

LOTTERY INSPEKTIONEN

# The Swedish Gambling Authority 2016



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*This brochure briefly describes the Swedish Gambling Authority's activities in 2016 and provides details of the Swedish gambling regulations and gambling market. The full annual report can be downloaded from [www.lotteriinspektionen.se](http://www.lotteriinspektionen.se). We also issue the report entitled "The development of the gambling market in Sweden and internationally 2016", which is also available on the website.*

## **The Swedish Gambling Authority – an overview**

The Swedish Gambling Authority is responsible for ensuring that the Swedish gaming and gambling market is legal, safe and reliable. We issue permits for lotteries and have overall responsibility for control and supervision of gambling and lottery activities in Sweden. The Swedish Gambling Authority is controlled by the Ministry of Finance and its Board is appointed by the Government. The Director General manages the activities and is a member of the Board.

The Swedish Gambling Authority's task is to endeavour to achieve a healthy, safe gambling market in which the demand for gambling is met under controlled conditions. We must monitor the interests of consumers and endeavour to reduce the risks of social harm that may be associated with gambling. We must also ensure that the supply of illegal gambling and lotteries is reduced.

Our duties include issuing permits for national lotteries, gaming machines, restaurant casinos and some bingo licences. The Swedish Gambling Authority grants type approval for lottery tickets and equipment for control and drawing of lotteries. Our task is also to provide the general public with information on the legislation relating to gambling and lotteries and to keep the Government informed of developments on the gambling market in Sweden and abroad. We also train and provide the appropriate authorities with information on legislation on gambling and lotteries.

The Swedish Gambling Authority consists of three departments: The Operational Department – licensing and compliance, the Department of Administrative and Legal Affairs and the Communication Department.

The Board makes decisions on overall matters such as responses to referrals, reports, regulations, decisions on guidelines and some important decisions on new lotteries and gambling services.

## Foreword from the Director General

**We are closer to achieving the objective of necessary modernisation of the gambling regulations.**

As a year, 2016 was notable for the gambling licence inquiry, which consumed considerable resources at the authority. The inquiry was also the focus of the industry at large, with many interested parties entering the debate and putting forward their proposals. They consisted of both current licence holders and gambling companies interested in obtaining licences in a future new system.

Although you should never count your chickens, most people, including myself, consider that the Government and the Parliament should eventually come to a decision on a new system to provide us with suitable modern gambling regulations. They are certainly needed because technological developments and consumer behaviour have deviated from the old Swedish model – for better or for worse.

Even though the inquiry has attracted a great deal of attention, everyday activities involving permits and supervision has naturally carried on as normal. Until a new system is introduced, the old one continues to apply. In this time of unrest, it is sometimes necessary to have the ability to educate when it comes to explaining applicable rules and what the Swedish Gambling Authority can and cannot do. For example, the considerable increase in advertising on television and radio and in newspapers constitutes a problem of legitimacy for the current gambling policy. Many citizens consider that advertising to be extremely troubling. The prohibition on promotion is formulated in such a way that we lack the ability to intervene effectively. With regard to this aspect, the industry now has an opportunity to push for more effective self-regulation.

The gambling license inquiry will be presented at the end of March 2017 and an extensive political process involving extensive rounds of consultation will then begin. All stakeholders will have an opportunity to make their voices heard. This will be followed by preparation at the Government Offices, which will result in a bill containing final proposals to be put before the Parliament. I hope that the broad political consensus on the need for new regulations also results in new legislation that favours consumers and is attractive for operators – while minimising the negative side of gambling and safeguarding revenues for the State. The Swedish Gambling Authority has naturally also begun preparations that will enable us to be ready to take on new tasks that may be ascribed to the authority if a new gambling policy is put into practice.

The Swedish Gambling Authority, as has been stated, must work tirelessly regardless of the outcome of the political preparations. Our work is aimed at ensuring that the Swedish gambling market is healthy and safe. Our main activity is issuing licences to operators that

are entitled to apply to provide gambling and exercising supervision in order to ensure that the often detailed rules contained in the licences are obeyed.

Extensive preparatory work has taken place during the year to allow Sweden to implement the new EU anti-money laundering rules, which are expected to enter into force in the second half of 2017 through a new Swedish Act. The fourth Anti-Money Laundering Directive involves a great deal of adaptation for Swedish gambling providers because nearly all gambling will be covered by the law. Gambling providers in Sweden must fulfil a series of administrative requirements in order to prevent their activities being exploited for money laundering or terrorist financing. The Swedish Gambling Authority has carried out work to provide information and training. We will continue to focus on the matter since a proposal has been put forward that we should be the supervisory authority to ensure that operators on the gambling market comply with the rules. The Swedish Gambling Authority must also examine the suitability of providers, managers and representatives.

In 2016, we have collaborated more extensively with prosecutors and the police to combat suspected violations of the Lotteries Act in the form of illegal gaming machines and gambling clubs. The exchange of information between the Swedish Gambling Authority and *Åklagarmyndigheten* [the Swedish Prosecution Authority] has been further improved by the introduction of a number of designated contact prosecutors in various parts of Sweden in relation to breaches of the Lotteries Act. As far as suspected crimes related to gambling and lottery activities are concerned, the Swedish Gambling Authority has also provided the *Ekobrottsmyndigheten* [the Swedish Economic Crime Authority] and *Skatteverket* [the Swedish Tax Agency] with expert knowledge.

