
ANNUAL REPORT 2021

Fair licensing model
instead of Czech monopoly.
#If they let us.

OVWG

Österreichische Vereinigung
für Wetten und Glücksspiel

Foreword

If you look for the key issues that have particularly shaped the work of the OVWG in 2021, you wouldn't have to look too far: the **announcement of the Council of Ministers – media campaigns – player claims – and yet another government reshuffle.**

The extensive media reporting on the Universities of Vienna and Munich's advertising studies made for a successful start into the new year 2021. In February, however, the industry was surprised by the Council of Ministers' announcement of an amendment to the Gambling Act. The purpose of the proposed amendment was to create an independent gambling authority, introduce IP address blocking, reform the tax regime, implement new rules for slot machines, abolish video lottery terminals (VLTs), blacklist illegal operators and impose advertising restrictions – to name just the key points. Timeframe: as early as possible.

This opened an important window of opportunity for us to communicate once again our key arguments to the public. In a large-scale, three-week print campaign in all relevant daily and weekly newspapers, we emphasized that online operators, some of which were even founded in Austria, create a lot of added value for Austria: 1,000 jobs, 170 million euros in taxes per year as well as annual sports and media investments of 100 million euros per year. In addition, we pointed out that the Austrian gambling monopoly is not only a completely outdated concept, but also in Czech majority ownership. Instead we called for a more diverse market by way of a fair and strictly controlled licensing system for private operators. The same arguments were then repeated in a Citylight campaign in Vienna's city center with the headline „Licensing system instead of Czech monopoly for online gambling“. Besides that, stakeholders – in particular from sports and the media – were activated.

After the political turmoil in connection with several raids in ÖVP offices and the OVWG's intensive public relations and lobbying work, news concerning the Gambling Act became scarce. At the same time, the number of player claims against operators licensed in EU member states

(but not in Austria) skyrocketed. There were media reports about successful lawsuits against private gambling operators and new litigation financiers on almost a daily basis. The OVWG supported its members throughout by commissioning legal opinions and complaints to the bar association and coordinating the exchange between lawyers. At the same time, the new „Commentary on the Gambling Act with Selected Issues of Betting Law“ was published, edited by the Secretary General of the OVWG, Dr. Raffaella Zillner, LL.M., and with the participation of numerous renowned authors.

Over the next pages, we would like to take a detailed look at OVWG's work in 2021. In 2022 - with a new Chancellor as well as a new Minister of Finance - numerous challenges await us. The OVWG will continue to represent its members in the new year as a strong and professional association with a strong public presence in Austria!

With this in mind, we wish you a merry Christmas and a healthy, happy and successful start into the next year!

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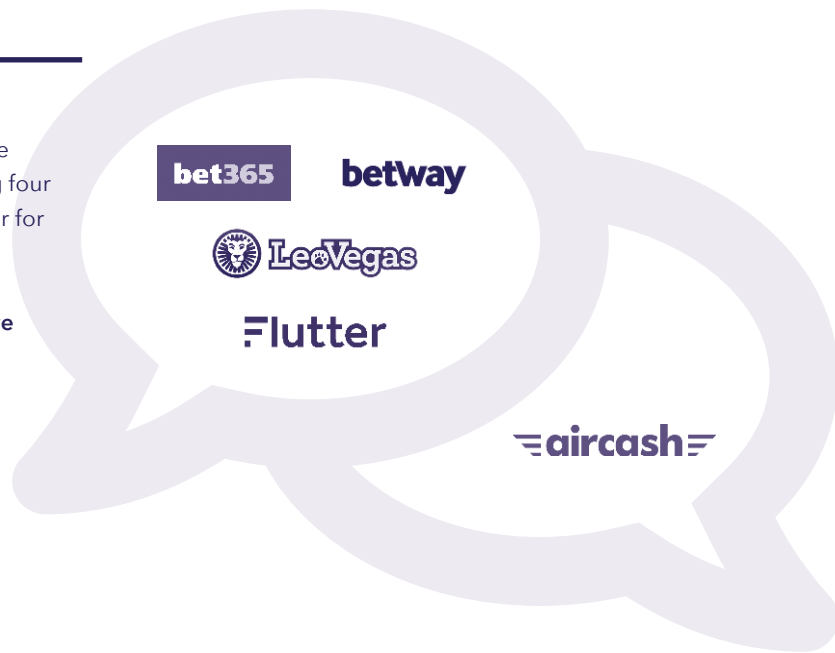
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Members of the OVWG

