COMPARING THE NORDIC GAMBLING MODELS

Reykjavik, June 1st, 2023

THE NORDIC GAMBLING MODELS:
A natural experiment?

5 countries
5 laws on gambling
At least 5 challenges

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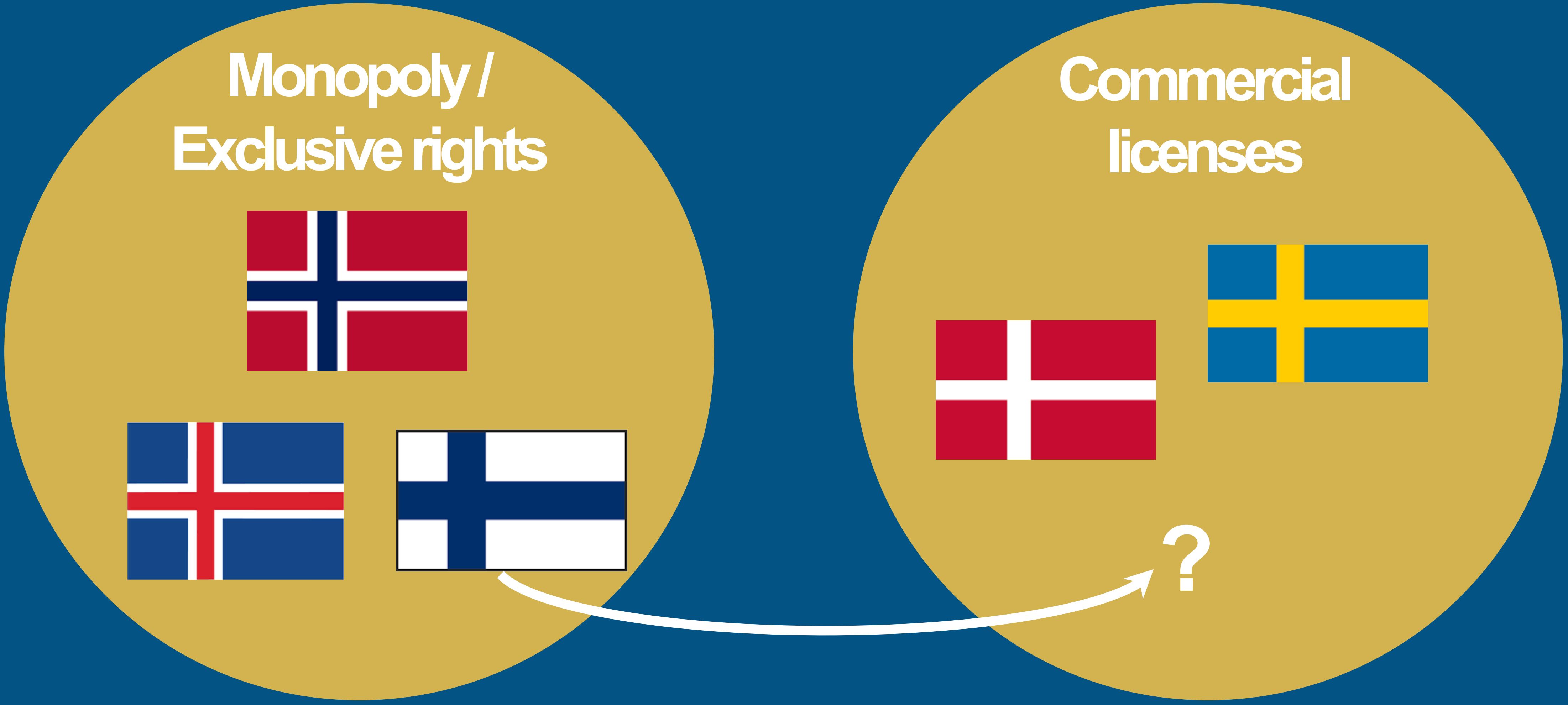
What model has the biggest market share?



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DENMARK
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The Danish gambling market

Commercially licensed gambling

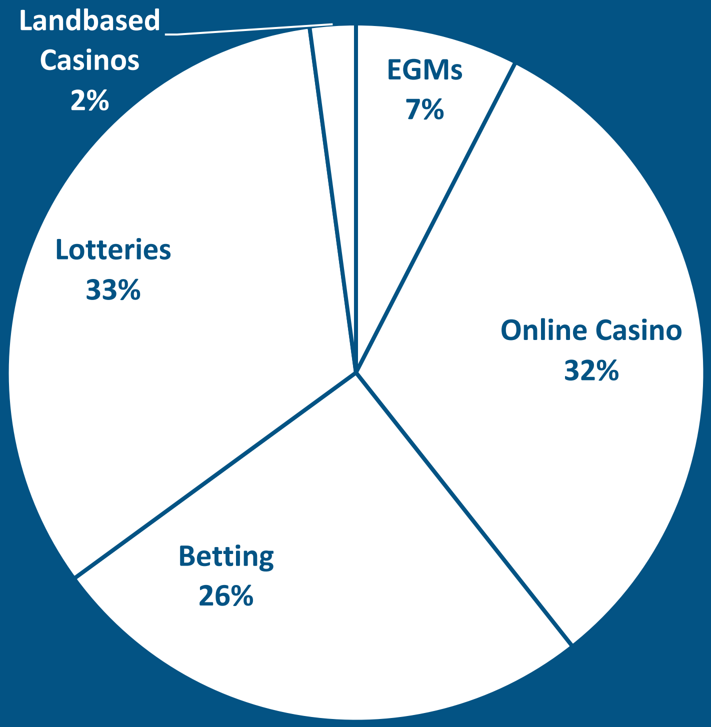
- Online Casino, Sports Betting, EGMs, Landbased Casino, Horse Racing, Online Bingo