I would like to thank my colleagues at the authority who have helped us overcome major challenges, not least when it came to assisting me in my capacity as investigator and head of the inquiry. Much of the day-to-day work takes place behind the scenes and I appreciate the dedication and the skill with which that work is carried out at the Swedish Gambling Authority. Greater demands will be placed on us in future and we have begun a journey of development that will allow us to take on future challenges with courage and confidence.

This foreword is also the last piece I will write in my capacity as Director General of the Swedish Gambling Authority. I would like to take this opportunity to extend my thanks to all the people I have had the privilege of working with – both at the authority and in our industry: including gambling providers, associations and other authorities. The gambling industry has developed a great deal during my years at the authority and it has been a pleasure to have been involved when Swedish gambling policy has been in such a formative stage.

Håkan Hallstedt  
Director General

## Key figures 2016

### Key figures for the gambling market in 2016

Operators with permits in Sweden	2016	2015
Turnover	46,716 MSEK	45,411 MSEK
Gross Gaming Revenue (GGR)	17,086 MSEK	16,717 MSEK
Total per inhabitant, turnover	SEK 4,687	SEK 4,610
Total per inhabitant, GGR	SEK 1,714	SEK 1,697
Per inhabitant over the age of 18, gross	SEK 5,900	SEK 5,803
Per inhabitant over the age of 18, net	SEK 2,158	SEK 2,136
Percentage of disposable income, turnover	2.34%	2.39%
Percentage of disposable income, GGR	0.85%	0.88%

Operators without permits in Sweden	2016	2015
GGR	5,100 MSEK	4,380 MSEK
Total per inhabitant, GGR	SEK 512	SEK 445
Per inhabitant over the age of 18, GGR	SEK 644	SEK 560
Percentage of disposable income, GGR	0.26%	0.23%

*Consumption of gambling is relatively insensitive to the economic cycle. This applies to both physical and digital gambling. Total sales for 2016 are provisional because not all providers had yet reported their figures to the Swedish Gambling Authority when this brochure was being printed.*

### Key figures for the Swedish Gambling Authority 2016

Revenue (grants)	49,3 MSEK
Number of employees at year-end	48
Number of women	32 (67%)
Number of men	16 (33%)
Average age	43 years
Average salary at year end	SEK 39,236

*Figures apply to year end. In addition, the Swedish Gambling Authority had approximately 50 fee-paid inspectors throughout the country. Information relating to the Director General and the monitoring personnel is not included in the key figures above.*





The Swedish gambling market<sup>1</sup>

## Operators with permits in Sweden

The fact that the Swedish gambling market is regulated means that certain operators have legal support for providing gambling and lotteries, either under a sole right (Svenska Spel and ATG) or in competition with other operators who meet certain requirements (lotteries and bingo).

Svenska Spel AB is owned by the State and is the largest operator on the market. Through its subsidiary, Casino Cosmopol, it operates casinos in Stockholm, Gothenburg, Malmö and Sundsvall. The second largest operator is AB Trav och Galopp (ATG), which provides betting on horse races. ATG is 90 percent owned by *Svensk Travsport* [the Swedish Trotting Association] and 10 percent by *Svensk Galopp* [Swedish Jockey Club].

Both Svenska Spel and ATG are granted their permits by the Government. The Swedish Gambling Authority is responsible for supervision, i.e. ensuring that the companies comply with the terms of their permits. Svenska Spel's profits are paid out annually to its owner, the State. ATG's profits are shared between the owners in equestrian sport and the State in the form of a special tax.

In addition to Svenska Spel and ATG, lotteries are provided by non-profit associations (national movements), where any surpluses accrue to the association and are therefore used for public benefit. Approximately 50 nationwide lotteries granted permits in 2016, divided

among approximately 20 providers. The largest operator is Svenska Postkodföreningen. Bingolotto is provided by the non-profit association Folkspel, which in turn has 72 affiliated public service organisations. A further two large lotteries are Kombilotteriet, which is included in Kombispel and is owned by SAP and SSU, and Miljonlotteriet, which is run by IOGT-NTO. Bingo is an old form of gambling with approximately 65 bingo halls that distribute their profits to approximately 1,500 non-profit public service associations.

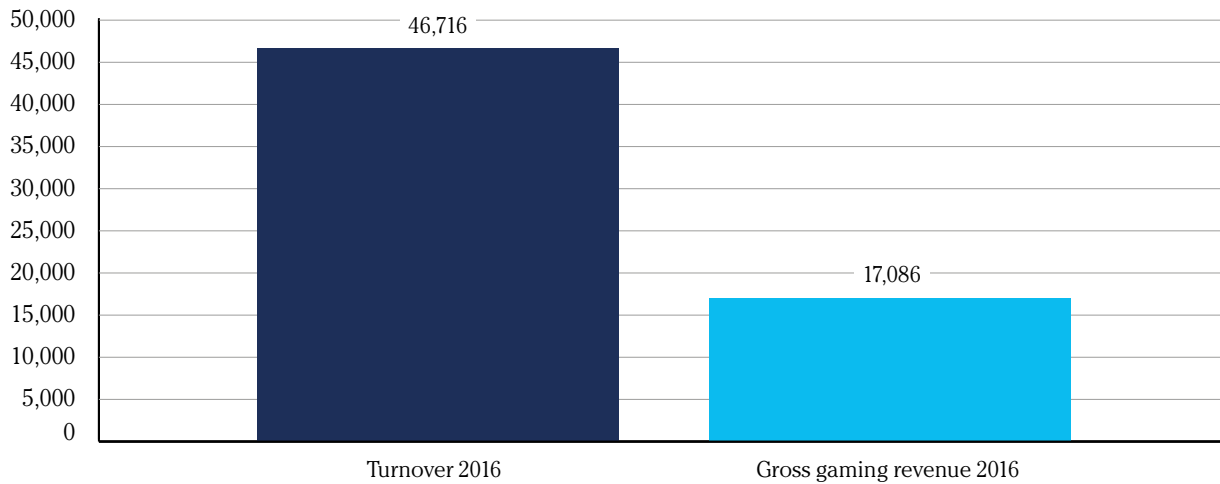
The only private, commercial providers of gambling and lotteries permitted are restaurant casinos and amusement parks and funfairs.