The dedication of our loyal members continued to be tireless in 2021. In addition, we succeeded in gaining four additional full members and one supporting member for the OVWG in 2021.

We are already looking forward to a good and active cooperation in 2022!



bet-at-home



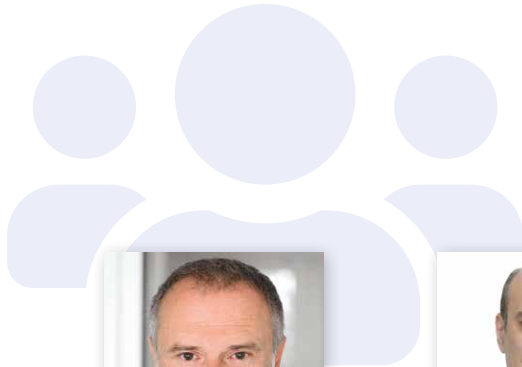
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OVWG Executive Committee



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Board Member



Mark Adams
Board Member



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President



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Vice President



Daniel Berthold
Board Member



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Board Member

Council of Ministers: Announcement of an amendment to the Gambling Act

On 24 February, an amendment to the Austrian Gambling Act was announced by the Council of Ministers, which came as quite a surprise. The Ministry of Finance announced the creation of an independent gambling authority as well as the establishment of a cross-provider blocking database, which was expressly welcomed by the OVGW. In contrast, the proposed IP address blocking, tax increases and the blacklisting of operators without an Austrian license met with little approval.

After a first **press release** in which we clearly positioned ourselves and criticized the government for its unwillingness to talk, the go-ahead for a large-scale **print campaign** was given on 28 March. For three weeks, the main arguments of the OVGW were printed in all relevant daily and weekly newspapers in Austria. The core messages: we demand a fair licensing regime instead of a Czech monopoly, online operators create a lot of added value (100 million euros in sports and media investments and 170 million euros in taxes) and secure 1000 direct jobs in Austria.

Lizenzsystem
für das
Internet-
Glücksspiel
statt Monopol

WIR ZAHLEN
170
MILLIONEN
EURO STEUERN
PRO JAHR.

#Wenn man uns lässt

Rund 170 Millionen Euro beträgt die jährliche Wett- und Glücksspielerlöse in Österreich. Wenn diese Anbieter mittels Netzsperrungen ausgeschlossen werden, Vielmehr sollte der Markt ausgedehnt werden, dem Beispiel zahlreicher EU-Staaten werden, streng kontrolliertes und auf Spieleschutz setzend Sicherheit ist notwendig, damit wir auch in Österreich sorgen, Steuern zahlen, Spielern sichern können. Mehr Info: www.ovwg.at

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Lizenzsystem
für das
Internet-
Glücksspiel
statt Monopol

WIR UNTERSTÜTZEN DIE
SPORT- UND MEDIEN-
LANDSCHAFT MIT
100 MILLIONEN
EURO IM JAHR.

#Wenn man uns lässt.

