions for money laundering through this form of gambling.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **high (level 4)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **4: high**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.9 Land-based betting

Threats

- Payment to agents is preferably made in cash or by card, and **consumption of illegally acquired funds** may occur.
- The use of cash allows for the **exchange of illegally acquired funds**, by exchanging many small denominations for larger or other currency.
- Through agents providing land-based betting, bets can be paid in cash. Winnings can then be paid out to a gambling account, and subsequently transferred to a bank account, allowing for **accounting of illegally acquired funds in cash**.
- Cash withdrawals can be made from agents, enabling **reverse money laundering**.
- Betting is an opportunity to launder money through match fixing or other forms of **gambling fraud**. In this way, the origin of illegally acquired funds can be concealed while the illegally acquired funds can increase in value.

Conclusion Threats

Land-based betting can be used for a number of money laundering schemes and it is conceivable that these are carried out. Consumption of illegally acquired funds is likely to occur, although it is difficult to estimate to what extent. Match fixing does occur, and race fixing cannot be excluded.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **high (level 4)**.

Vulnerabilities

- Several **payment methods** for both betting and paying out winnings are possible, in various combinations, making it relatively easy to convert illegally acquired funds.
- **Provision** of gambling is made through a large number of **agents**, entailing numerous actors and persons who must take measures according to regulations. In addition, the licence holder must have procedures in place to monitor the agents.
- **Cross-border betting** on horse racing occurs via pool betting products. Individuals are permitted to gamble even if they are not registered residents of Sweden, creating problems related to, among other things, identifying and verifying customer identities.
- Although gambling is provided through a large number of agents, **availability**, in comparison with online betting, is limited by, among other things, the presence of agents and their locations and opening hours.
- Unlike online betting, on-site identification and registration is done through **face-to-face meetings**.

Conclusion Vulnerabilities

It is possible to convert large sums of money through land-based betting. The presence of cash and other alternative payment methods, combined with the way this form of gambling is distributed, creates relatively attractive conditions for money laundering. This form of gambling is also available to foreign players and customers located outside Sweden (pool betting), which makes it all the more vulnerable. As betting must take place on site, its availability, relative to online betting, is limited by the presence of available agents. In addition, all gamblers are subject to on-site identity checks, which in itself is deemed to have a negative impact on the attractiveness of utilising this form of gambling for money laundering.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **significant (level 3)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **3.4: significant**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.10 Land-based commercial gambling – Casino games

Threats

- **Consumption of illegally acquired funds** can occur by turning over criminally acquired cash to appear to be legally earned.
- The payment of bets can be made in cash while winnings can be paid out to a bank account, allowing for the **accounting of illegally acquired funds in cash**.
- **Exchanging illegally acquired funds** can be done through the use of small-denomination cash bets and the payment of winnings in larger denominations.
- Payment of cash winnings also permits **reverse money laundering**.
- Gambling chips can be exchanged in order to **transfer illegally acquired funds**.
- It is possible for criminal organisations to organise or infiltrate operations that provide land-based commercial gambling, so **gambling companies as a tool of crime** is conceivable.

Conclusion Threats

This form of gambling can be used for a number of money laundering schemes and it is conceivable that they are carried out. However, there is no concrete evidence that potential money laundering schemes are currently being used by criminal actors to any significant extent. However, it is likely that consumption of illegally acquired funds occurs.

The closure of State-owned casinos may also create crowding-out effects, whereby threats that were previously relevant to State-owned casinos are transferred to land-based commercial gambling.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Regulations limit the level of bets and winnings, making money laundering more time-consuming and costly compared to State-run casinos.
- It is possible to play with several hands simultaneously and for long periods, which is why, despite low bets, it is possible to play for relatively large amounts.
- Several **means of payment**, including cash, are possible in various combinations, making it relatively easy to convert illegally acquired funds. Winnings can also be deposited into bank accounts.
- Land-based commercial gambling is nationwide and is preferably organised in a restaurant environment, which is considered a risk environment. **Availability** is however limited by the opening hours of the organiser.

