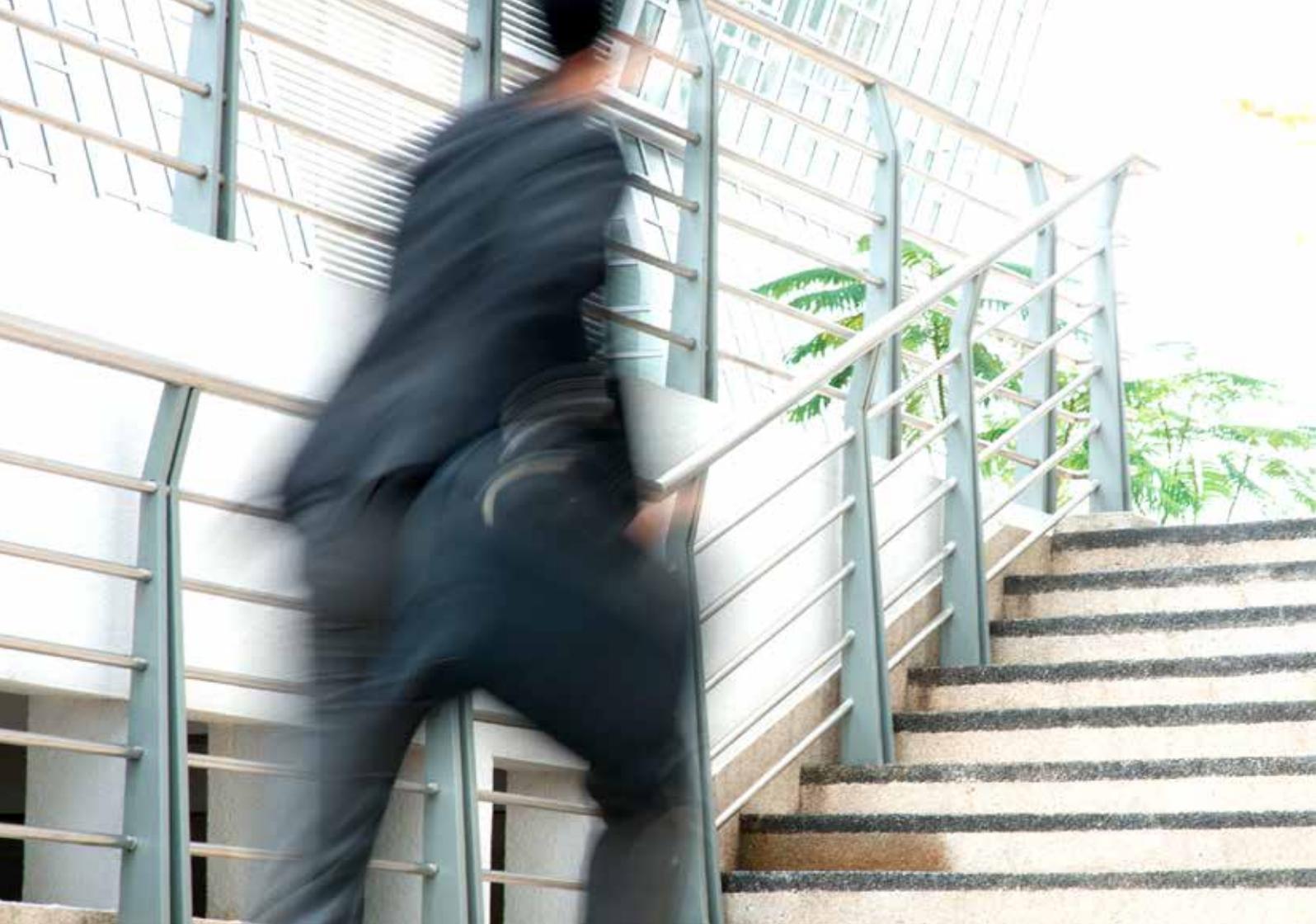


The gambling market

UNDERGOING CHANGE





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THE GAMBLING MARKET

Undergoing change

A new gambling market and a new gambling authority

The Swedish gambling market will change on 1 January 2019. Some parts of it will be exposed to competition and more operators will therefore be able to apply for licences. At the same time, the Swedish Gambling Authority will change its Swedish name to Spelinspektionen. Our role is to increase state control of the gambling market.