Zirka 100 Millionen Euro jährlich investieren EU-lizenzierte Wett- und Glücksspieler in die österreichische Sport- und Medienlandschaft. Damit sichern sie nicht nur den Spitzen-, sondern auch den Breiten Sport in Österreich. Diese Investitionen werden verloren gehen, wenn die in der EU lizenzierten Anbieter mittels Netzsperrungen aus dem österreichischen Markt ausgeschlossen werden. Vielmehr sollte der Glücksspielermarkt als Anlass genommen werden, dem Beispiel zahlreicher EU-Staaten zu folgen und ein zeitgemäßes, streng kontrolliertes Lizenzsystem einzuführen. Diese Rechtssicherheit ist notwendig, damit wir auch weiterhin einen gesunden Wettbewerb in Österreich sorgen, Steuern zahlen, Sportvereine unterstützen und Arbeitsplätze sichern können. Mehr Info: www.ovwg.at

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Lizenzsystem
für das
Internet-
Glücksspiel
statt Monopol

KONTROLLIERTER
WETTBEWERB
STATT VERALTETES
MONOPOL.

#Wenn man uns lässt.

Die geplante Glücksspielerreform schützt ein veraltetes Monopol, das sich zudem auch mehrheitlich im Eigentum eines tschechischen Unternehmens befindet. Gleichzeitig sollen seriöse, in der EU lizenzierte Wett- und Glücksspieler, von denen viele sogar in Österreich gegründet wurden, mittels Netzsperrungen aus dem österreichischen Markt ausgeschlossen werden. Internationale Beispiele zeigen, dass Netzsperrungen zu einer massiven Abwanderung in den ungeschützten Markt außerhalb der EU führen. Wir fordern Angebotsvielfalt durch ein faires, streng kontrolliertes Lizenzsystem für private Anbieter, damit wir auch weiterhin in Österreich für Wettbewerb sorgen, Steuern zahlen, Arbeitsplätze sichern und den Sport unterstützen können. Mehr Info: www.ovwg.at

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WIR SICHERN ÜBER
1000
ARBEITSPLÄTZE
IN ÖSTERREICH.

#Wenn man uns lässt.

Mehr als 1000 Menschen sind in Österreich bei EU-lizenzierten Wett- und Glücksspieler beschäftigt. Diese Arbeitsplätze sind in Gefahr, wenn durch die geplante Glücksspielerreform als Anlass genommen werden, den Beispiel zahlreicher EU-Staaten zu folgen und ein zeitgemäßes, streng kontrolliertes und auf Spieleschutz setzend Sicherheit ist notwendig, damit wir auch weiterhin einen gesunden Wettbewerb in Österreich sorgen, Steuern zahlen, Spielern sichern können. Mehr Info: www.ovwg.at

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This campaign was supported by **TV appearances** on OE24.tv, Krone.tv and Puls24 as well as numerous interviews and statements in national and international media.



On 29 April, we also launched the **Citylight campaign** in Vienna's city center, in which we once again positioned the most successful subject of the media campaign – a licensing regime instead of a Czech monopoly.



In order to communicate our concerns to the sports and media sectors, which significantly benefit from the sponsoring and marketing investments of private gambling operators, **regular calls with the relevant sports associations, sports leagues and media have taken place** since March. In addition, the OVWG **cooperated with Sports-business and Sport&Marke** to give the topic an even larger platform.



Throughout the year, the **contact to relevant stakeholders in politics, sports, media and civil society** (e.g. ISPA, epicenter.works and Digital Society) was continuously expanded and stakeholders were informed about all relevant developments. For this purpose, the OVWG prepared easy-to-understand summaries and focused on the individual stakeholder group. To date, the amendment to the Austrian Gambling Act has not been published. Currently, it seems like an agreement has been reached on the independent supervisory authority between the coalition partners, but the other points are still subject to negotiation.

Expert panel on the topic of player protection

Our expert panels are an important tool to inform relevant stakeholders about current developments.

On 14 September, the 5th OVWG expert panel on „Player Protection in Practice“ took place, with Florian Sauer giving an insight into Entain’s player protection system. After that, Dr. Gabriele Fischer (General Hospital Vienna), Dr. Michael Auer (Neccton) and Mark Griffiths (Nottingham Trent University) discussed current developments in player protection and the benefits of player protection software.

Other OVWG expert panels in the last years were held on the topics of player protection and sports sponsorship (2019), gambling regulation 2.0 – best practice example Denmark (2020), potential sports investments through a licensing system (2020) and the incoherence of the gambling regulation (2020).



