

Raising the gaming bar

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The gaming industry in Malta is a major contributor to the economy, two-thirds of which is accounted for by remote gaming.

Malta enjoys a competitive advantage when compared to other jurisdictions. We offer a favourable climate, in both regulations and tax – all approved by the European Union – which continues to attract iGaming companies here.

We offer an effective Tax System for firms to relocate their business, including investment and employment tax credits as well as planned R&D tax credits, soft loan financing and bank guarantees. We have a sound, yet flexible, legislative framework, which is in line with the main EU directives.

Malta has an excellent economic track record, with sustained growth and economic and political stability. There is a high standard of living with diverse entertainment and sport facilities and relatively low cost of living. Above all we have the right business environment, which is a product-driven economy, with established international banking and insurance services.

The remote gaming sector is dynamic and fast-growing. It is regulated by Remote Gaming Regulations, subsidiary legislation to the main Act regulating all forms of gambling in Malta.

The regulatory regime is based on fair, responsible, safe and secure provision of gaming services and seeks to secure the three main pillars of gaming, namely: the fairness of games, the protection of minors and vulnerable persons, and the prevention of crime, fraud and money laundering.

The government wants this industry to flourish in a responsible and efficient way. We are taking all necessary measures to safeguard this industry. We are role models for other jurisdictions. We have a rigorous due diligence processes. In the past month we have launched the Responsible Gaming Foundation and also Gaming Malta, which will take over the promotion of Malta.

Malta was the first EU member state to regulate remote gaming (all forms of gambling and betting). The regulatory regime aims to be both technology and game neutral – encompassing any type of gaming using a means of distance communication. Malta's regulatory regime has been recognised by the Commission and other member states to be among the most advanced in the EU.

In becoming the first EU state to regulate the

gaming industry through the Malta Gaming Authority (MGA), the country established itself early on as the jurisdiction of choice for the industry.

In recent months we have been working with the Malta Gaming Authority to create a new and better environment for the industry. Even though the gaming industry is facing a number of challenges, Malta is still experiencing growth.

During the first seven months of 2015, the number of registered remote gaming licences rose by 8 per cent over the previous corresponding period. By the end of July 2015, there were 3 casinos in Malta with another soon to open after the granting of a 10-year concession. The MGA adopted the Cruise Casino Regulations, and by the end of July 2015 one application had been received and granted.

The Malta Gaming Authority (MGA) is the single, independent, regulatory body responsible for the governance of all gaming activities in Malta. For the past two years, the MGA has been working to consolidate Malta's position in the global domain, particularly within the remote gaming sector. The MGA's aim is to raise the regulatory bar by devising policies and mechanisms that are innovative, evidence-based and business-friendly.

Above all the MGA continues to work on the prevention of money-laundering with the aim of facilitating the adoption of the 4th Anti-Money Laundering Directive (AMLD), which has reached political agreement at EU Level. This is the year of transformation, notwithstanding good and positive results.

Today the iGaming industry injects more than 50 million euros annually into the national coffers, through direct taxation. The multiplier effect of this industry affects various businesses. Thousands of people are directly employed within the industry.

However, if we want to succeed further and bring more work, I believe that we need to tackle some very important issues, among them the workforce – and that is why we will soon launch the gaming academy – and regulatory framework.

On this point the government is proposing a revised and consolidated regulatory framework, the results of which will help provide more consistent, evidence-based and progressive governance of the gaming sector. This new framework will contribute towards further growth and jobs.

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