Conclusion Vulnerabilities

Although regulations limit the level of bets and winnings, it is still theoretically possible to convert relatively large sums through gambling on land-based casino games. The presence of cash and combined payment methods creates relatively attractive conditions for money laundering.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **medium (level 2)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **2: medium**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.11 Land-based commercial gambling - Goods gambling machines

Threats

- Payment is made in cash or by card, and **consumption of illegally acquired funds** may occur.

Conclusion Threats

There are no indications that criminal actors intend to exploit this method to launder money.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **low (level 1)**.

Vulnerabilities

- Availability is restricted by the Gambling Act, which states, among other things, that this form of gambling may only be organised at public entertainment events in the form of an amusement or similar.
- Both bets and winnings are limited to low amounts. Bets may not exceed approximately SEK 14, and winnings may not exceed approximately SEK 190 (2024 level).
- Winnings cannot be redeemed from the licence holder for other goods or cash.

Conclusion Vulnerabilities

Due to the conditions for organising goods gambling machines and their nature, this is not deemed an attractive form of gambling for money laundering.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **low (level 1)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **1: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.12 Land-based commercial gambling - Card game tournaments

Threats

- **Consumption of illegally acquired funds** cannot be excluded.
- It is possible that criminal organisations organise or infiltrate businesses that provide card games in tournament form, so **gambling companies as a tool of crime** is conceivable.

Conclusion Threats

The EU supranational risk assessment deems the risk of card games to be significant, mainly because criminal organisations may infiltrate or organise poker games. In Sweden, however, card games can only be organised in the form of tournaments, which is deemed to have a mitigating effect on the assessment. However, it cannot be excluded that consumption of illegally acquired funds occurs.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Both bets and winnings are limited to relatively low amounts. The maximum bet is approximately SEK 1,400 (2024 level), and at least half of the prize pool must be made up of players' bets.
- Cash cannot be used as a means of payment for bets or winnings.

Conclusion Vulnerabilities

The fact that the regulation of card games in tournament form imposes relatively low limits on the levels of bets and winnings, and that the game is only conducted in tournament form, impacts the possibility of using this form of gambling for money laundering.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **low (level 1)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **1.4: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

5.13 Gambling on vessels in international traffic

Threats

- **Consumption of illegally acquired funds** can occur by turning over illegally acquired funds to appear to be legally earned.
- **Exchanging illegally acquired funds** can be done through the use of small-denomination cash bets and the payment of winnings in larger denominations.
- The payment of bets can be made in cash while winnings can be paid out to a bank account, allowing for the **accounting of illegally acquired funds in cash**.
- Payment of cash winnings also permits **reverse money laundering**.
- Gambling chips can be exchanged in order to **transfer illegally acquired funds**.

Conclusion Threats

This form of gambling can be used for a number of money laundering schemes and it is conceivable that they are carried out. However, there is no concrete evidence that potential money laundering schemes are currently being used by criminal actors to any significant extent. However, it is likely that consumption of illegally acquired funds occurs.

Against this background, the threat that this form of gambling will be used for money laundering is deemed **medium (level 2)**.

Vulnerabilities

- Regulations limit the level of bets and winnings, making money laundering more time-consuming and costly compared to State-run casinos.
- It is possible to play with several hands simultaneously and for long periods, which is why, despite low-level bets, it is possible to play for relatively large amounts.
- Several **means of payment**, including cash, are possible in various combinations, making it relatively easy to convert illegally acquired funds. Winnings can also be deposited into bank accounts.
- According to the Gambling Act, gambling can only take place on ships in international traffic, which significantly limits availability.

Conclusion Vulnerabilities

Although regulations limit the level of bets and winnings, it is still theoretically possible to convert relatively large sums through gambling on vessels. The presence of cash and combined payment methods creates relatively attractive conditions for money laundering. However, the availability of this form of gambling is extremely limited, which has an impact on the vulnerability assessment.

Against this background, the vulnerability of this form of gambling to being used for money laundering is deemed **low (level 1)**.

Risk level

The overall value of threats and vulnerabilities is assessed at **1.4: low**.