Studies and expert reports

The OVWG always strives to **substantiate its arguments with facts and scientific evidence**. That is why studies are an important part of our public relations work. In 2021, the OVWG commissioned no less than five studies.

1. METICULOUS ABUSE CONTROL IS A MUST

Prof. Heiko Sauer (University of Bonn)

In this study, Prof. Sauer deals with the overall assessment of circumstances conducted by the national courts and clearly comes to the conclusion that considerable mistakes are being made in Austria. These errors ultimately lead to the fact that the coherence assessments conducted by the Austrian supreme courts do not meet the requirements of EU law. The study was published in the journal *Ecolex*.



2. INCOHERENCE OF THE AUSTRIAN GAMBLING REGULATION

Prof. Bernd Hartmann (University of Osnabrück)/

Prof. Tristan Barczak (University of Passau)

This study was conducted in 2020 and published in the Austrian law journal *Medien & Recht*. In 2021, it was published again by Mohr Siebeck to give it even more publicity.



3. THE AUSTRIAN GAMBLING MONOPOLY FROM AN ECONOMIC PERSPECTIVE

*Institut für Angewandte Wirtschaftsforschung
(Innsbruck)*

This study addresses the question of whether the Austrian gambling monopoly can be justified from an economic perspective. It comes to the clear conclusion that the monopoly is neither in line with the market nor proportionate, as it can neither be justified with a market failure nor with player protection. This study will be published shortly.



4. LEGAL ISSUES OF NATIONAL INTERNET BLOCKING FOR THE PURPOSE OF ENFORCING THE GAMBLING MONOPOLY DE LEGE LATA UNDER AUSTRIAN AND EUROPEAN LAW

*Prof. Nikolaus Forgó and Mag. Ziga Skorjanc
(both University of Vienna)*

This legal opinion deals with the question of whether internet blocking is a suitable means of enforcing the Austrian gambling monopoly. The legal opinion comes to the clear conclusion that internet blocks are not an efficient means – mainly since they are easy to circumvent. The study will be published shortly.

5. STUDY ON THE POTENTIAL INAPPLICABILITY OF SECTION 14 GSPG DUE TO THE LACK OF NOTIFICATION OF THE BUDGET ACCOMPANYING ACT 2011

Prof. Christian König (University of Bonn)

In this expert report, Professor König concludes that Section 14 (3) sentence 2 of the Gambling Act should have been notified. This provision allows for a branch in Austria as an alternative to the strict domestic seat requirement, provided that the foreign company has a „comparable lottery license“ in its country of domicile. However, this proof of a „comparable lottery license“ cannot be provided at all due to the specificity of the Austrian legal situation, which combines the landbased lottery offer and the online gambling offer in a license that is unique throughout the EU. This provision therefore leads to a disguised monopoly maintenance regulation, which de facto excludes online gambling offers by gambling operators licensed in EU Member States. This anti-competitive regulation, which significantly impairs the right of establishment and the freedom to provide services, should have been notified to the European Commission as a new technical regulation. As it has not been notified, it should not be applied.

Commentary on the Austrian Gambling Act

2021 also saw the publication of the new commentary on the Austrian Gambling Act and selected betting law issues. The commentary, to which numerous renowned experts contributed, was edited by Dr. Raffaella Zillner, Secretary General of the ÖVWG.

„As editor, I am particularly grateful to have attracted a wide range of leading experts to this project. The authors are from both the public and private sectors, from legal departments as well as from consulting agencies, interest groups, the regulatory authority, courts and academia. The aim was to find experienced experts for the individual contributions, who do not only provide the reader with a compact overview of the legal material and offer scientific

solutions that go beyond the individual case, but also share their own (practical) experience. We would therefore like to express our sincere thanks to the authors for their commitment, and together we hope that this work will provide for any issues related to the lottery, gambling and betting law“.