*Spelbranschens etiska råd*, SPER [the gambling industry's ethical committee] brings together established gambling companies with permission to provide gambling in Sweden to discuss important matters concerning the ethics of gambling. The following organisations are members of SPER: ATG, Folkspel, Idrottens Spel, Miljonlotteriet, Svecico, Svenska Postkodföreningen and Svenska Spel.

<sup>1)</sup> The printed report by the Swedish Gambling Authority entitled "The development of the gambling market in Sweden and internationally 2016" contains a detailed review of the Swedish gambling market.

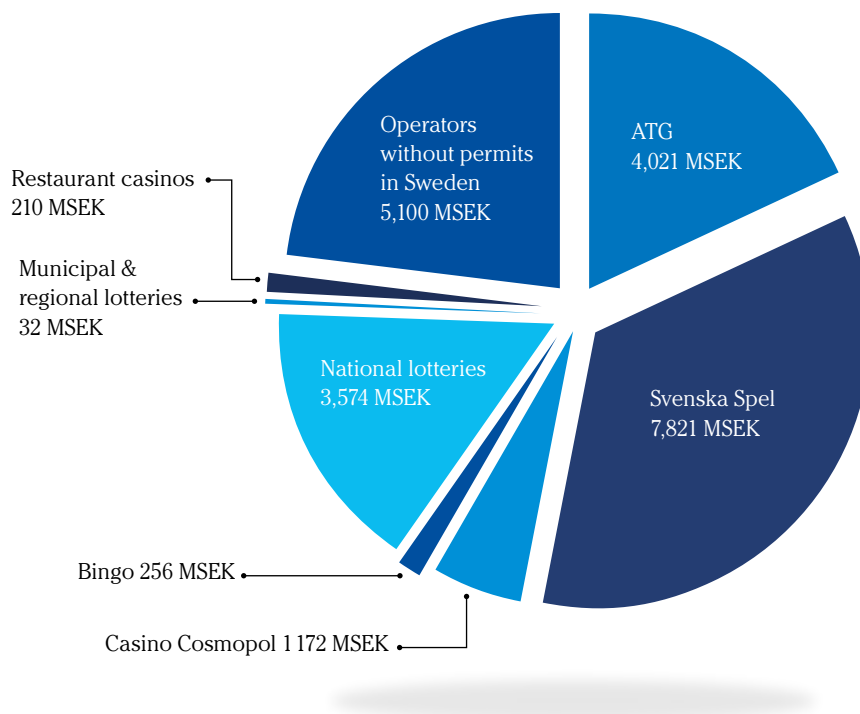
### The Swedish gambling market

**Sales before and after winnings have been paid out, operators with permits in Sweden (MSEK)**



### The Swedish gambling market

**Market shares in 2016, all operators<sup>2</sup>**



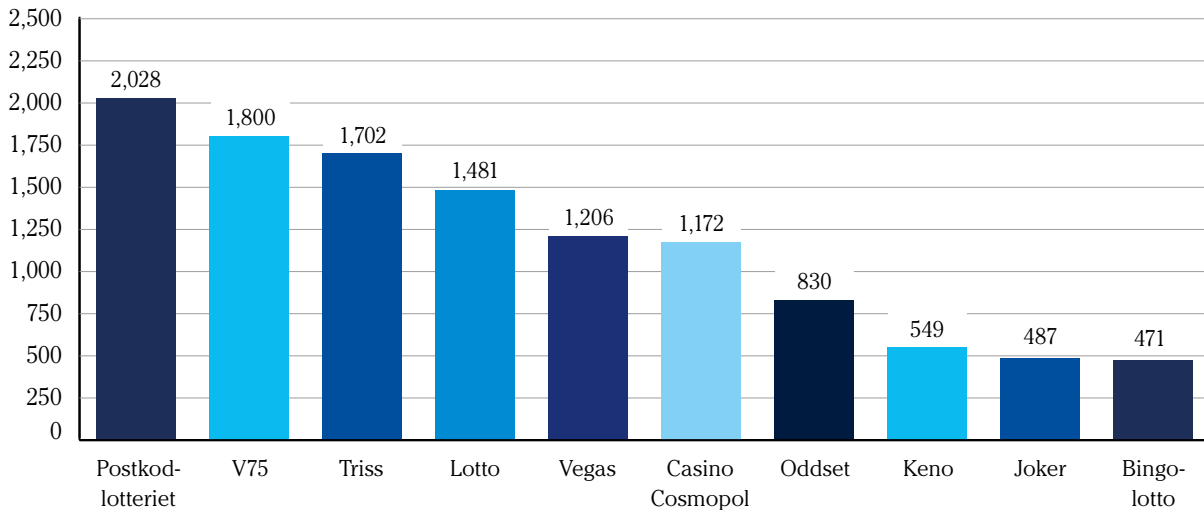
<sup>2)</sup> The pie chart shows all gambling companies, including operators without permits in Sweden. Figures are in million SEK (MSEK) and apply to GGR (after winnings have been paid out).