State monopoly

- Lotteries

Non-commercial licensed gambling

- Lotteries, Bingo



Gross gaming revenue per gambling category in Denmark 2021

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Protection and prevention

Limits and self-exclusion

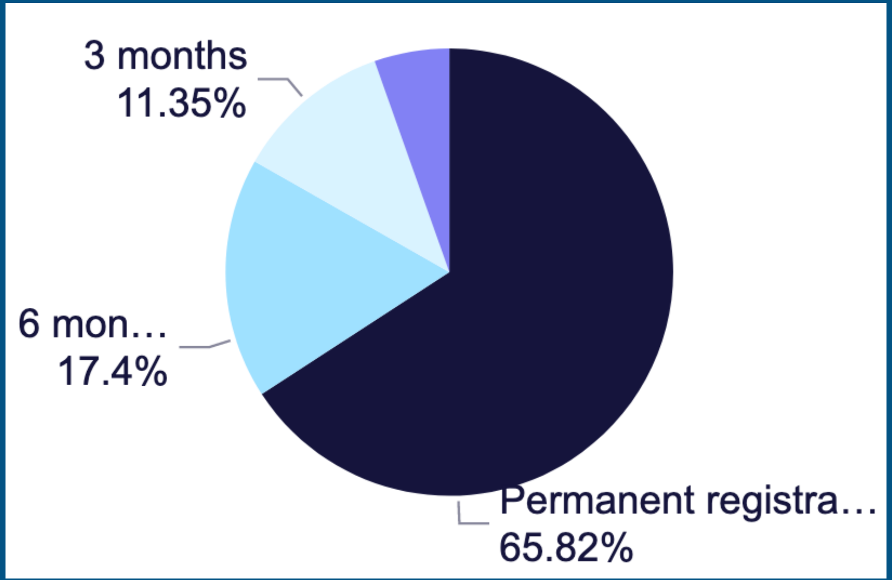
- Player must set deposit limit for online gambling
- National self-exclusion register (ROFUS)
- No regulation on maximum loss or deposit

Duty of attention

- Must pay attention to risky gambling behavior and take measures to prevent problem gambling

Treatment

- National help line StopSpillet
- Treatment centers apply for funding from ministry of health
- Gamblers anonymous



~40 000 excluded in ROFUS national self-exclusion register to date. About two thirds are permanent exclusions.

Gambling and Problem Gambling

Gambling participation

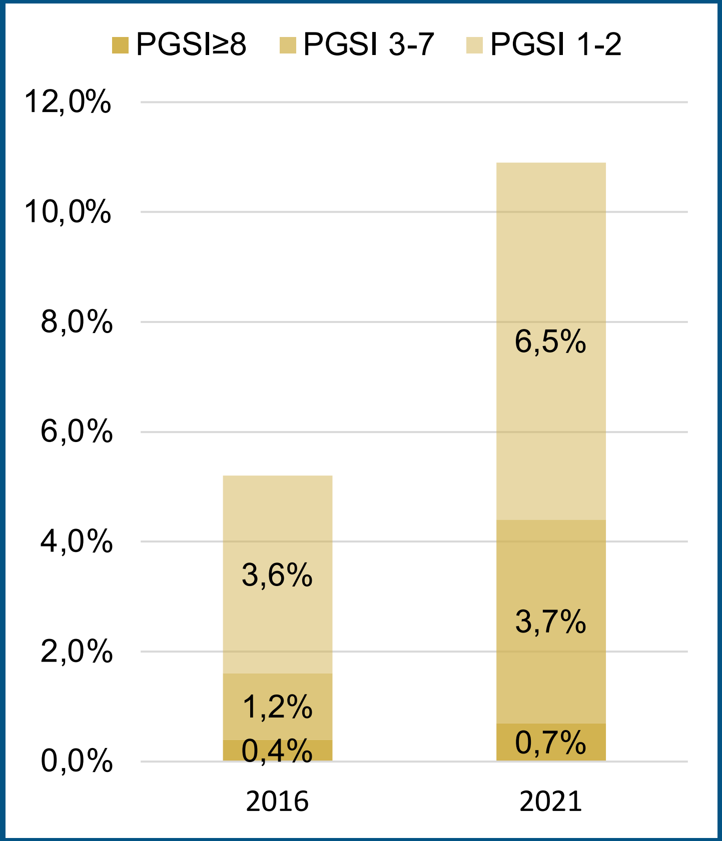
- Yearly participation 46% in 2021 down from 63% in 2016.

Gambling problems increasing?

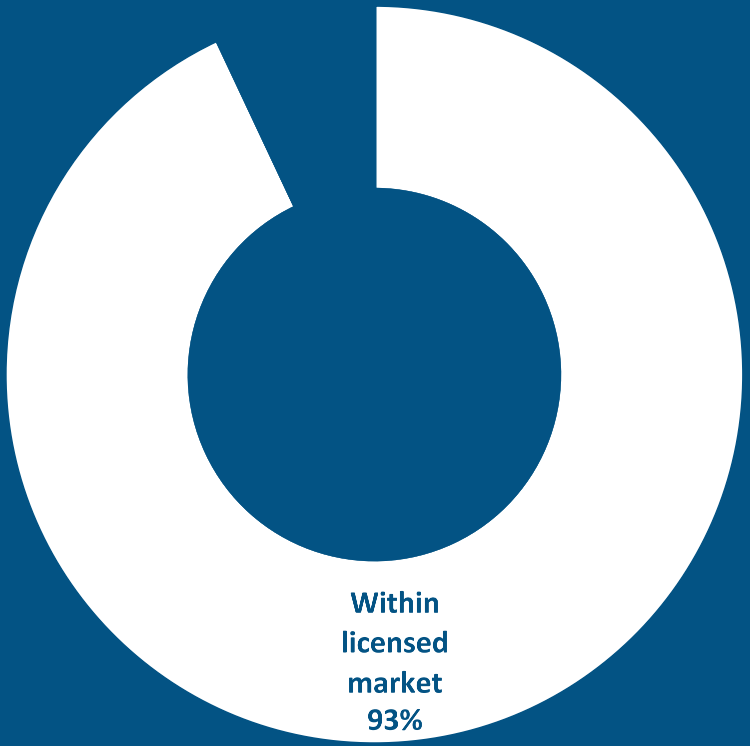
- Problem gambling rates seem to be increasing amongst Danes

