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# ANNUAL REPORT 2020

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Keeping online gambling  
and sports betting safe,  
fun and responsible.



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OVWG

Österreichische Vereinigung  
für Wetten und Glückspiel

## Introduction

When we subtitled the 2019 activity report „An exciting year in Austria“, nobody expected that 2020 would bring a new dimension of excitement. Only three months later, after we had published our last annual report, Austria was in lockdown. The first lockdown from mid-March to the beginning of May brought public life to a complete standstill, with the result that the entire sports world – and with it the sports betting sector – came to a standstill. After short-term openings over the summer, a second lockdown was implemented at the end of November in response to the increasing infection numbers. In contrast to the first lockdown, this time professional sport was permitted to take place – albeit without an audience. However, the land-based gambling and betting operators had to close their shops once again.

For this reason, the „Kurz II“ government, a coalition of the New People's Party (ÖVP, conservative) and the Green Party (left-wing), which was sworn in on 7 January 2020, has been busy managing the health crisis almost from the start.

As a result, many regulatory projects were postponed. Nevertheless, 2020 was an eventful year for the gambling and sports betting industry in Austria: From the committee of inquiry around the appointment of Peter Sidlo as CFO of Casinos Austria and accusations of bribery against Novomatic, to the takeover of majority ownership of the monopolist by the Czech Sazka Group and to the monopolist's economic difficulties.

All these events show us once again that our demands for a transparent gambling regulation in conformity with European law are not only correct, but also urgently needed. Only a transparent, modern new regulation of gambling and betting in line with European law can bring added value to Austria and guarantee high standards of player protection. In 2019, online gambling operators with an EU licence paid 123 million euros in gambling tax in Austria, invested 100 million in the Austrian sports and media landscape and provided 1000 highly qualified jobs.

In recent years, OVWG has succeeded in becoming a key contact point in the Austrian gambling and sports betting sector. This is, of course, owed not least to the

commitment of our members, who not only repeatedly demonstrate their sense of responsibility in their field of business, but also understand that the targeted representation of interests is of utmost importance. On the following pages we summarised our activities of the past year for you once again.

**Enjoy reading and a happy and above all healthy new year 2021!**

## Index

Introduction — 2

OVWG expert panels — 4

Studies and market surveys 2020 — 6

Some Highlights from 2020 — 12

What is the regulatory situation  
in other EU member states? — 16

Outlook — 18



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## OVWG expert panels

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OVWG's expert panels have become an integral part of our public affairs activities. They provide a good opportunity to develop solutions for challenges in the gambling and sports betting industry together with experts and to discuss them with key stakeholders.

The **1<sup>st</sup> OVWG expert panel** was held last year on „player protection and sports sponsoring“. Three more followed in 2020:

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### **2<sup>nd</sup> OVWG expert panel on “Gambling regulation 2.0 - best practice example Denmark”, 03.03.2020**

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Birgitte Sand, Director of the Danish Gaming Authority, presented the Danish gambling regulation to Austrian stakeholders in an expert panel. Denmark opened its online gambling market in 2012. Since then, its authority has been issuing licences that are not limited in quantity, but are linked to high market access and player protection standards. As a result, Denmark has managed to steer over 90% of demand into the licensed and fully controlled market. This is one of the reasons why Denmark is considered a role model in the regulation of online gambling accross Europe.

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### **3<sup>rd</sup> OVWG expert panel on Sport, 29.06.2020**

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Austrian sport is one of the most affected sectors by the Corona crisis. From the very beginning of the crisis, our members, as longstanding economic partners of sports, decided to actively participate in the search for solutions. Within the framework of this expert panel, OVWG discussed support measures with representatives of Austrian sports. OVWG once again repeated its call for the introduction of a modern online gambling licensing system with high player protection standards in Austria and suggested to earmark the additional tax revenues and license fees for Austrian sports. OVWG estimates that an additional 30 to 50 million euros can be generated for sport without placing a further burden on the already heavily strained national budget this way.