Source: The Swedish Gambling Authority's own statistics.



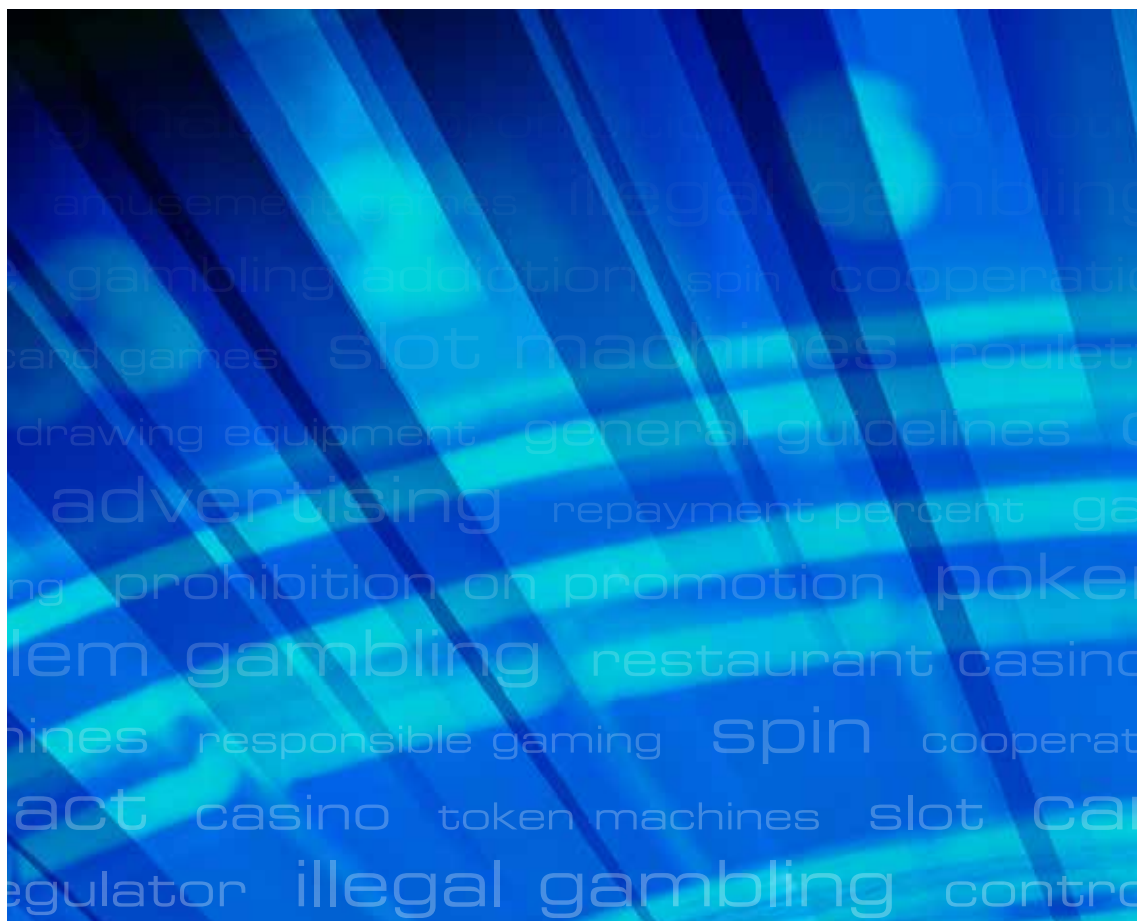
## The Swedish gambling market

### The ten largest gambling products in 2016, operators with permits in Sweden (MSEK)<sup>3</sup>



<sup>3)</sup> Based on Gross gaming revenue (after winnings have been paid out).

Source: The Swedish Gambling Authority's own statistics.