Most seek help gambling online casino or betting

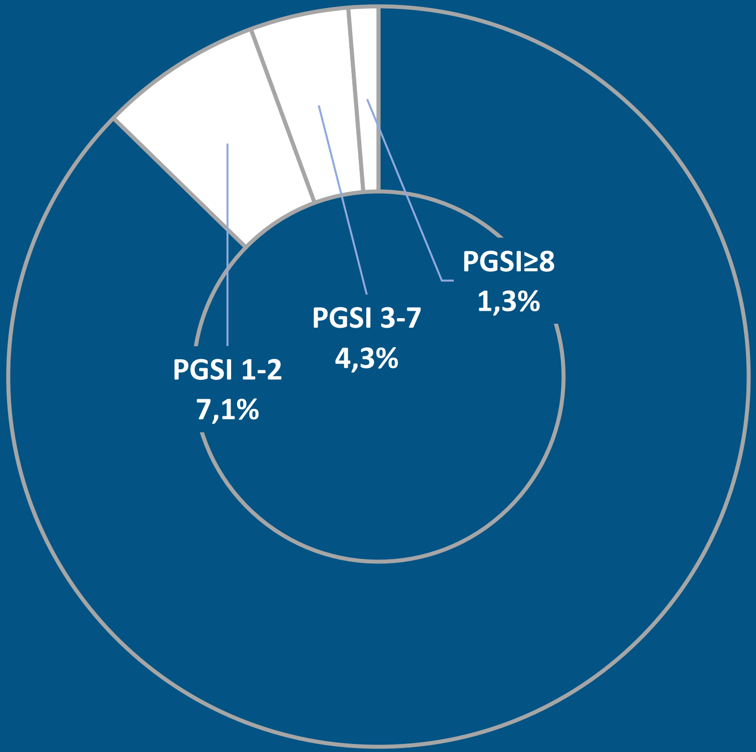
- Help line statistics: Online casino (38%), online betting (34%), EGMs (14%)



Effectiveness of the gambling market



93% of the revenue is estimated to be gambled within the legal system 2020



Every fifth 12-17 year old Dane have bought loot boxes. Of them, 5,6% score PGSI 3+

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Challenges and discussion

Should loot boxes be regulated as gambling?

Discussion on gambling advertising in sports - should it be banned?


FINLAND
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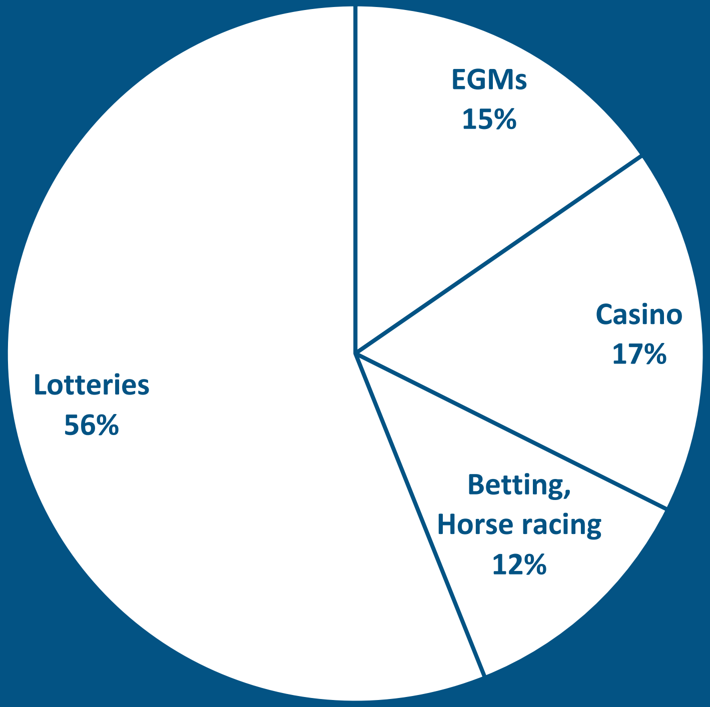
The mainland Finnish gambling market

State monopoly (Veikkaus)

- Online and Landbased Casino, Sports Betting, Horse Racing, Lotteries, EGMs

The Åland islands

- Own legislation on gambling. Ålanders gambling excluded here.



Gross gaming revenue per gambling category in mainland Finland 2022

Protection and prevention

Limits and self-exclusion (Veikkaus)

- Player must set deposit limit both daily and monthly
- Self-exclusion possible through Veikkaus
- Maximum loss cap at Veikkaus:
  - 500 €/day, 2 000€/month (fast games)
  - 15 000 €/year (all gambling outside landbased casinos)

