

Summary

- » On March 15, 2023, Royal Decree 176/2023, of March 14, which develops safer gambling environments ("**RD of Safe Gambling**") was published in the Spanish Official State Gazette.

Contextualization

- » The RD of Safe Gambling develops Law 13/2011, of May 27, on the regulation of gambling ("**SGL**"), with regard to the protection of consumers of gambling products in Spain in general as well as in regards to certain categories of players, in attention to their specific characteristics (especially young players; intensive players; players with risky gambling behavior; players who having been registered in the General Registry of Banned players ("**RGIAJ**") decide to gamble again, vulnerable or at-risk players).
- » Until now, the matter of safe gambling was dispersed among others in the SGL, the administrative resolutions granting the licenses, the Ministerial Orders and Title II of Royal Decree 958/2020, of November 3, on commercial communications of gambling activities ("**RD of Commercial Communications**"); Consequently, the RD of Safe Gambling aims to offer a complete and harmonious regulatory framework, including former obligations and incorporating numerous and relevant new obligations and prohibitions.
- » Motivation of the RD of Safe Gambling: The Ministry of Consumer Affairs indicates in the Regulatory Impact Analysis Report that in the context of Spanish society, the prevalence of gambling disorders is around 0.3%, hence contained. However, some trends have been observed, inter alia:
 - Increase of especially young players in the state-wide online gambling market and increase in their level of spending.
 - Crecent concentration of most of operators' revenues on a small number of players.
 - Increase of the inscriptions in the RGIAJ, especially of people between 18 and 25 years old.
 - The decrease in the average age of the players who are attended by the associations that aid gambling disorders.

New obligations/prohibitions and entry into force

- » Among the most relevant developments are the following:

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| 1 | Incorporation of new concepts such as: privileged clientele (" VIP "), participants with intensive gambling behavior, vulnerable participants or groups at risk, young participants. |
| 2 | Incorporation of the obligation for all operator personnel to receive training on responsible or safe gambling, even if these personnel work in a land-based gambling establishment. |
| 3 | Incorporation of new specific information obligations : specific information to be on the websites and apps, specific self-assessment messages to players, messages to players to access their history etc. |
| 4 | Extension of the pre-configuration obligation of the gambling session to all games marketed under the general license "other games" except poker (previously only for the singular license of slot machines). <i>Entry into force deadline: March 15, 2024</i> |
| 6 | Limits on amounts dedicated to live betting. <i>Entry into force deadline: March 15, 2024</i> |
| 7 | Regarding players categorized as " participants with intensive gambling behavior ", understood as players who have incurred weekly net losses equal to or greater than €600, for three consecutive weeks and in the case that they are also "young participants", the weekly net losses shall be equal to or greater than €200 per week, for three consecutive weeks, and imposes: <ul style="list-style-type: none"> » obligation to send specific messages, » obligation to send a monthly summary of game history, » prohibition of depositing funds with credit cards. <i>Entry into force of this prohibition: March 15, 2024</i> |
| 8 | Regarding players categorized as " young participants ", understood as players between 18 and 25 years old, it imposes: <ul style="list-style-type: none"> » obligation to send a specific message, » ban on VIP customer status, <i>Entry into force deadline: March 20, 2023</i> » prohibition of sending promotional activity whose object is unrelated to the gambling activity carried out on the operator's platform. <i>Entry into force deadline: March 15, 2024</i> |
| 9 | Regarding players categorized as " person with risk behavior " that already existed in the RD of Commercial Communications, certain obligations are incorporated, among them: |

- » Prohibition of the deposit of funds with credit card as well as use of means of payment that are not nominative. *Entry into force deadline: March 15, 2024*

10 In relation to **fraud**:

- » Obligation to develop procedures for monitoring and detecting possible identity theft by participants registered in the RGIAJ.
- » Obligation to adhere to systems for the prevention of risk of identity theft.

11 Regarding games (note to game providers and developers!) It is forbidden that the results in a game or in a session, even if they constitute losses for the player, are accompanied by messages such as "You almost got it right", "You were close", or similar. *Entry into force deadline: 15 March 2024*

12 The General Gambling Authority will develop within two years of the entry into force of the RD of Safe Gambling a **mechanism for detecting risk behavior** that must be used by all operators.

General entry into force: Except for some specific precepts that, as indicated, enter into force on March 15 2024 and some other exception, the Royal Decree on Safe Gambling enters into force on **September 15, 2023 at 00.00**.

Sanctioning regime

- » Failure to comply with the obligations contained in the RD of Safe Gambling are classified as a **serious infringement** that carries a **penalty between one hundred thousand euros (€100,000) and one million euros (€1,000,000)** as well as possible **suspension of the activity for a maximum period of six (6) months**.

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