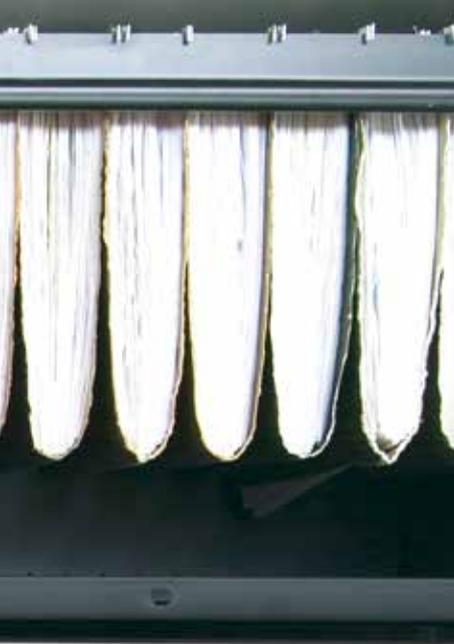
In recent years there has been a trend towards increased online gambling through operators without permits in Sweden. The new regulation will make it possible for these operators to apply for gambling licences in Sweden. This will create better opportunities for controlling the market and establishing a higher level of consumer protection, while gambling operators without licences can be excluded.

The new gambling market in brief

- The gambling market is divided into the following parts: one part mainly covers online gambling and betting, one part that covers gambling that has a public benefit, such as lotteries and land-based bingo, and one part reserved for the central government, such as land-based casinos and token machines.
- A gambling operator that has been granted a licence must protect players from excessive gambling. This should include monitoring behaviours and, if necessary, helping players to limit their gambling.
- A bonus may only be offered on the first gambling occasion.
- Via the gambling authority, a player shall be able to exclude himself or herself from gambling with all licence holders.
- The Gambling Authority shall be able to request the blocking of payments and determine that an online operator must display a warning message on websites that are not licensed in Sweden.
- Licensed operators shall pay a tax of 18 per cent of the profit they make on gambling in Sweden. Gambling for non-profit purposes will continue to be tax exempt.







ABOUT

The Authority

The Swedish Gambling Authority works for a safe and healthy gambling market. Our job is to ensure that the Swedish gambling market is legal, trustworthy and safe. We do this by protecting the interests of consumers and by helping to reduce the risks of social harm that are associated with gambling.

The head of the Swedish Gambling Authority is Director General Camilla Rosenberg, who leads a staff of over 50 people at our office in the town of Strängnäs. Our staff has expertise in the legislation, finance and system science, among other areas.

Regulated gambling market

The gambling market in Sweden is regulated because gambling for money can cause problems for individuals and for society. That is why permits are required for all kind of gambling that involve money.

The Swedish gambling market is regulated through special laws and regulations. In addition, the Swedish Gambling Authority issues its own regulations.