Treatment

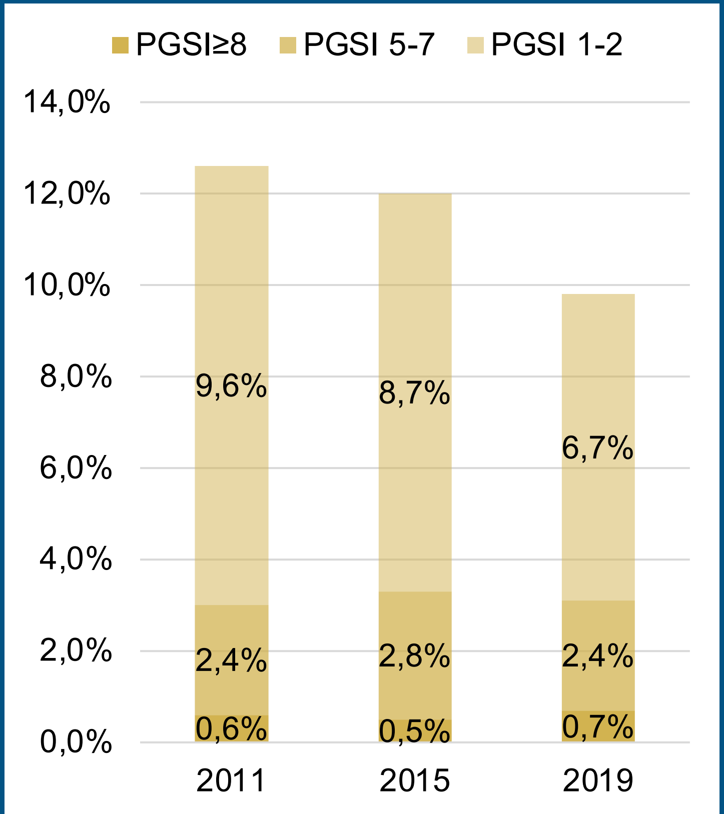
- National helpline/chat with online programs (Peluuri)
- Treatment recognised as duty of health care and social services
- NGO’s offer complementary services
- Strong tradition of peer support (GA, Pelirajaton, Tiltti)

Gambling and Problem Gambling

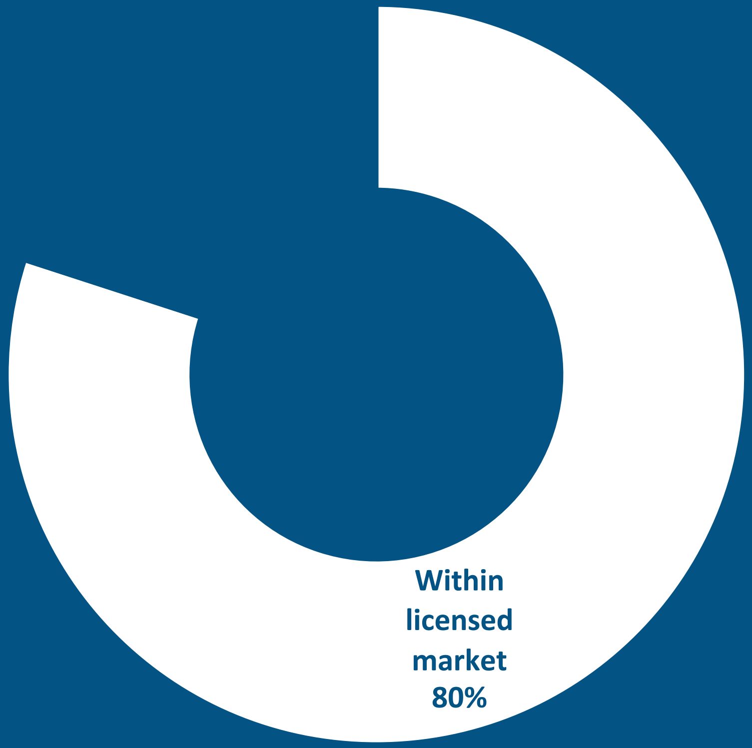
Gambling participation
- Yearly participation between 70-80% over time
- Weekly participation decreased from ~40% to ~30%

Gambling problem rate quite constant
- PGSI 8+ and PGSI 3-7 quite stable over time

Online casino common with problem gamblers
- Help line statistics: Online slots (59%), online casino (17%), online betting (16%), EGMs (10%)
- Online gambling main cause of problems in 90% of help seekers 2022, up from 44% in 2017



Effectiveness of the gambling market



80% of the mainland Finnish revenue is estimated to be gambled at Veikkaus

65% of asked players seeking help gamble mainly outside Veikkaus

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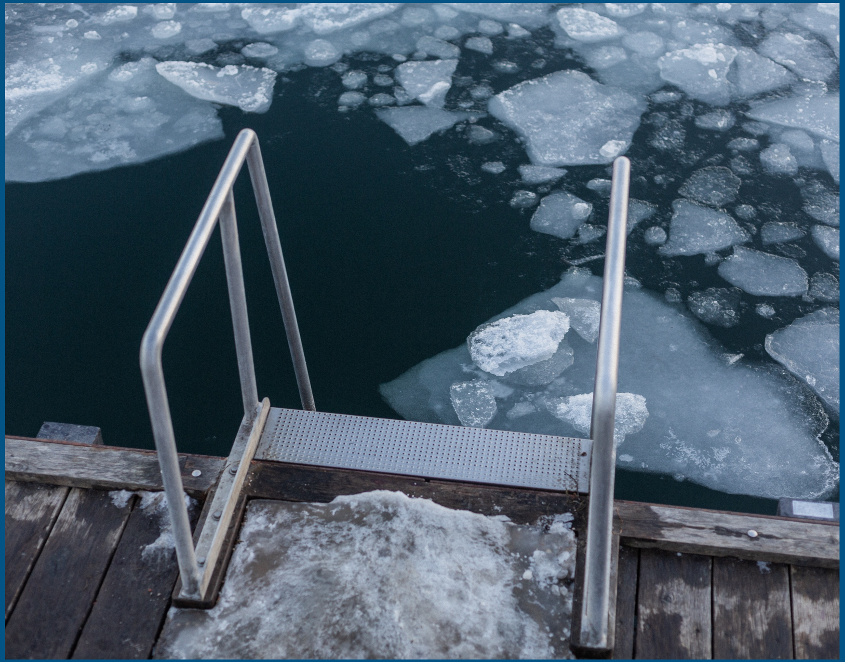
Challenges and discussion



Currently investigating a commercial gambling market model - revenue in the legal system is dropping.