The Swedish gambling market

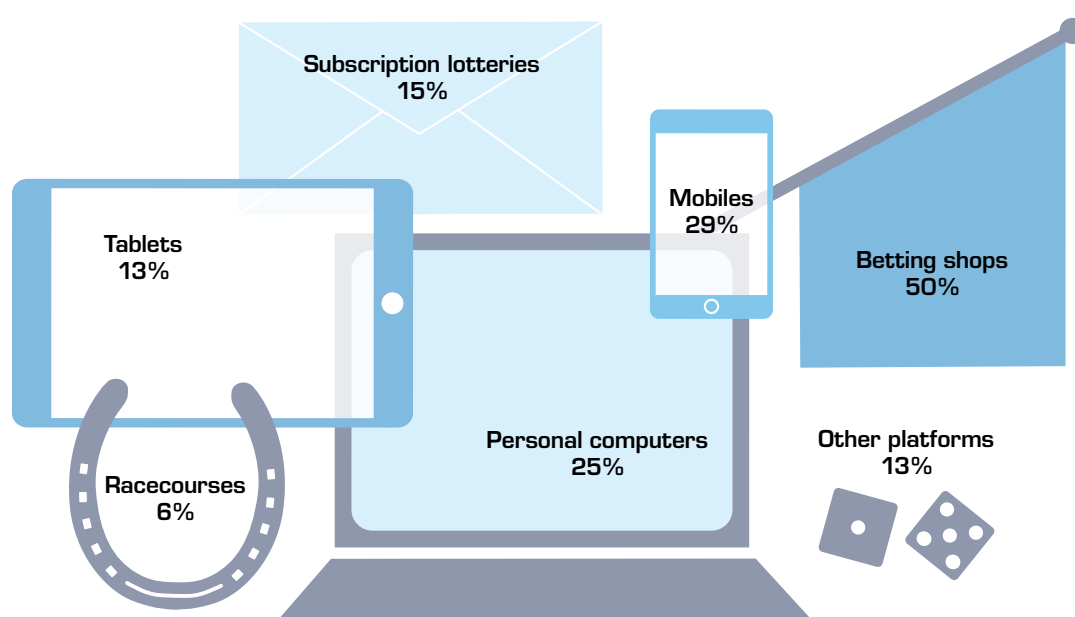
## Operators without permits in Sweden

In recent years, gambling at companies without permits in Sweden has become increasingly popular. Games on foreign websites currently have a total market share of 23 percent. These companies are licensed by authorities in other EU countries, primarily Malta and Gibraltar, and are therefore not supervised by the Swedish Gambling Authority. According to Swedish law, it is not permitted in commercial operations or otherwise, for the purpose of profit, to promote gambling without permits in Sweden. But this so-called prohibition on promotion has proved

difficult to enforce and advertising of foreign gambling companies is common in newspapers and on radio and TV.

Branschföreningen för Onlinespel (BOS) [the Swedish Trade Association for Online Gambling] brings together 18 gambling companies operating in the Swedish gambling market. All members have (at least) one licence issued by the gambling authority in one of the European Union Member States (but not from the Swedish Gambling Authority).

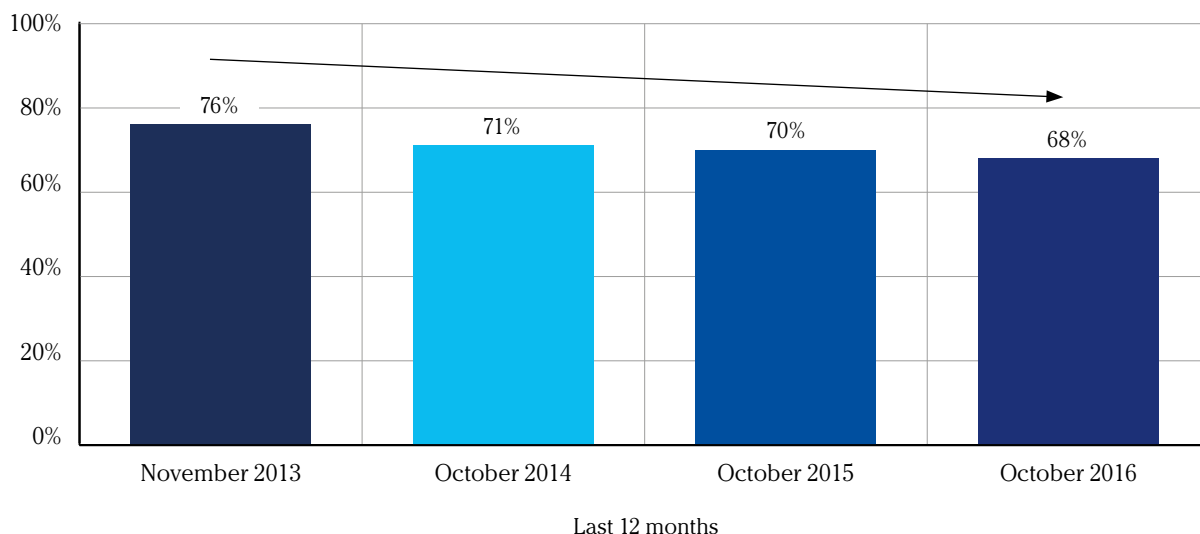
### How gambling consumption is distributed, the most popular platforms (all gambling companies)



Source: "Allmänheten om spel 2016" [The public opinion on gambling 2016], the Swedish Gambling Authority/Novus.

### The Swedish gambling market

#### The number of Swedes that gamble (all gambling companies)



#### Illegal gambling

Apart from gambling at operators without permits in Sweden, illegal gambling also exists, primarily on gaming machines and in card games (poker). The Swedish Gambling Authority's task includes reducing the supply of illegal gambling. We do this through measures such as inspections at gambling venues throughout the country, both at those with and without permits.

In cases of suspected crime, the case is reported to the police and a prosecutor. We also conduct inspections along with other law enforcement authorities.

In order to achieve better results and increase knowledge of matters pertaining to lotteries and gambling, we provide information and training on gambling and lotteries legislation for the authorities concerned.

A gaming machine without a permit may seem harmless and innocuous, but the illegal gambling market is a major source of finance for organised crime, which is why efforts to combat illegal gambling are of great importance for society as a whole.