We would also like to take this opportunity to thank Roman Neßhold, President of the Institute for Gambling and Addiction, for his insightful presentation on the implications of such a licensing model for player protection. In his presentation he showed that good player protection can only take place in a channeled market.

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### **4<sup>th</sup> OVWG expert panel on “The incoherence of gambling regulation”, 23.11.2020**

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Due to the Coronacrisis, the fourth expert panel took place as a webinar. The authors of the study, Univ.-Prof. Dr. Bernd Hartmann, LL.M. (University of Osnabrück) and Univ.-Prof. Dr. Tristan Barczak, LL.M. (University of Passau) presented the main findings of their study on the topic „Is the regulation of gambling and betting in Austria compatible with the coherence requirement of EU law?“.

They explained in detail why the Austrian gambling monopoly is contrary to EU law and thus largely inapplicable. On the expert panel, attended by numerous interested parties from the gambling industry, the authors of the study called on the legislator to re-regulate the gambling sector and create a legal situation in line with European law.

# Studies and market surveys 2020

## 1 | MARKET SURVEY

It is very important for OVWG to present evidence-based information to stakeholders. For this reason, OVWG has commissioned a survey (n=1500 between 18 and 69 years of age, survey period: December 2019) to determine how Austrians feel about the gambling monopoly:

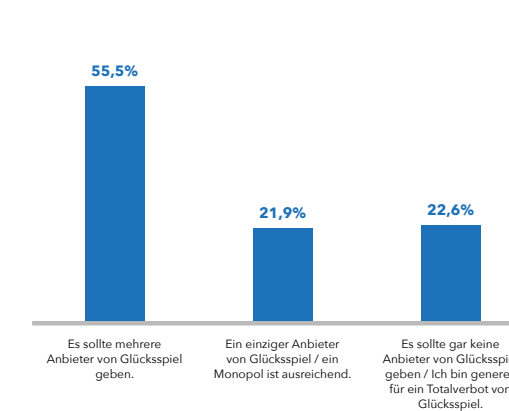
- The majority of the respondents are skeptical towards the Austrian gambling monopoly: While only one gambling operator is considered enough for 21.9 percent, the majority of respondents (55 percent) would like to have several operators to choose from.
- 81.2 percent of those surveyed consider it important that the state is (at least partially) involved in the selection of operators.
- There is a consensus among the respondents on the need for an obligation for operators to set up player protection systems on their platforms (86.6 percent).

**Austrians therefore want state control and good player protection, but also call for a corresponding variety of operators.**

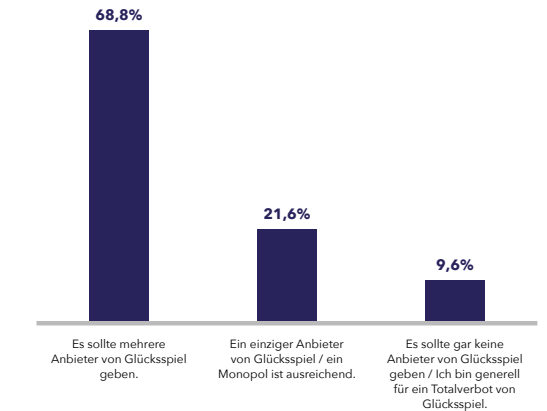
## Angebotsvielfalt wird (staatlichem) Monopol vorgezogen



Einschätzung der repräsentativen Stichprobe:



Einschätzung von Personen, die zumindest einmal im Monat spielen:

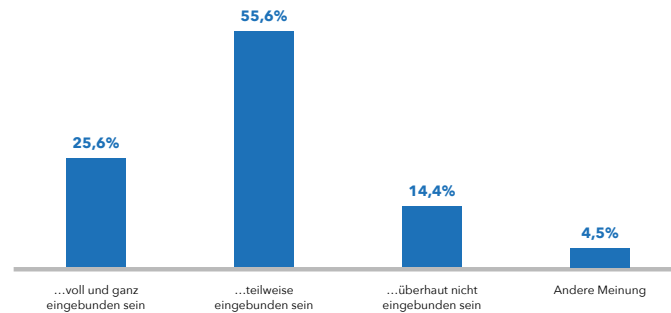


„Wie viele Glücksspiel-Anbieter sollte es Ihrer Meinung nach am Markt geben?“



## Der Staat soll bei der Auswahl der Online-Anbieter teilweise eingebunden sein

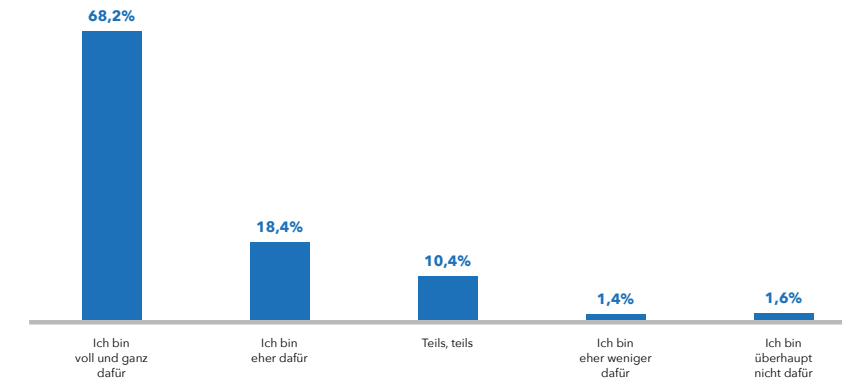
Einschätzung der repräsentativen Stichprobe:



„Inwiefern sollte der Staat in die Entscheidung, welche Online-Glücksspiel-Anbieter zugelassen werden, eingebunden sein? ...“

## Online-Anbieter sollen dazu verpflichtet werden, Spielerschutzsysteme einzurichten

Einschätzung der repräsentativen Stichprobe:



„Inwieweit sind Sie dafür, dass Online-Glücksspiel-Anbieter verpflichtet sind, Spielerschutzsysteme (z.B. Maximaler Betrag der täglich verspielt werden kann, Zeitlimits für Spielen) auf Ihren Plattformen einzurichten?“

## 2 | MORE THAN SPORTS BETTING

### Study on the importance of the sports betting industry in Austria

A study commissioned by the Economic Chamber of Upper Austria and carried out by the University of Linz with the support of OVWG and OSWV, examined the economic importance of the sports betting industry in Austria and came to interesting results:

- Sports betting operators and their activities annually contribute in average 382.9 million euros to the Austrian gross domestic product.
- Other sectors also benefit from the activities of sports betting operators by around 195 million euros. Across all sectors, sports betting secures 3,164 full-time jobs in Austria.
- The sports betting sector contributes on average around 170 million euros per year (rising) to the public budget.



- The investments of the sports betting operators trigger positive effects on gross value-added amounting to 20.3 million euros, employment effects amounting to 221 full-time equivalents and fiscal effects of 8,1 million euros.
- The greatest challenges for the sports betting industry lie in improving the image of the industry and a uniform nationwide legal framework.

The study was presented at a press conference in the facilities of the Federal Economic Chamber of Upper Austria in Linz on 24 September 2020.

## 3 | STUDY

### on the incoherence of Austrian gambling regulation

OVWG has argued for many years that the Austrian laws on (online) gambling are neither compatible with EU law nor up-to-date. This can be proven again and again by scientific and legal expert opinions, as a recently published expert opinion by the University of Osnabrück once again showed.

The study raised the question of whether gambling and betting regulation in Austria is compatible with the coherence requirement of EU law and thus addressed a problem which has existed for a long time but which has become even more acute with recent developments in the gambling sector.

