



GAMBLING ACT 2005

REMOTE GAMBLING

MEDIA FACT PACK

August 2007

It's nearly 40 years since the Government last had the opportunity to take a serious look at gambling legislation.

Although it is currently possible to operate remote betting sites from Great Britain it has been illegal to operate remote gaming sites (e.g. poker, black jack, roulette). Modernised rules were needed because old legislation was conceived before the advent of the home computer. The Gambling Act will allow remote gaming sites to be based in, and regulated by, Great Britain for the first time.

The latest research by the Gambling Commission shows that nearly 3 million people have gambled remotely (through the internet, mobile phone or TV) in the last month. This excludes those who only gamble remotely on the National Lottery. That figure rises to about 4 million if you include those who only gamble remotely on the National Lottery.

Across the US, Europe and Asia the Internet gambling market alone is reportedly worth US \$30 billion – more than double what it was 5 years ago.

The Gambling Act was passed in April 2005 and will come into force on the 1 September 2007. The Sections of the Act relating to remote gambling deal with new forms of gambling using

- the internet;
- television sets;
- the telephone
- radio; and
- mobile phones.

The Gambling Act 2005 has three key objectives in relation to remote gambling, to ensure it is:

- fair;
- crime free; and

- that children and vulnerable people are protected from being harmed or exploited by gambling.

To enforce this we have created a powerful new regulator – the Gambling Commission – that replaces the old Gaming Board, who did not regulate remote gambling. The Commission will have the powers to:

- investigate;
- prosecute;
- fine; and
- remove the licences of operators who fail to comply with the law.

All gambling operators, including those operating remotely, will be tightly controlled by the Gambling Commission with social responsibility an explicit condition of their licence. They will have to follow strict procedures including:

- preventing underage gambling;
- prominently display information on their homepage about responsible gambling and how to get help for problem gamblers; and
- contribute to problem gambling treatment, education and public awareness and research on problem gambling.

In addition all remote operators will have to:

- introduce measures to control continuous and repetitive play;
- ensure customers are made aware of how much time and money they have spent on their website;
- train staff to identify and deal with customers who may be affected by problem gambling;
- enable customers who feel they have a gambling problem to exclude themselves from the website;
- adhere to technical standards covering the functionality of games and the security and administration of the systems that provide the gambling facilities; and
- use the best publicly available information for age verification purposes, including random credit card checks to verify age. The Gambling Commission

will follow this up with mystery shopping exercises using under-18s to ensure that operators are not allowing children to gamble online.

The Advertising Standards Authority, Gambling Commission and OFCOM, will oversee strict advertising codes that will also act in the interests of children and bar advertisers from:

- encouraging irresponsible or excessive gambling;
- seeking to harm or exploit children, the young, or other vulnerable persons;
- directing advertisements at those under 18; or
- featuring people who seem to be under 25.

Overseas operators will only be able to advertise in the UK if they are based within the European Economic Area, Gibraltar or in one of the jurisdictions included on the whitelist. To be included on the whitelist jurisdictions will have to demonstrate that have in place a tough regulatory similar to the Gambling Act including measures that:

- act to protect children and vulnerable people from being harmed or exploited;
- keep out crime;
- ensure that gambling is conducted fairly;
- enforce compliance; and
- ensure that gambling operators are subject to rules on money-laundering and financial probity.

The Gambling Commission will publish a prevalence study later this autumn which will be carried out every three years. This will provide a useful indicator of the level of gambling and problem gambling in the UK.

DCMS Press Office

For further information contact the DCMS press office on 020 7211 6263/6931/6971.