## The Swedish gambling regulations

### Rules for lotteries and gambling

#### What is a lottery?

A lottery is characterised by the fact that the outcome is determined by chance. There are many different types of lotteries. Traditional lotteries, digital lotteries, gaming machines, bingo games, roulette and dice games, card games, chain letter games, betting on sports and horses, for example.

#### A permit is required in order to organise lotteries

- The municipalities are responsible for permits and supervision of local lotteries.
- The county administrative boards are responsible for permits and supervision of bingo and regional lotteries.
- The Government issues permits to ATG and Svenska Spel.
- The Swedish Gambling Authority is responsible for other permits and all supervision, including of ATG and Svenska Spel.

#### Who can obtain a permit?

- Permits for traditional lotteries and bingo games are issued mainly to Swedish legal entities that are non-profit associations whose purpose is the advancement of socially beneficial objectives.

- Permits for restaurant casinos and some type of gaming machines can be issued to private operators.
- The Government issues permits to ATG and Svenska Spel for various forms of lotteries.

#### Where does the money go?

The Swedish gambling and lotteries market turns over a lot of money. Last year, operators with permits in Sweden had turnover of SEK 46,7 billion before paying out winnings, which corresponds to approximately SEK 17 million gross gaming revenue after paying out winnings. Profits from lotteries go mainly to the national movements, equestrian sport and the State and will thus be of public benefit. The money goes to organisations such as non-profit associations and from there primarily to sporting activities for children and young people.

#### The role of the Swedish Gambling Authority

The Swedish Gambling Authority is the central supervisory authority for the Lotteries Act. The Authority supervises the entire gambling market, including ATG and Svenska Spel, which are granted their permits by the Government. The work of the Swedish Gambling Authority must be safety- and problem-orientated and must concentrate on the sectors of the market where the risks of crime and social harm are judged to be greatest.





## Laws and regulations

The Swedish gambling market is regulated because lotteries, among other reasons, i.e. gambling, can cause problems for the individual and for society.

The Swedish gambling market is regulated by specific laws (passed by the Parliament) and regulations (issued by the Government). The following laws and regulations are particularly important:

- The Lotteries Act (1994:1000)
- The Lotteries Ordinance (1994:1451)
- The Casinos Act (1999:355)
- The Act concerning the Arrangement of Certain Forms of Gaming Machines (1982:636)

### Regulations

The Swedish Gambling Authority adopts rules in accordance with specific authorisations. These are, like laws and regulations, binding. They are published in

the statutes of the Swedish Gambling Authority (LIFS) [*Lotteriinspektionens författningssamling* – Swedish Gambling Authority Code of Statutes].

### Conditions

The Swedish Gambling Authority decides on conditions, and codes of practice for each individual permit. These are, unlike laws and regulations, individual and binding only on the permit holder.

### General guidelines

The Swedish Gambling Authority adopts general guidelines. The general guidelines are not binding but should be seen as a tool for municipalities and county administrative boards in their licensing of lotteries and bingo games in a municipality or county.







## Subject

# Marketing

### The rules for marketing and advertising

There is extensive advertising of foreign gambling companies in the Swedish media. This is not permitted at all, though one would hardly think so judging from all the advertising that occurs. Basically it is permissible to advertise games and lotteries without permits in Sweden. However, that marketing is subject to a number of constraints.

### Gambling advertising on TV

Advertising of online casinos and gambling operators that can be seen on several TV channels is possible because those TV channels are broadcast from the UK, where the rules on advertising are different from Swedish rules. The fact that companies such as TV3 and Kanal 5 are able to broadcast from there is due to an EU Directive governing television broadcasts between EU Member States. That is why gambling companies without permits in Sweden can broadcast advertising to Swedish consumers. However, that advertising is also subject to strict rules and can be reported to the UK authorities if it is aimed at children or is misleading, for example. The contents of the advertising can also be reported to the Swedish authorities.

### Advertising online

Under the Lotteries Act, advertising of lotteries without permits in Sweden is prohibited. This so-called prohibition on promotion is contained in section 38 of the Lotteries Act (1994:1000). It states that it is not permitted, in commercial operations or otherwise, for the purpose of profit to promote participation in unlawful lotteries arranged within the country or in lotteries arranged outside the country. The prohibition was already in place

in the 1939 Lotteries Ordinance. Anyone who breach the prohibition on promotion can be ordered by the Swedish Gambling Authority to cease with the promotional activities. Breach of such an order may be made subject to a fine.

### Violation of the Lotteries Act

The Swedish Gambling Authority is the central supervisory authority for the Lotteries Act and is responsible for applying the rules. Court cases have been going on for many years. The Supreme Administrative Court has established that the Swedish lottery regulations are compatible with EU law. The advertising continues despite this because the judgments are appealed before a higher court. The legal situation has not been finally settled but, in judgments handed down in December 2016, the Administrative Court in Linköping stated that links from newspapers' websites to foreign gambling companies are not permitted. In some cases the papers have won. For example, the court has held that it is permissible to publish odds and sponsorship messages in editorial spaces.