#### The results of the study show that amongst others

- the limitation to one online licence,
- the fact that video lottery terminals are being set up in precisely those federal states where gambling with slot machines is otherwise prohibited,
- the fact that poker may now only be offered in casinos or
- the three additional (not tendered) casino licences

**lead to inconsistency and thus to the Austrian legislation being contrary to Union law and therefore inapplicable.**

# Some Highlights from 2020

## January 2020

**OVWG IS GROWING:** One of the world's largest sports betting and gambling operators „GVC Holdings“ – known in Austria mainly through its brand „BWIN“ – becomes a member of OVWG. The rebranding to Entain PLC took place in December 2020.

**Entain**



## February 2020

**INDUSTRY DIALOGUE @ ICE LONDON:**  
The presidents of DSWV, DOCV und OVWG present (as every year) current regulatory and political topics from Germany and Austria.



## March 2020

**COVID-19:** European interest groups publish guidelines for safe online gambling and responsible advertising.



## July 2020

**„DER BRUTKASTEN“ #ROOFTOP. TALK #11 POWERED BY STADLER VÖLKELE ON THE TOPIC:** „E-sport as a future market for the betting industry?“ The participants discussed sponsoring possibilities as well as possibilities to improve the regulatory framework in the field of E-sport and betting.

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

## January 2020

**INTEGRITY WINS – OVWG BECOMES NEW MEMBER OF THE PLAY FAIR CODE:**  
The Play Fair Code is an initiative of the Ministry of Sports, the Austrian Football Association (ÖFB) and the Austrian Football League.

The aim of the Play Fair Code is to guarantee manipulation-free competitions together with the Austrian sports associations, athletes, coaches and club managers.



**PLAY FAIR CODE**  
INTEGRITY WINS

## March 2020

**2<sup>ND</sup> OVWG EXPERT PANEL: „Gambling regulation 2.0 – best practice example Denmark“** with the Director of the Danish Gaming Authority Birgitte Sand.



## May 2020

**Videoslots Ltd becomes an associate OVWG member. We look forward to working together!**



## June 2020

**3<sup>RD</sup> OVWG EXPERT PANEL:**  
OVWG presents plan to support Austrian sport in the Corona crisis: In this expert panel, the participants discussed the benefits of a licensing system for online gambling and how the additional revenues (30 to 50 million euros per year) from such a system could be earmarked for Austrian sport.

## July 2020

**OVWG TALKS TO NEWSWIRE** about the impact of COVID-19 in Austria and how a new regulation for the online sector could not only guarantee high standards of player protection, but also maintain (and increase) tax revenues for Austria.



## Mehr als Sportwetten

Studie über die Bedeutung der Sportwettenbranche in Österreich



Erstellt für  
**WKO**  
WIRTSCHAFTSKAMMER  
Österreich  
Die Wirtschaft und Sportwetten

Verfasst von:  
**J&U** **GAW** **DYNAXITY**  
J&U CONSULTING GMBH  
GAW CONSULTING  
DYNAXITY

## September 2020

„MORE THAN SPORTS BETTING“ –  
Presentation of the sports betting study in Linz.

## October 2020

OVWG WELCOMES A NEW VICE-PRESIDENT:  
Martin Beranek, General Manager of Austria/Germany/  
Switzerland at Kindred is unanimously elected as the new  
Vice-President of OVWG. We are very much looking  
forward to working together!



## October 2020

COVID-19: European interest groups  
renew guidance on safer online  
gambling and responsible advertising  
after Coronavirus restrictions return.



## November 2020

OVWG PRESENTS A NEW STUDY BY THE UNIVERSITY  
OF OSNABRÜCK, which proves that Austrian gambling  
regulation is incoherent and thus contrary to EU law.



JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER



## September 2020

13. AUSTRIAN  
GAMING&BETTING  
CONFERENCE IN  
VIENNA: Annual  
conference in Vienna,  
where OVWG gave  
a presentation on  
developments in the  
online sector.



## September 2020

PRESS RELEASE:  
Online gambling  
operators present  
plan to support  
Austrian sport in  
the Corona crisis.

## October 2020

OVWG @ EUROPEAN GAMING  
CONGRESS 2020: Updates from Austria,  
Germany and Switzerland.