Earmarking system to end in 2024 – revenue will go to the state


ICELAND
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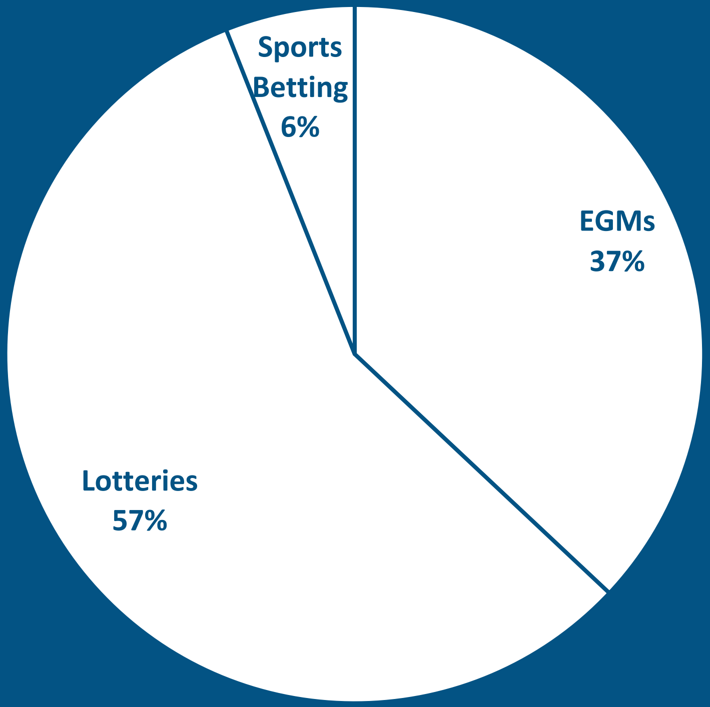
The Icelandic gambling market

Exclusive rights monopoly (5 operators)
Lotteries, Sports Betting, EGMs

Not licensed game categories
Landbased Casino and Online Casino



Gross gaming revenue per gambling category in Iceland market 2022

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Protection and prevention

Limits and self-exclusion

- Voluntary personal limit setting for online sports betting and Lotto
- Maximum loss limit for online sports betting and Lotto
  - €650/day, €3 200/week, €13 000/month
- Self-exclusion possible only for online sports betting and Lotto

Treatment

- National help line run by the Red Cross (not gambling specific)
- Treatment is offered by the SÁÁ (National Center for Addiction Medicine)
- Gambling anonymous (GA) offer peer support

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Gambling and Problem Gambling

Gambling participation

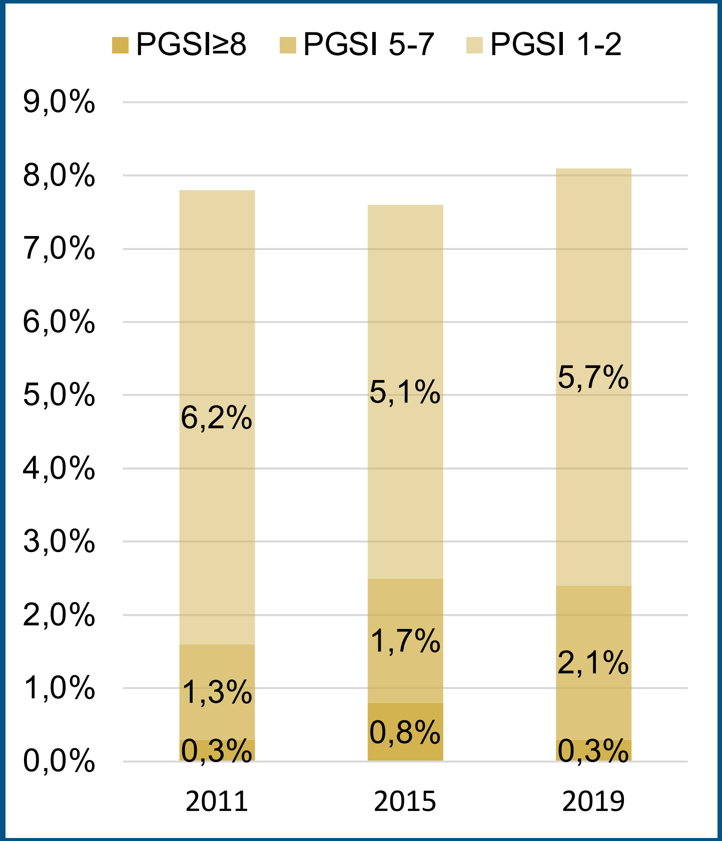
- Yearly participation rose during the financial crises from 67% in 2007 to 76% in 2011 and stayed similar in 2017 or 77%
- Weekly participation is also rising from 13% in 2007 to 18.5% in 2017

Problem gambling rates are quite constant

- PGSI 8+ shows a slight increase in 2011 but otherwise stays the same at 0.3%
- PGSI 3-7 shows slight increases in rates over time

Gambling types most predictive of PG

- EGMs and Internet gambling on foreign websites (internet poker, Internet EGMs, Internet sports betting on events)



Effectiveness of the gambling market

60% of the revenue is estimated to be gambled within the legal system.

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Challenges and discussion

The EGM problem, ban or harm reduction system?

How can we keep unlicensed online operators from the market?


