



EUROMAT Manifesto 2024



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Our industry entertains millions of Europeans every year through low stakes amusement machines operated in venues which are often part of the fabric of our local communities. The supply chain of our industry employs hundreds of thousands of people across the continent. We are fully invested in Europe's future. We want to keep on bringing high-quality leisure time to European citizens, while creating value for Europe's economy.

As a new Commission takes office later this year, as a responsible industry we are ready to engage in the policymaking process that will follow.

This document sets out our perspective on the European business environment and our recommendations for a better Europe for our member businesses and our players.

Jason Frost

President, EUROMAT



Our policy asks

Fair competition between public and private offers

Fair competition is at the heart of a well-functioning market. Gambling offers in many European countries include privately operated and publicly operated channels. It is important that where this is the case player protection legislation is evenly applied to avoid market distortion. For example, where advertising restrictions have been imposed these have been applied to our member businesses but not the national lottery. For example in Spain state-run lotteries account for roughly 70% of gambling market revenue and amount to 34% of the country's gambling advertising spend¹², making them by far the country's biggest gambling advertisers. Similarly in Italy the Decreto Dignita prohibits any form of advertisement but excludes lotteries from this blanket ban, despite accounting for a 29% market share³. The restrictions are not evidence-led; there is no player protection reason to exempt the lottery or any other public channel from advertising restrictions and doing so only distorts the market.

Combat illegal gambling in every form

Illegal gambling puts players at risk and reduces the tax take for governments as players migrate to unregulated, untaxed offers. The internet has fuelled a proliferation of opportunities to gamble illegally. The Digital Services Act is a welcome development in this regard: enhanced notice and action rules as well as greater transparency for advertising we hope will help to see links to illegal offers swiftly removed so that access can be reduced and players channeled to regulated and taxed offers. We hope that the Commission and Digital Services Coordinators will apply rigorous enforcement of the law.

Rules on payment which give our members the ability to keep pace with consumer trends

The trend across Europe is towards more non-cash payment. Advances in technology present consumers with varied non-cash payment options which is leading to a general decline in cash use by consumers. Unfortunately our products are often regulated in such a way that non-cash payments are prohibited. It is important that, like any other legal business, we have the freedom to offer customers a variety of payment options. Cash will remain a mainstay of our business for years to come but we need the freedom to innovate and offer our customers an enhanced experience.

Ability to do business should be safeguarded

In recent years our members have noted with concern the refusal of banks to offer basic banking services to companies operating in our sector. While Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features ("The Payment Accounts Directive"), provides a guarantee of access to a payment account with basic features for consumers, there is no corresponding protection for businesses.

With no guarantee of access to basic banking services enshrined in law, we have seen an incremental erosion of the offering of such services for our sector. This amounts to a de facto prohibition on our sector offering services, despite our sector being classified as being at moderate to low risk of money laundering in the Commission's supra-national risk assessment and corresponding national assessments.

We hope that any future review of the Payment Accounts Directive will seek to guarantee a level of service for businesses as well as consumers.

1 [Annual market statistics](#), Directorate General for the Regulation of Gambling, Spain (Page 4-9).

2 [Advertising Observatory in Spain](#) 2020, Spanish Association of Advertisers (AEA) (2020) (pages 53-65).

3 [Libro Blu 2022](#), Agenzia delle Dogane e dei Monopoli, Italy (Page 29).



Our policy asks

Risk-based approach to AML rules should be maintained

Article 4 of the Regulation On The Prevention Of The Use Of The Financial System For The Purposes Of Money Laundering Or Terrorist Financing provides Member States with the choice to exempt (in full or in part) certain low-risk gambling sectors from the scope of the Directive on the basis of a national risk assessment. This is consistent with the 4th Anti-Money Laundering Directive which originally introduced this flexibility and has resulted in several European countries exempting our sector on the basis of a rigorous risk assessment.

Low stakes and prizes gaming machines provide no means to launder money. The ability to launder money relies on the possibility to obscure its origin. Simply inputting cash into slot machines directly or through a Ticket In and Ticket Out system (TITO) does not obscure its origin. No paper trail is established by using a gaming machine which would allow somebody to wash money and convert illicit funds into legitimate funds.

Neither the cash in and cash out machines, or the machines integrated into a TITO system operated by our members, could be manipulated in any way to facilitate money laundering. This is because it is not possible to receive a receipt in exchange for winnings.

In addition, national legislation often requires that machines undergo testing prior to receiving a security certificate. This guarantees that no tampering of the machine is possible, either by the operator or the player (e.g. loading non-certified software; manipulating software loaded on the machine; manipulating data stored in the machine).

Good legislation is proportionate and targeted and as such Member States should utilize the flexibility in the AMLR to exempt low risk sectors, such as the gaming machine sector, from the scope of AML rules.

Protect the Internal Market and enforce EU law

Our Members adhere to all applicable legislation within the sector. In the field of gambling, Member States retain the freedom to define gambling law nevertheless there are basic Internal Market principles which must be respected and as

such Member States are obligated to inform the European Commission about the adoption of any "technical regulation" at the national level. As per EU Directive (EU) 2015/1535, when provisions in national legislation related to gambling services are deemed "technical regulations," Member States are required to notify such measures to the Commission.

Notification of national law is necessary to prevent unnecessary or unjustified barriers to doing business. Unfortunately, we have noted an increasing trend of Member States either neglecting to notify or failing to re-notify legislation significantly amended during the legislative process.

Adherence by Member States to fundamental aspects of EU law is non-negotiable, especially considering the private sector's substantial efforts to comply with legislation. Therefore, we express the hope that, in the upcoming mandate, the Commission will uphold its enforcement duties and take action against Internal Market infringements by Member States.

Responsible gambling measures should be proportionate and balanced with the right to privacy

At the core of EUROMAT's mission lies the protection of players and the promotion of responsible gambling. Through staff training and player awareness campaigns and education, the industry is making a significant difference. We are concerned that regulators are increasingly gravitating towards extreme measures which lack proportionality and conflict with privacy by design principles. Specifically the introduction of player cards and associated player tracking entail disproportionate levels of data collection. With problem gamblers, based on all available prevalence measures, representing a concerning but ultimately small proportion of overall players this would mean the invasive tracking of individuals without a useful use case for that data.

In the era of GDPR, where data minimization is a prevailing principle across industries, the gambling sector is under pressure from regulators to move in the opposite direction. Instead of adopting indiscriminate data collection measures, regulators should prioritize privacy-friendly interventions that strike a balance between responsible gambling and player privacy.



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