THE SWEDISH GAMBLING AUTHORITY

Expands

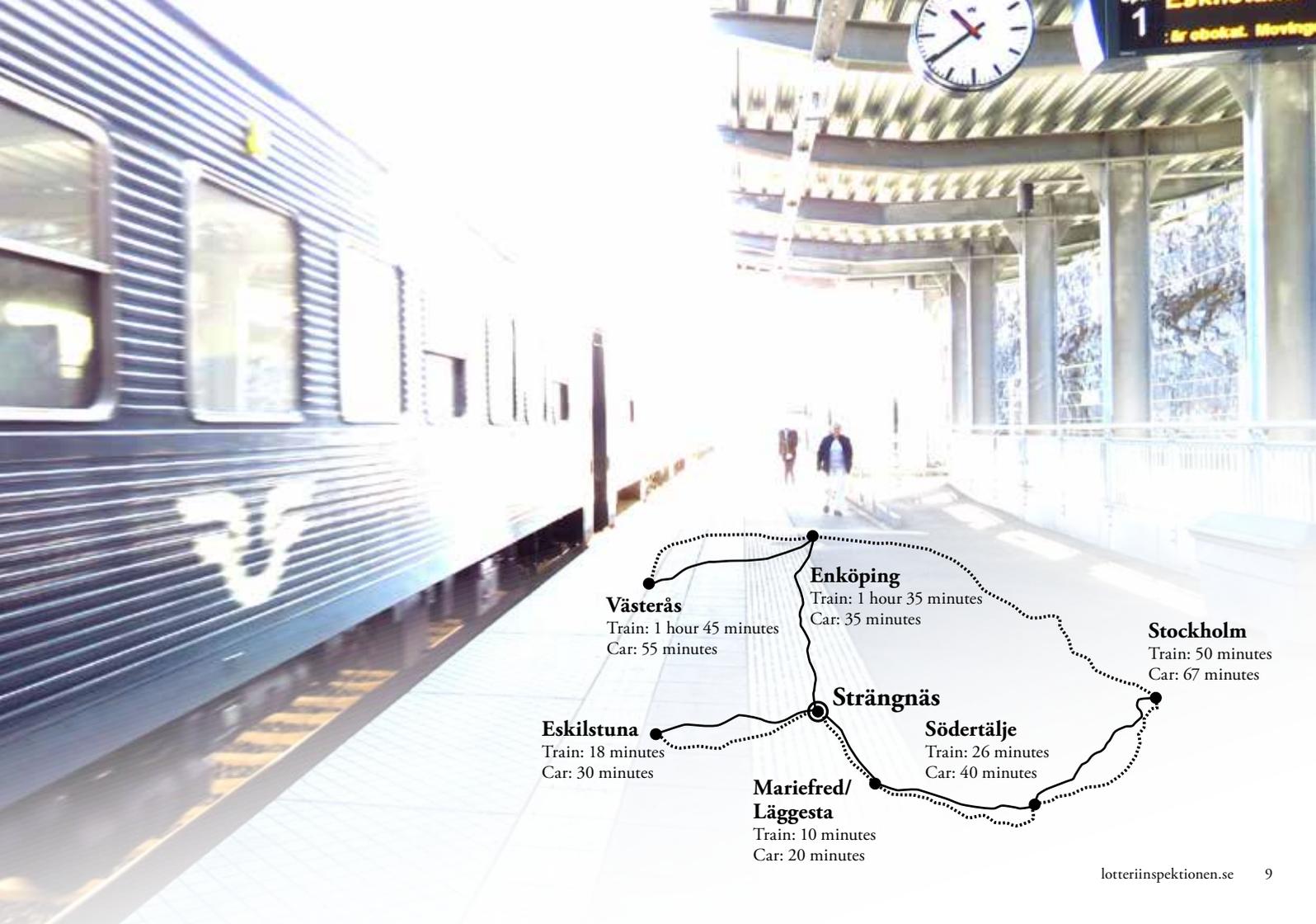
The Swedish Gambling Authority has been based in Strängnäs since it was founded in 1995. As regulation of the Swedish gambling market now is to be changed, the authority is making changes too.

We have expanded the workspace in our modern office to make room for around 20 new colleagues who we need to recruit so that the new authority can do its job. We are mainly recruiting legal advisers, economists, behavioural scientists and systems scientists. Read more at lotteriinspektionen.se/jobb

Live and work in Strängnäs – or commute

Strängnäs is often referred to as the pearl of Mälaren due to its location right at the heart of the Lake Mälaren valley. A well-known landmark is the cathedral, which towers over the town. There are good links to Stockholm and other cities, with the train ride to the capital taking just 50 minutes, or 18 minutes to Eskilstuna. In 2018 a double railway track will be opened, which will further improve travel for commuters. Our office is just a 5-minute walk from the railway station.