## November 2020

4<sup>TH</sup> (VIRTUAL) OVWG EXPERT PANEL:  
The authors of the study on the  
incoherence of the Austrian gambling  
regulation present its main results  
in a webinar.



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## What is the regulatory situation in other EU member states?

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With our demand for a licensing system in the online sector, we do not want Austria to implement anything new, but only to do what (almost) all EU member states have already done.

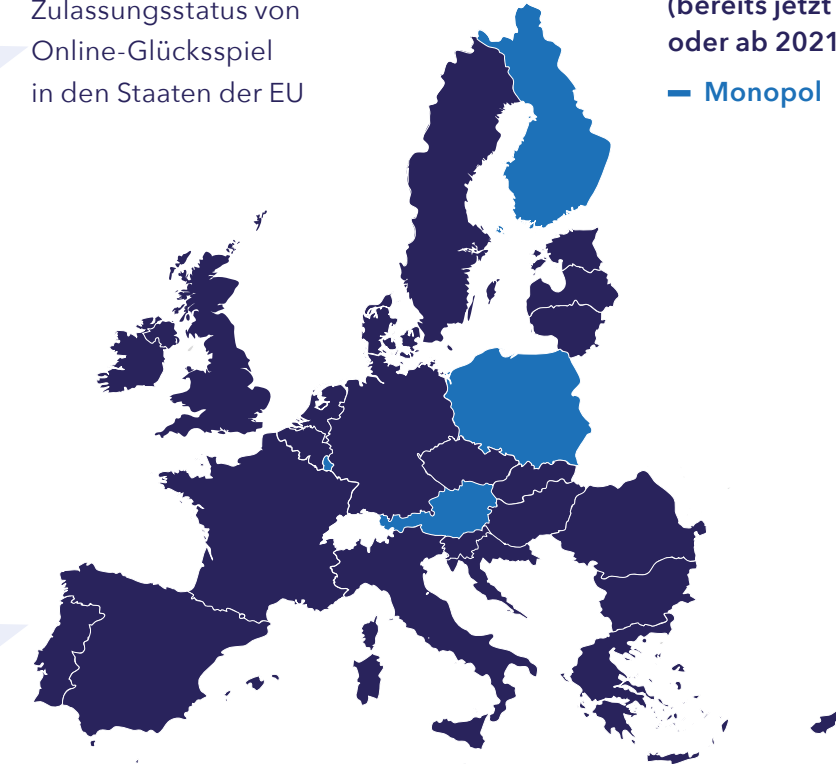
Besides Denmark, many other countries have abolished their online monopolies in recent years and switched to licensing models.

These licensed markets, where licenses are tied to compliance with high player protection standards, create a win-win situation for everyone:

**Comprehensive control and full supervision for the state, high player protection standards for customers and legal certainty for responsible operators. This is what we want for Austria!**

**Europafaktor:**  
Zulassungsstatus von  
Online-Glücksspiel  
in den Staaten der EU

— Lizenzen  
(bereits jetzt  
oder ab 2021)  
— Monopol





*Mag. Claus Retschitzegger*  
*President*



*Dr. Raffaella Zillner, LL.M.*  
*Secretary General*

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## Outlook

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2021 will certainly be another exciting year in Austria. In addition to the health and economic struggle against the Coronacrisis, the question of what results the committee of inquiry will bring to light and whether the Casinos Austria AG will succeed in polishing up its image will further keep us occupied.

In March 2020, Finance Minister Gernot Blümel had already announced that he planned to establish a new gambling authority. In our view, this provides a good opportunity to re-regulate the online sector.

OVWG, as the representative of the interests of online gambling and sports betting operators, will in any case continue to advocate for Austria to finally obtain a fair, sustainable gambling regulation that complies with EU law.

**We wish you all a merry Christmas and a good start into the new year 2021. We are already looking forward to continuing our great cooperation!**

**Stay healthy!**



*A merry and healthy Christmas and  
a good start into the new year 2021!*



**Please direct questions and queries to**

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As of: December 2020

**OVWG**  
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