

Full title of report Increased protection and strengthened regulation in the re-regulated gambling market
Final report of the Gambling market investigation. SOU 2020:77. December 2020
Ökat skydd och stärkt reglering på den omreglerade spelmarknaden
<https://www.regeringen.se/4aed3b/contentassets/4942818c09e14ab280d360ed3f1bbc64/okatt-skydd-och-starkt-reglering-pa-den-omreglerade-spelmarknaden-sou-202077.pdf>

Title of relevant section Summary (in English)); marketing-related only

Further restrictions on marketing

Moderation in the marketing of gambling has been a statutory requirement since 1 January 2017. When the Gambling Act was passed, the Government chose to carry over the moderation requirement of the Lotteries Act unchanged into the new Act and highlighted the need for the meaning of the concept to be developed through case law. To date, what is meant by moderation in marketing has only been considered in two cases before the courts. The Inquiry has deliberated on whether there is now cause to introduce a requirement of special moderation in the marketing of gambling.

However, in view of the way the existing moderation requirement was described in the government bill and has been interpreted by the courts and the Swedish Consumer Agency, the Inquiry considers it too early at present to conclude that that requirement is not sufficient to protect vulnerable groups when it comes to the content of gambling advertising.

The current provisions of the Gambling Act do not limit the amount of advertising for gambling. Despite a decline in spending on such advertising in traditional media since regulation of the gambling market was reformed, levels of spending remain high. Of the gambling advertising carried by traditional media in 2019, more than half (53 per cent) consisted of advertising for online casinos. This means that over SEK 3 billion was spent on advertisements for online casinos, a form of gambling only engaged in on a regular basis by around 0.5 per cent of Sweden's population. Research shows that gambling advertising has an adverse effect on problem gamblers and those at risk of becoming problem gamblers, and that extensive exposure of children and young people to such advertising may contribute to a normalisation of gambling. Research also shows that gambling on token machines, land-based casino games (i.e. Casino Cosmopol) and commercial online gambling (mainly online casinos) are the forms of gambling that can currently be considered to carry the greatest risk in terms of addiction.

With a view to limiting the amount of advertising for the games involving the highest risk, the Inquiry proposes that advertising for such games via television broadcasts, on-demand television, searchable teletext, audio radio broadcasts, on-demand radio (podcasts) and video sharing platforms should be prohibited between 6 a.m. and 9 p.m.

The Inquiry proposes that, as a penalty for infringements of this new provision, and of the ban on direct marketing aimed at self-excluded players under Chapter 15, Section 2 of the Gambling Act, it should be possible to impose a market disruption charge as provided for in the Marketing Act.

Token gambling machines

Through Svenska Spel, the state has an exclusive right to provide gambling on token machines in restaurants and bingo halls. Despite a sharp fall in turnover for this form of gambling as online gambling has grown, the Inquiry's assessment is that the provision of token machine gambling by the state continues to serve a function in channeling gambling towards legal alternatives and therefore remains relevant from a player protection point of view.

Consumer protection relating to gambling on token machines has been strengthened in

recent years, inter alia by more stringent regulation, new technical possibilities and a redoubling of responsible gambling efforts on the part of the company. Under temporary provisions introduced by the Government in response to the spread of Covid-19, the loss limit for gambling on token machines may be set no higher than SEK 5 000 per week. The Inquiry proposes that this restriction should be made permanent and that, after a certain interval, the Government should review and evaluate the effects of the loss limit as a basis for deciding whether it should be lowered.

Other measures to reduce the harmful effects of gambling

Since the new regulatory framework was introduced, the Swedish Gambling Authority and the Swedish Consumer Agency have exercised active oversight of compliance with the Gambling Act. Several cases are still being considered by the courts. The Gambling Act is a framework Act, and under it the Gambling Authority therefore has extensive powers to introduce more detailed regulations and issue guidance, powers it has not yet made full use of.

Regarding the duty of care (Chapter 14, Section 1 of the Gambling Act), the Gambling Authority has begun a process aimed at making clear its own assessment and providing support and guidance to licence holders concerning the requirements arising out of this duty. The Inquiry takes the view that the duty of care is one of the most important provisions of the Gambling Act as far as reducing the harmful effects of gambling is concerned. At the same time, it is probably one of the provisions of the Act whose application poses the greatest challenges. The Inquiry's assessment is that it is now very important for the Gambling Authority to create greater clarity about what licence holders are required to do to meet their duty of care.