Västerås
Train: 1 hour 45 minutes
Car: 55 minutes

Enköping
Train: 1 hour 35 minutes
Car: 35 minutes

Stockholm
Train: 50 minutes
Car: 67 minutes

Eskilstuna
Train: 18 minutes
Car: 30 minutes

Strängnäs
Södertälje
Train: 26 minutes
Car: 40 minutes

**Mariefred/
Läggesta**
Train: 10 minutes
Car: 20 minutes



HISTORY

Regulating gambling for money

Laws and regulations concerning gambling

Gambling for money or monetary value has existed in nearly all societies over a long time. In Sweden it has been under state control during various periods. The reason for state control has changed but in general the purpose has been to protect players and the general public. Another reason was to increase income for the state.

1930s and 1940s

During the 1930s there was a growing need for control and a number of state inspectors were established. In the late 1930s and early 1940s, gambling for money became state-controlled as the Swedish state acquired ownership of the National Lottery, Penninglotteriet and Tipstjänst.

1970s and 1980s

As the national lottery and gambling market grew in Sweden, a special authority was needed to supervise the market. The lottery board was inaugurated in 1974 on a trial basis in Stockholm, and moved to Strängnäs in 1978. The board was given permanent status in 1983.

1995

The lotteries board became the Swedish Gambling Authority in 1995, when a new Lotteries Act was introduced.

1999

In 1999, Sweden's parliament enacted a law on casinos, which enabled casino games to be played in accordance with international rules. Svenska Spel, through its subsidiary, Casino Cosmopol, received a permit to operate the four casinos that are now located in Sundsvall, Stockholm, Göteborg and Malmö.



Photo: Nordland, Bild/Sundsvalls museum

2015

The Swedish Gambling Authority celebrated its 20th anniversary. The government announced that a review of gambling regulations was required.

2017

The gambling licence inquiry presented its report on 31 March 2017. It was proposed that a licence system be introduced from 1 January 2019.



Photo: Svenska Spel

2002

The Lotteries Act was adjusted to match technological development. The national movements were permitted to operate online lotteries.

2008

An inquiry into legislation concerning gambling and lotteries was completed in 2008. Proposals were made for adapting regulations, including the idea of a licence model.





DIFFERENT

Forms of gambling

According to the Swedish Lotteries Act, a lottery is a game determined by chance, which includes for example lottery tickets, betting, gaming machines, bingo, roulette, dice and card games.

Lotteries

A permit is required for a lottery in which you can win cash or objects irrespective of whether a stake is paid or not.

Casino

- Casino Cosmopol, which is owned and operated by Svenska Spel AB, offers casino games with international rules at four locations in Sweden.
- Restaurant casinos with low stakes and winnings are operated by private companies in around 400 restaurants in Sweden.
- There are also many companies that offer casino games online but do not have Swedish permits.

Betting

Betting is defined as staking money on some event that will happen in the future. In Sweden this includes V75, Stryktipset and Oddset.

ATG arranges different forms of betting on horse racing. Local horse racing clubs are permitted to organise small lotteries involving horse racing, so-called community and pony trotting races.

Bingo

There are three types of bingo in Sweden: variantbingo, automatbingo and storbingo.

Online bingo is not considered bingo according to the law. The Swedish Lotteries Act considers it to be a lottery.

Poker

Svenska Spel is the only company that has a permit to arrange card games involving money.

Token machines

A token machine pays out winnings in the form of vouchers or tokens. The token machines that are permitted in Sweden are called Vegas and only Svenska Spel has a permit for them. They are installed in restaurants and in bingo halls.

Goods gaming machines

A goods gaming machine pays out winnings in the form of goods. They are often found in amusement parks. One example is a grab claw machine operated by a crane.

Amusement games

Amusement games offer winnings in the form of free games on the machine. They include pinball, video games and other types of amusement arcade games.