NORWAY
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The Norweigian gambling market

Exclusive rights model

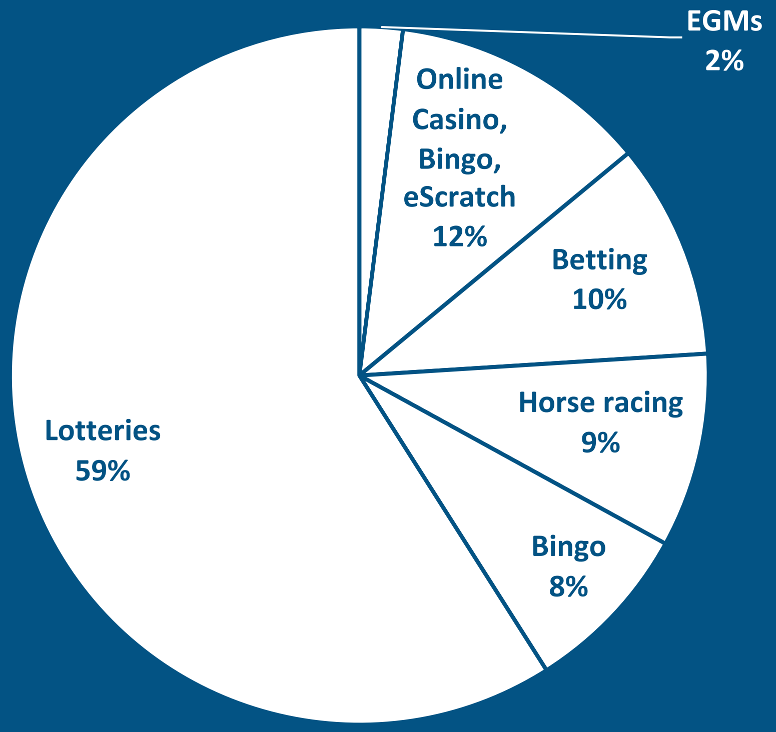
- Lotteries, EGMs, Online Casino, Online Bingo, Sports Betting at Norsk Tipping
- Horse racing at Rikstoto

Non-commercial licensed gambling

- Lotteries and Bingo

Not licensed game categories

- Landbased casino



Gross gaming revenue per gambling category in Norway 2021

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Protection and prevention

Limits and self-exclusion

- Player must set loss limit for online gambling
- Norsk Tipping and Rikstoto have maximum loss limit per operator
  - €1 700/month and lower for certain games/ages
- Self-exclusion possible per operator

Duty of care

- Norsk Tipping and Rikstoto monitor gambling and call potential problem gamblers.

Treatment

- National help line and online
- National online based remote treatment
- Treatment recognised as duty of the health service
- Strong tradition of peer support (Spilleavhengiget Norge & GA)

Gambling and Problem Gambling

Gambling participation increasing

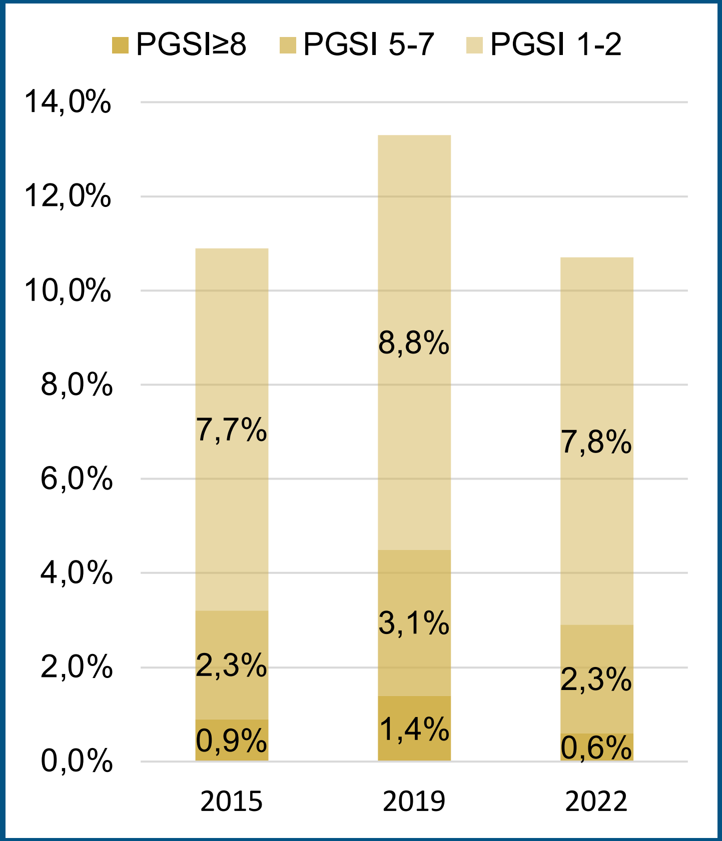
- Yearly participation rose from 58% 2015 to 63% in 2019 and stayed similar in 2022

Gambling problem rate up and down

- PGSI 8+ and PGSI 3-7 increased in 2019, but seems to have fallen back

Online casino common with problem gamblers

- Help line statistics: Online casino (59%), Betting (28%), Live Betting (13%), Poker (12%)



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Effectiveness of the gambling market

85% of the Norweigian revenue is estimated to be gambled within the legal system

96% of the players estimated to gamble only on legal options

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Challenges and discussion

How should we keep the illegal operators of the market? Stop money transfers, stop commercials, website blocking…