1 – 1,5	Low
1,5 – 2,5	Medium
2,6 – 3,5	Significant
3,6 – 4	High

6 Impact assessment

The Coordinating Body for Anti-Money Laundering and Countering Financing of Terrorism (the Coordinating Body) has assessed the societal impact of money laundering in the gambling sector in general. According to their assessment, large-scale money laundering in the sector could have a significant impact on society.³⁷

According to the limits used in the national risk assessment, only in two forms of gambling is the turnover so high (in excess of SEK 5 billion per annum) that large-scale money laundering, with effects beyond a single operator, is possible.³⁸ Both commercial online gambling and online betting had a turnover of around SEK 8 billion in 2024. The negative effects of money laundering in a market so large has, according to the Coordinating Body, potential negative effects for the whole sector, such as damaged confidence. As this risk assessment also shows, these two forms of gambling are deemed to have the highest risk of being exploited for money laundering. Thus, there is some risk that money laundering in these forms of gambling could actually have consequences for society at large, such as trust in the economic and legal system.

Among other forms of gambling, the Swedish Gambling Authority considers land-based betting to be the form of gambling with the greatest potential impact on society. While the turnover is not as high as for online betting, at around SEK 1 billion in 2024, it is relatively large. This, and the significant assessed risk that it will be exploited for money laundering, suggests that large-scale money laundering in this form of gambling may have serious consequences.

Finally, it should be mentioned that despite the significant risk of money laundering in State-owned casinos, the relative turnover is so small that the consequences for society are considered small. Public benefit and state lotteries, on the other hand, have a significant turnover, but the risk of money laundering is deemed low, and thus the consequences at a societal level are also deemed low here.

³⁷ Coordinating Body, *National risk assessment of money laundering and terrorist financing in Sweden, 2020/21* p. 28 et seq.

³⁸ Coordinating Body, *National risk assessment of money laundering and terrorist financing in Sweden, 2020/21* p. 125.

Form of gambling	Risk level	Net turnover (SEK) 2024 ³⁹
Commercial online gambling	4	8,728,000,000
Online betting	4	8,093,000 000
Land-based betting	3.4	1,017,000,000
Gambling reserved for the State – Casinos	3	160,000 000
Games reserved for the State – Token gambling machines	1,4	364,000,000 ⁴⁰
Land-based commercial gambling – Casino games	2	226,000 000
Gambling reserved to the State and gambling for public benefit purposes - Lotteries ⁴¹	1.5 ⁴²	5,234,000,000 ⁴³
Gambling for public benefit purposes - Bingo	1.4	196,000,000 ⁴⁴
Gambling on vessels in international traffic	1.4	8,000 000
Land-based commercial gambling - Card game tournaments	1.4	1,000 000
Land-based commercial gambling - Goods gambling machines	1	10,000 000
Gambling for public benefit purposes - Local pool games	1	<20,000

³⁹ Swedish Gambling Authority statistics.

⁴⁰ This figure refers to Vegas in restaurants and bingo halls.

⁴¹ Lotteries with and without gambling accounts are included in this category, since both fall under the same license pursuant to Chapter 6 of the Gambling Act.

⁴² Total value for lotteries with gambling accounts (risk level 2) and without gambling accounts (risk level 1).

⁴³ Not including numbers games.

⁴⁴ Refers to hall bingo.

Risk assessment overview

Form of gambling	Threats	Vulnerabilities	Risk score	Risk intervals
5.1 Gambling reserved for the State - Casinos	3	3	3	Significant
5.2 Games reserved for the State - Token gambling machines	2	1	1,4	Low
5.3 Gambling reserved to the State and gambling for public benefit purposes - Lottery without a gambling account	1	1	1	Low
5.4 Gambling reserved to the State and gambling for public benefit purposes - Lottery with a gambling account	2	2	2	Medium
5.5 Gambling for public benefit purposes - Bingo	2	1	1.4	Low
5.6 Local pool games	1	1	1	Low
5.7 Commercial online gambling	4	4	4	High
5.8 Online betting	4	4	4	High
5.9 Land-based betting	4	3	3.4	Significant
5.10 Land-based commercial gambling - casino games	2	2	2	Medium
5.11 Land-based commercial gambling - Goods gambling machines	1	1	1	Low
5.12 Land-based commercial gambling - Card game tournaments	2	1	1.4	Low
5.13 Gambling on vessels in international traffic	2	1	1.4	Low

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