PREVENTING

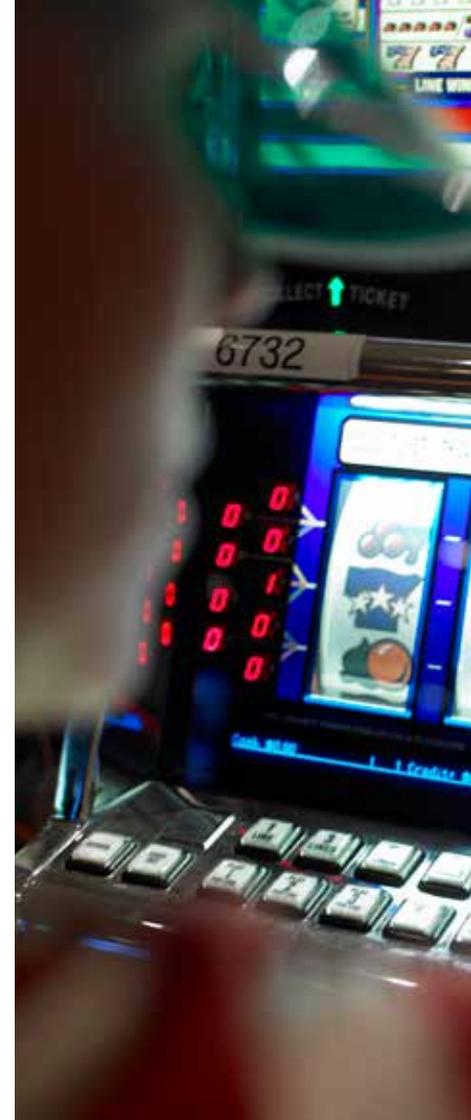
Illegal gambling

The assignment for the Swedish Gambling Authority includes reducing the supply of illegal gambling. We do this through inspections of gambling venues throughout the country, including operators with permits and places where we suspect gambling takes place without a permit.

In the event of a suspected crime, the case is reported to the police and a prosecutor. The authority also provides information and training about gambling regulations and the Lotteries Act to other public authorities.

An unlicensed gaming machine might be thought of as harmless. However, the illegal gambling market is a major source of finance for organised crime.

Together with the police and prosecutors we contribute to reducing the supply of illegal gambling activities.





ILLEGAL

Advertising

The Lotteries Act states that it is prohibited to promote participation in lotteries that do not have permits. Promotion includes advertising, sending out invitations or any other form of informing about a lottery.

Advertising for gambling has nonetheless increased considerably, especially on TV. TV commercials for online casinos and gambling operators who are unlicensed in Sweden are made possible because broadcasts are made from countries that do not have the same advertising laws as Sweden. Gambling operators purchased advertising worth SEK 4.6 billion in 2017. The figure is the gross investment amount without discounts.





ABOUT

Match fixing

The problem of match fixing has received more and more attention in recent years.

Match fixing, for example, could mean that a player receives money to lose a match and that some people can make money by betting on the result. This damages the sport because it removes the unpredictability of a sporting event. Efforts to prevent match fixing are complicated when operators are run in different countries.

Expanded role for the new gambling authority

The following measures are proposed in the new gambling regulation to prevent match fixing:

- Special council concerning match fixing
- The Gambling Authority may halt betting
- The Gambling Authority may prohibit specific types of betting
- New crime relating to gambling fraud

Gambling operators

IN SWEDEN

The largest operators in Sweden with permits are:

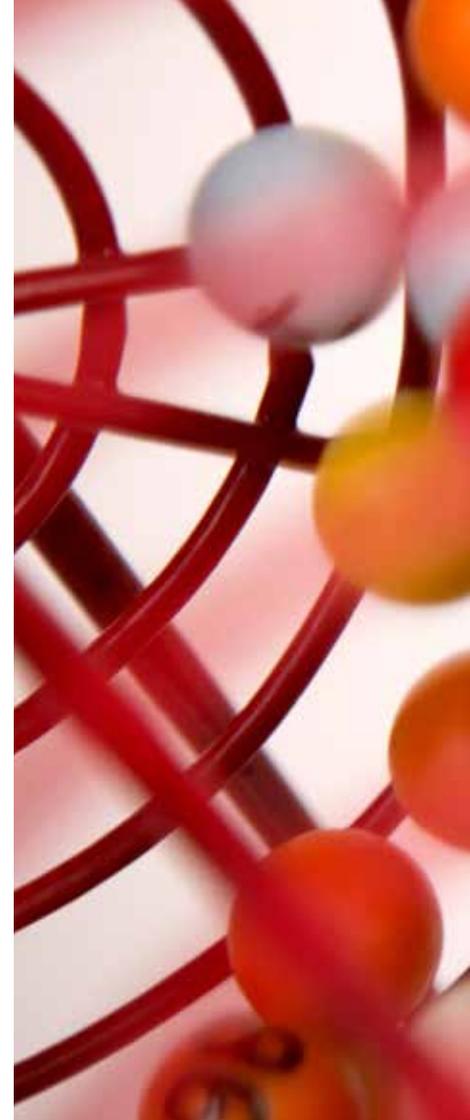
- Svenska Spel, including Casino Cosmopol
- ATG: AB Trav och Galopp
- Svenska Postkodföreningen
- Folkspel, with Bingolotto and Sverigelotten
- IOGT-NTO, with Miljonlotteriet among others
- SAP/SSU, with Kombilotteriet among others

The Swedish gambling industry's ethical committee, SPER, represents operators that have permits for providing gambling for money.

www.sper.se

Other operators on the Swedish gambling market

There are several operators who do not have Swedish permits but who, because of the internet and being licensed in countries such as Malta, are still operating in Sweden. Many of these companies are active in BOS, the Swedish Trade Association for Online Gambling: www.bos.nu





The gambling market

IN FIGURES IN 2017

Weakening in the growth rate of the gambling market

Gross gaming revenue on the Swedish gambling market increased by 3.2 per cent in 2017 compared with 2016. A slight slowdown can be noted when compared with the previous period when the growth rate was 5.3 per cent. Growth is being driven primarily by operators without Swedish permits who continue to win market share. These operators reported gross gaming revenue of around SEK 5.5 billion, up 12.8 per cent on 2016.

Operators with Swedish permits reported gross gaming revenue of around SEK 17.1 billion, down 0.5 per cent on the previous year.

Total gross gaming revenue on the Swedish gambling market amounted to SEK 22.6 billion in 2017.

2017
In figures



SEK

17

billion in gross gaming revenue
reported by operators with
Swedish permits



2443

permits were awarded



4209

controls made of
games and lotteries

394

controls made of
suspected illegal gambling



SEK

5.5

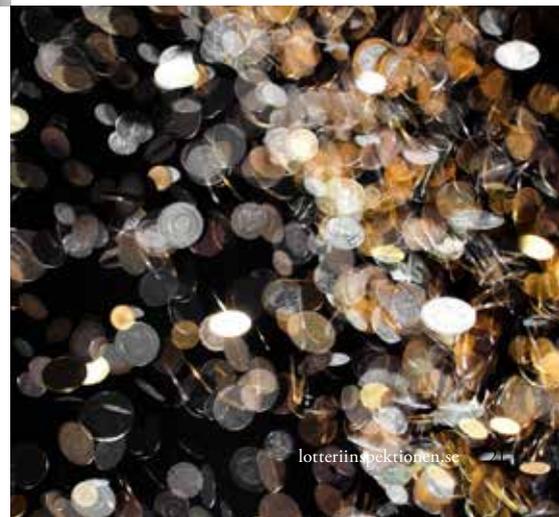
billion in gross gaming revenue
reported by operators without
Swedish permits



SEK

2200

per person gambled on average
by Swedes aged over 18



Goal and vision

Our goal is a healthy and safe gambling market, where supply and demand are kept under control and where there is a social safety net.

Our vision: Everyone is a winner with us!





LOTTERI
INSPEKTIONEN

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