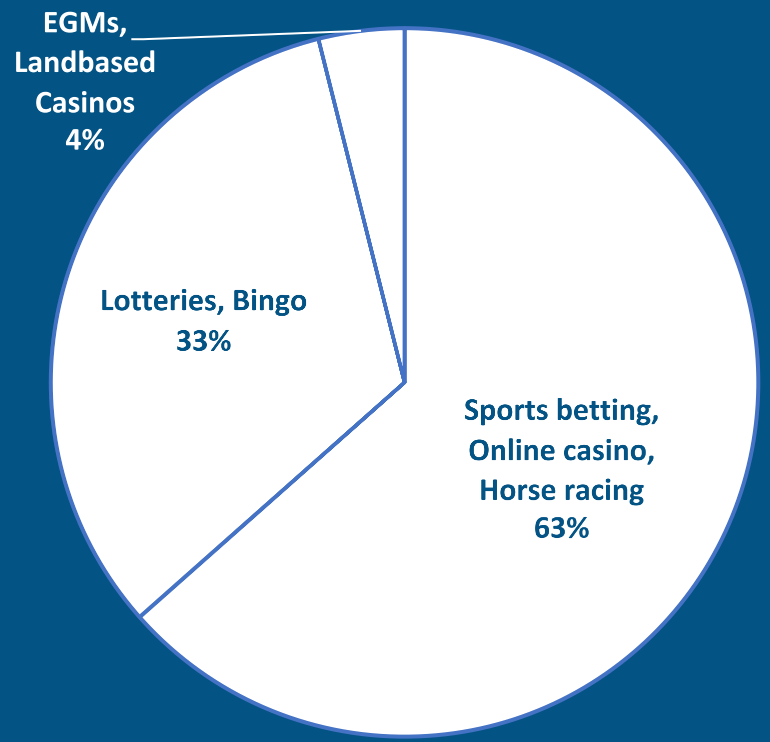

SWEDEN

The Swedish gambling market

Commercially licensed gambling
- Online Casino, Sports Betting, Horse Racing

Non-commercially licensed gambling
- Lotteries, Bingo

State monopoly
- EGMs and Landbased Casinos



Gross gaming revenue market share by license categories in 2022

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Protection and prevention

Limits and self-exclusion

- Player must set deposit limit for online gambling
- National self-exclusion register
- No regulation on maximum loss or deposit

Duty of care

- Companies must monitor, intervene and if needed ban customers
- Regulator can review duty of care plan and rule considerable fines if not compliant

Treatment

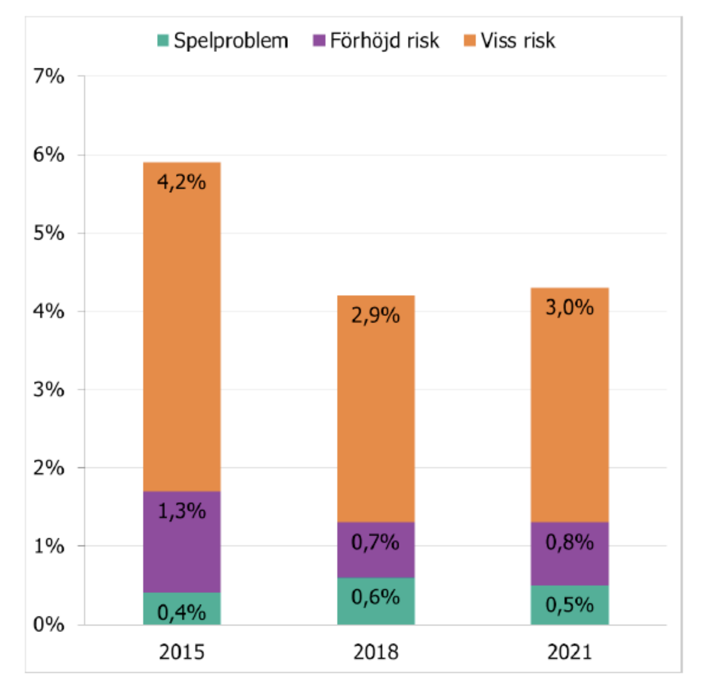
- National help line
- Treatment recognised as duty of the health service
- Strong tradition of peer support

~1% of the adult Swedish population is excluded from gambling in the national self exclusion register

Gambling and Problem Gambling

Gambling participation is going down

- Yearly participation down from 88% in 1997-98 to 56% in 2021
- More frequent participation also going down



Gambling problem rate quite constant

- PGSI 8+ ~0.5% over time.
- PGSI 3-7 seems to have declined some.

Online casino common in problem gamblers

- Help line statistics*: Online casino (53%), sports betting (15%), stocks/crypto (7%)

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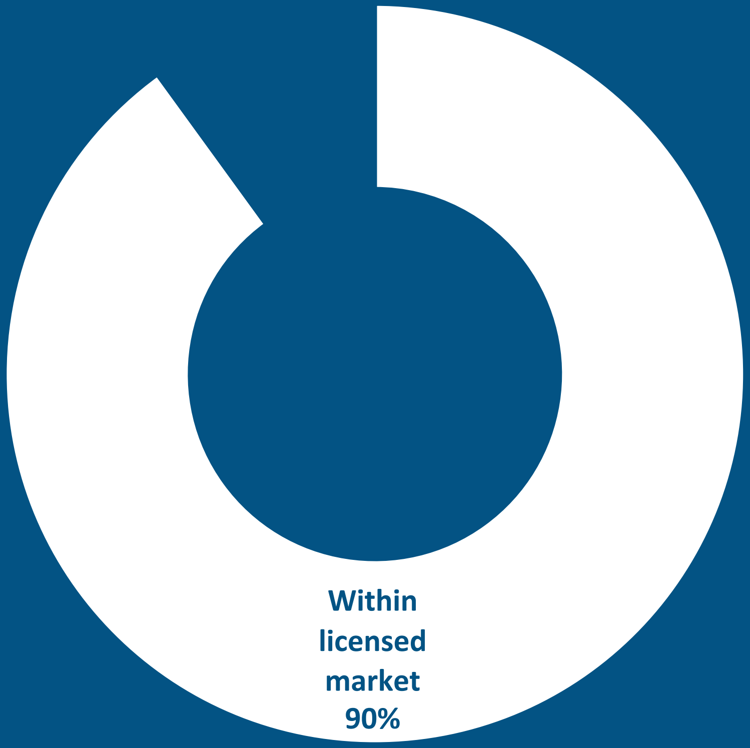
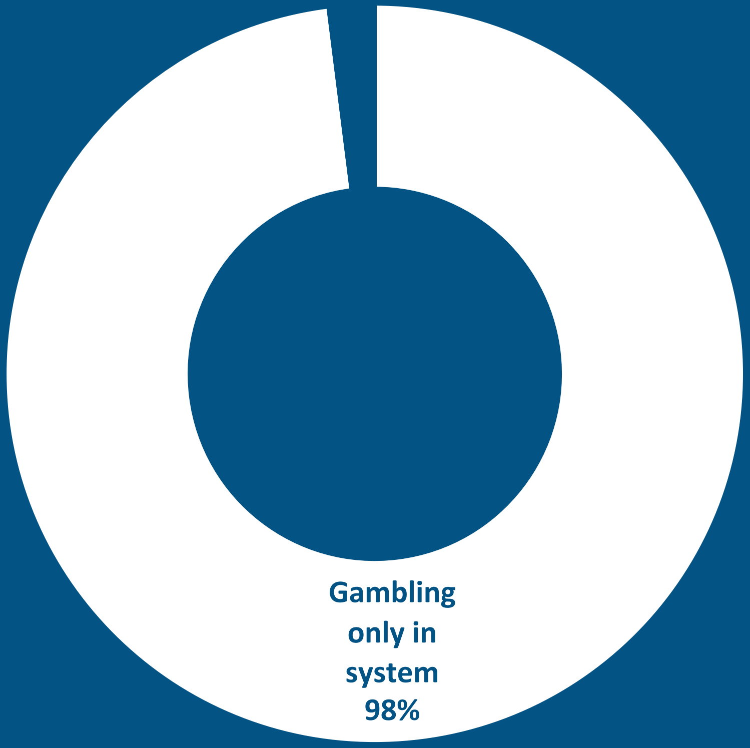
** With the unspecified online gambling category removed*