### Advertising at sporting events

One question that often comes up is advertising at sporting events. According to a judgment that has gained legal force, displaying a foreign gambling company's logotype in public is not permitted. Sports clubs must therefore not advertise foreign gambling companies in match programmes, on players' kits or by means of advertising in the stadium, for example. Other ways of promoting foreign gambling companies, such as the announcer referring to a foreign gambling company's odds, risks violating the Lotteries Act.





Subject

## Money laundering

### New anti-money laundering rules for the gambling market

It is proposed that a new Anti-Money Laundering Act should begin to apply in June 2017. This means major changes for the gambling market since the rules will in principle cover all providers of gambling services. The changes in the Anti-Money Laundering Act are made primarily to meet the requirements of the fourth EU Anti-Money Laundering Directive.

Under the proposal, the Anti-Money Laundering Act applies to most gambling with a few exceptions. For example, gambling on goods gaming machines and lotteries that do not require a licence or registration under the Lotteries Act is exempt.

Providers of gambling services need to adopt a number of administrative measures in their operations. The measures adopted must be risk-based. It means that resources will mainly be used where risks of money laundering and terrorist financing are greatest.

This primarily concerns those mainly responsible for providing gambling or who intend to provide gambling in Sweden. Providers are responsible for their gambling customers and also for any operators that may be engaged

to operate gambling services. The gambling providers are also responsible for representatives engaged to distribute and sell gambling. If there is any suspicion of money laundering or terrorist financing, the provider is obliged to report it immediately to *Finanspolisen* [the Swedish Financial Intelligence Unit].

Another key element of the proposal is the rules on Know Your Customer. For example, customers' identities must be checked and verified and transactions and business activities carried out must be audited and monitored. The area of gambling will also be made subject to a specific rule whereby Know Your Customer measures must be adopted in the case of transactions amounting to EUR 2,000 or more. These measures must be adopted regardless of whether the transaction in question consists of a single large transaction or a number of smaller transactions that can be presumed to be connected.

It is proposed that the Swedish Gambling Authority should be the supervisory authority and that it should therefore be responsible for monitoring to ensure that the gambling providers comply with the rules in the Anti-Money Laundering Act. Failure to comply with the rules may result in significant penalties.

## Match fixing

The problem of match fixing has received more and more attention in recent years. Match fixing can be about the outcome of a football match being decided in advance. Players can, for example, be given money to lose a match and some people can thus make money by gambling on the result at a betting company. This damages the sport because it takes away some of the sport's unpredictability.

In Sweden, there is a collaboration that focuses on information and training. *Riksidrottsförbundet* [the Swedish Sports Confederation] leads the work and other representatives come from the Government, *Åklagarmyndigheten* [the Swedish Prosecution Authority], the police, the Swedish Gambling Authority, special associations and Svenska Spel.

Betting on different sports events requires everything to be done properly. As a gambler, it is important for you to be able to trust that the events on which you stake your money have not been improperly influenced. If you know of or have information on games that seem not to have gone as they should, tip us off via our website. You can remain completely anonymous!

## **The Swedish Gambling Authority's activities 2016**

The Swedish Gambling Authority's licensing must focus on quality for the benefit of operators and gamblers. Licensing must ensure that there is a varied range of games and must prioritise considerations relating to social protection. Effective supervision contributes to a legal, healthier and safer gambling market with aware, active players. In accordance with the appropriation directions issued by the Government the Swedish Gambling Authority must concentrate its work on the sectors of the market where the greatest risk of criminal activity and social harm exist.

### **Permits**

Permits are divided into the areas of lotteries, restaurant casinos, token machines, amusement games, type approval and other licensing matters.

A total of 2,504 permits for different forms of gambling existed at the end of 2016 (2,648 at the end of 2015).

### **Supervision**

Control and inspection measures are distributed among the areas of Lotteries, Restaurant Casinos and Gaming Machines, AB Trav och Galopp, AB Svenska Spel, AB Casino Cosmopol and *Riksgäldskontoret* [the Swedish National Debt Office].

The Swedish Gambling Authority carried out 5,119 inspections on licensed gambling during the year (5,995 in 2015).

### **Control of illegal gambling**

The Swedish Gambling Authority carries out regular supervision to detect suspected illegal gambling, in other words unlicensed gambling and lotteries. That supervision is carried out anonymously in most cases by our inspectors. In many cases, the results of the supervision mean that we report cases to the police.

The Swedish Gambling Authority cooperates with the Swedish Prosecution Authority, *Ekobrottsmyndigheten* [the Swedish Economic Crime Authority], the Swedish Tax Agency and *Polismyndigheten* [the Police Authority] to jointly reduce the illegal gambling market in Sweden.

The Swedish Gambling Authority carried out 248 inspections on suspected illegal gambling in 2016 (707 in 2015).



## Number of permits, controls and remarks 2016

Number of valid permits at the end of December of the current year.