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Das aktuelle Standardwerk als kompakter Überblick zum Thema Glücksspiel- und Wettensrecht für Jurist:innen, die in Wissenschaft und Praxis mit dem Thema zu tun haben. Auch „Gewinnspiele und Preisausschreiben“, beinhalten, erhalten hier einen Schwerpunkt.

Profitieren auch Sie von der Praxiserfahrung namhafter Expert:innen, denn sie bieten in diesem aktuellen Werk nicht nur über den Einzelfall hinausgehende wissenschaftliche Lösungsansätze an, sondern lassen auch an der eigenen (Praxis-) Erfahrung teilhaben.

Die Herausgeberin:

Dr. Raffaella Zillner, LL.M., ausgebildete Rechtsanwältin mit langjähriger Erfahrung im Glücksspiel- und Sportwettensrecht, ist Generalsekretärin der Österreichischen Vereinigung für Wetten und Glücksspiel.

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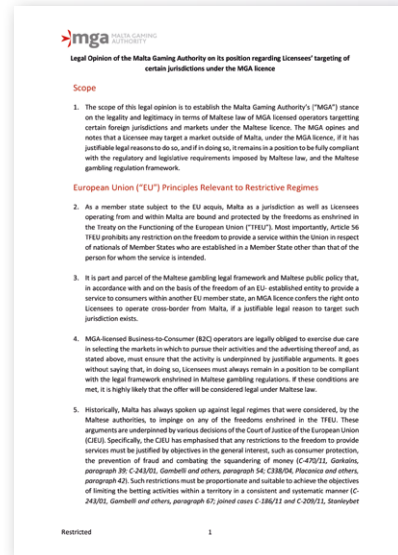
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More highlights from 2021

Criticism of the monopolist's advertising:
The OVGG published studies by the University of Vienna and the University of Munich, which achieved great media coverage.



A legal opinion by the Malta Gaming Authority came to the conclusion that **operators with licenses from Malta may also offer gambling in Austria**, stating that the Austrian gambling monopoly contradicts EU law.

In 2021, the OVWG was again represented as a speaker at numerous conferences. **Special highlights** were the IMH Conference in Vienna and the German Gambling Law Day in Frankfurt.



Complaint to the EU Commission: Just in time for the turn of the year, the OVWG filed a complaint with the EU Commission on behalf of its members, drawing attention to the fact that national courts continue to not consider EU law.



Mag. Claus Retschitzegger
President



Dr. Raffaela Zillner, LL.M.
Secretary General

Outlook

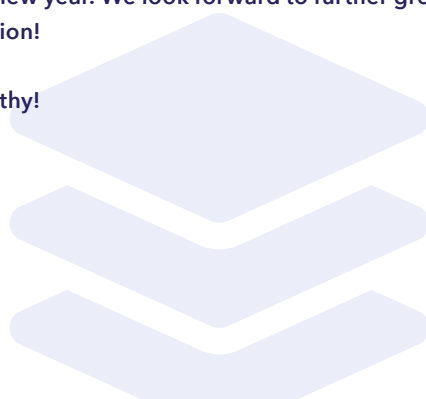
2022 will certainly be another exciting year in Austria. At the beginning of December, a new Federal Chancellor, *Karl Nehammer* (formerly Minister of the Interior), and a number of new ministers were sworn in. The Ministry of Finance went to former State Secretary and President of the Austrian Tennis Federation *Magnus Brunner*.

Erwin van Lambaart will also replace *Bettina Glatz-Kremsner*, who won't be extending her contract, as CEO of the Casinos Austria AG and Österreichische Lotterien GmbH in spring. The former head of Holland Casino is set to continue the austerity course of the Sazka Group and steer the group through rough waters.

In any case, the OVWG, as the association for online gambling and sports betting operators, will continue to do everything in its power to ensure that Austria finally receives a fair, sustainable gambling regulation that complies with European law.

We wish you all a merry and healthy Christmas and a happy new year. We look forward to further great cooperation!

Stay healthy!



*A merry and healthy Christmas and
a good start into the new year 2022!*



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