Effectiveness of the gambling markets



90% of the revenue is estimated to be gambled within the legal system 2020



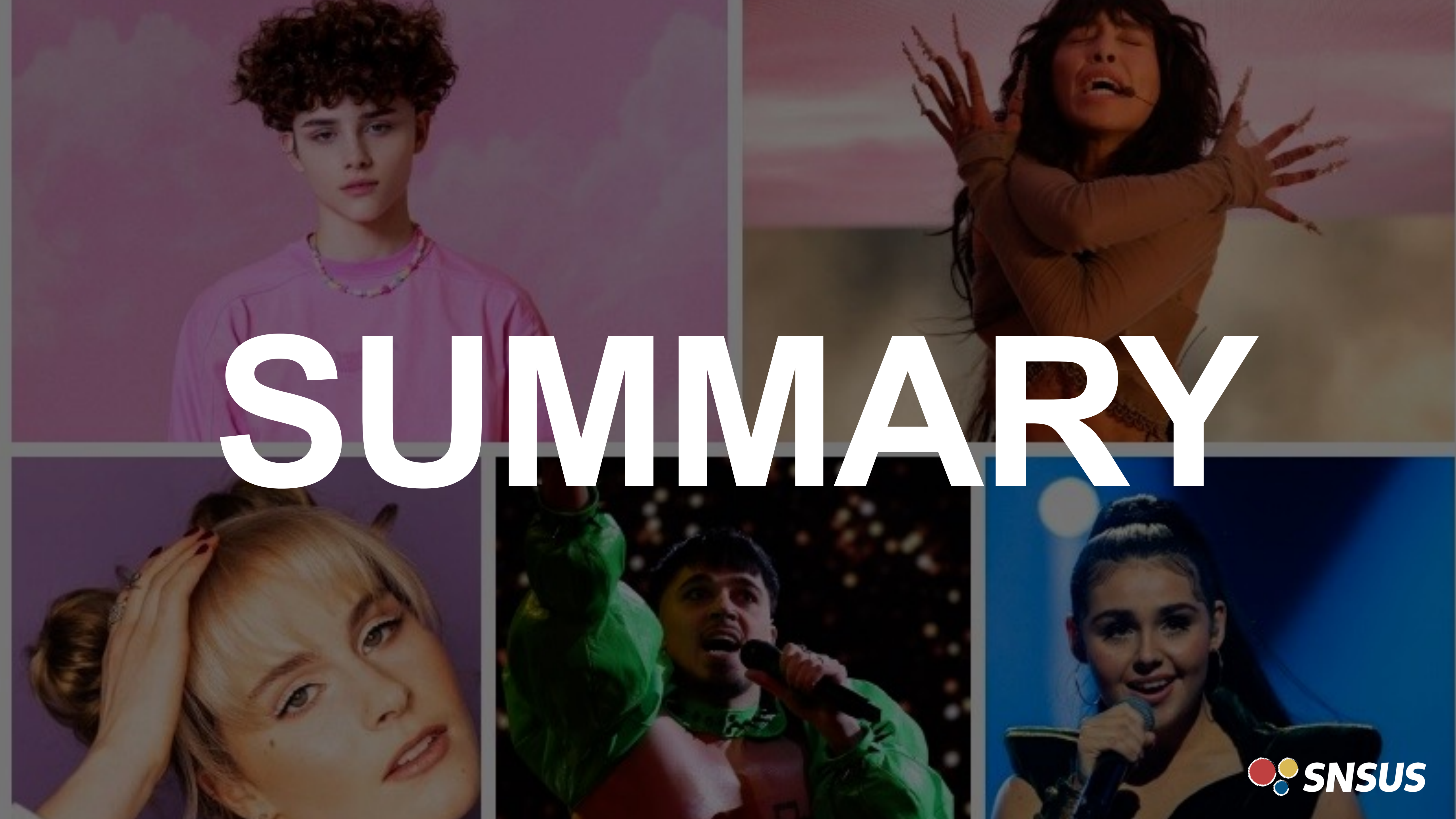
98% of the players estimated to gamble only on legal options

Challenges and discussion

Proportion of revenue gambled on legal online casino sites might be as low as 60-75%

Majority of treatment seekers are excluded on national self exclusion register

SUMMARY



Discuss with your neighbor!

Q1: How important is the market model in terms of preventing harm?

Q2: All countries struggle with unregulated (problem) gambling online. What can be done?

Q3: Why do gambling participation develop differently in the Nordics?

Q4: We have talked about getting comparable data for gambling problems in the Nordic for decades. Why is it so difficult?

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ERRATA

SLIDE 23: Calculation error of revenue per game category for Norway. Corrected before upload to archive 2023-06-03.