Permits	2016	2015	2014
National lotteries	59	65	83
Restaurant casinos	431	460	482
Amusement games	111	135	128
Token machines	1,738	1,819	1,990
Other licences	44	45	44
Type approval	121	124	137
<b>Total</b>	<b>2,504</b>	<b>2,648</b>	<b>2,864</b>

Controls and remarks	2016		2015		2014	
Number of controls/remarks	Control	Remark	Control	Remark	Control	Remark
Lotteries	800	6	861	6	832	12
Restaurant casinos	150	28	200	33	226	26
Token machines	1,637	114	1,716	83	1,900	80
Amusement games	64	4	29	1	31	17
Other permits	152	6	148	6	141	6
ATG	156	4	391	18	272	111
Svenska Spel	2,004	1	2,301	14	2,056	51
Casino Cosmopol	140	16	327	16	267	11
The Swedish National Debt Office	16	0	22	0	24	0
<b>Total</b>	<b>5,119</b>	<b>179</b>	<b>5,995</b>	<b>177</b>	<b>5,749</b>	<b>314</b>

Controls and remarks regarding illegal gambling	2016		2015		2014	
Results for suspected illegal gambling	Control	Remark	Control	Remark	Control	Remark
Suspected illegal gaming machines	198	90	558	181	1,110	229
Suspected prohibited promotion	26	19	95	80	28	19
Suspected illegal poker games	0	0	13	10	10	10
Suspected illegal amusement games	5	5	1	1	12	12
Suspected illegal casino games	0	0	0	0	2	0
Other lotteries without permits	19	18	40	30	55	43
<b>Total</b>	<b>248</b>	<b>132</b>	<b>707</b>	<b>302</b>	<b>1,217</b>	<b>313</b>



## Income Statement

Thousand SEK	01/01/2016 – 31/12/2016	01/01/2015 – 31/12/2015
<b>Income from activities</b>		
Income from grants	45,978	45,991
Income from fees and other payments	34	30
Financial income	9	5
Total	46,021	46,026
<b>Operating expenses</b>		
Personnel costs	-34,465	-32,165
Cost of premises	-3,598	-3,647
Other operating expenses	-7,429	-9,837
Financial expenses	-46	-20
Depreciation and impairment	-483	-357
Total	-46,021	-46,026
<b>Business outcomes</b>	0	0
<b>Collection activities</b>		
Income from fees, etc. that is not available to the Authority	29,485	30,327
Funds contributed to the State budget from collection activities	-29,479	-30,334
Balance	6	-7
<b>Change in capital for the year</b>	6	-7

## Balance sheet

ASSETS, TSEK	31/12/2016	31/12/2015
<b>Intangible fixed assets</b>		
Rights and other intangible assets	47	0
<b>Tangible fixed assets</b>		
Expenses for improvements to property owned by others	194	259
Machinery, equipment, installations, etc.	853	543
Total	1,047	802
<b>Current receivables</b>		
Accounts receivable	11	1
Receivables from other authorities	681	767
Other current receivables	3,422	3,449
Total	4,114	4,217
<b>Cut-off items</b>		
Prepaid expenses	1,029	1,024
Other accrued income	220	220
Total	1,249	1,244
<b>Settlement with the State agency</b>		
Settlement with the State agency	-8,095	-7,181
<b>Cash and bank balances</b>		
Balance in hand interest account at the National Debt Office	9,008	8,801
Total	9,008	8,801
<b>TOTAL ASSETS</b>	<b>7,370</b>	<b>7,883</b>
<b>CAPITAL AND LIABILITIES</b>		
<b>State agency capital</b>		
Change in capital carried forward	0	7
Change in capital in accordance with the income statement	6	-7
Total	6	0
<b>Provisions</b>		
Provision for pensions and similar obligations	111	168
<b>Liabilities, etc.</b>		
Loan at the Swedish National Debt Office	1,036	744
Current liabilities to other authorities	903	864
Accounts payable	1,569	2,778
Other current liabilities	657	584
Total	4,165	4,970
<b>Cut-off items</b>		
Accrued expenses	3,088	2,745
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>7,370</b>	<b>7,883</b>



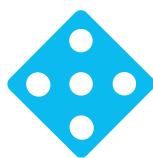
## **Gambling policy undergoing changes – Gambling licence inquiry**

Swedish gambling policy is in a state of change. On 24 September 2015, the Government decided to appoint a commission of inquiry to submit a proposal for new gambling regulations. The purpose of the new gambling regulation is to create a gambling market that is characterised by a high level of consumer protection, high security in the games and clear conditions for being allowed to operate in the market. The regulations will be based on a licensing system that means that anyone operating in the Swedish gambling market will operate under a proper licence. Unlicensed operators will be excluded. A further starting point is that the negative consequences of gambling must be limited. A high level of consumer protection requires regulations that take account of social considerations, with requirements for such aspects as moderation in the marketing of gambling.

The Director General of the Swedish Gambling Authority, Håkan Hallstedt, was appointed as special investigator and the inquiry on the assignment was issued on 31 of March 2017. The Swedish Gambling Authority was entrusted by the Government with the task of assisting the inquiry by such means as developing draft regulations and appropriate formulations for other conditions and requirements arising from the proposals of the inquiry.

The forthcoming handling of the proposals of the inquiry will determine the future of the Swedish gambling market, which in turn will have an impact on Swedish Gambling Authority's assignment.

**The Swedish Gambling Authority is the authority responsible for ensuring that lotteries, casino games and other gambling activities are carried out legally, safely and reliably.**



#### **Lottery or competition?**

There are a large number of events in different contexts that can be regarded as lotteries or competitions. The Swedish Gambling Authority, along with Konsumentverket [the Swedish Consumer Agency] and the Swedish Tax Agency, has compiled an information leaflet to try to clarify the difference between a lottery and a competition in an easily comprehensible way and provide information on marketing and tax rules. The leaflet is available to download from the Swedish Gambling Authority website.



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