

Stockholm February 18, 2025

The logo for BOS.nu, featuring the letters 'BOS' in a large, bold, white sans-serif font, followed by '.nu' in a smaller, white sans-serif font. The logo is set against a dark grey rectangular background.

## REGARDING THE NEED TO CHANGE THE SCOPE OF THE GAMBLING ACT

Before the reregulation of the Swedish gambling market in 2019, a goal was set that at least 90 percent of the Swedish gambling market would be channeled to the regulated licensed market. This was and still is of great importance for the purpose of the gambling policy to be achieved, typically a stable gambling market for licensed gambling companies that deliver a high level of consumer protection and good tax revenues.

A common concept in the gambling market is channelization. High channelization means that consumers gamble to a large extent on the regulated market. Low channelization means the opposite. Since the reregulation, a number of measurements of the Swedish channelization have been carried out, by the Swedish Gambling Authority, BOS and the gambling company ATG. Not a single measurement carried out since the reregulation in 2019 has been able to demonstrate that the channelization goal has been achieved.

It is not impossible to achieve high channelization, and Sweden does not need to look further than Denmark to find examples of this.

There are two collaborative ways to achieve high channelization:

1. That the gambling companies that have a Swedish license have so few restrictions that no gambling consumers find reason to choose an unlicensed alternative. However, licensing is intended, among other things, to reduce excessive gambling and licensed gambling companies should therefore be restricted for that purpose.
2. To make access to unlicensed gambling so difficult that gambling consumers do not have the energy to make the effort to play at unlicensed gambling companies. The restrictions in point 1 determine the need for efficiency in these aggravating measures.

## What does the Gambling Act say – and how did it come to be so?

What greatly complicates action by authorities is that the facilitation that takes place in Sweden aims to ensure that Swedish gambling customers participate in games that are not necessarily aimed at the Swedish market in the sense referred to in the Gambling Act. It is only when there are requirements for a license that aggravating measures can be taken. The decisive factor is whether the gaming site has text in Swedish or offers deposits and winnings in Swedish currency and that this must be determined by an overall assessment on a case-by-case basis.

The fundamental error is that the scope of application of the law was changed by the Government Offices in the bill that led to the Gambling Act. With the original gambling license investigation's proposal, the application of any gambling for money that takes place from Sweden and is subject to license requirements had a broader scope.

The SOU 2017:30	Inquiry 2017/18:220 (same as the Legislative Council's report)
<b>Chapter 1</b> Section 2 The Act applies to games that are provided in Sweden, organized in Sweden or otherwise in Sweden that enable participation from persons who are residents or permanently resident here.	<b>Chapter 1</b> <b>Section 2</b> The Act shall apply to games provided in Sweden, unless otherwise follows from Section 3, 4 or 5. Online games that are not aimed at the Swedish market shall not be considered to be provided in Sweden.
...enables participation from persons who are resident or permanently resident here. The latter clarifies that the Gambling Act applies to games that are organized on the internet and that are aimed at participants who live or permanently reside in Sweden. It is not enough here that a website that organizes games is accessible from Sweden – the concept of “enables participation” implies that it should be possible for persons in Sweden to play.  SOU 2017:30 page 394	In order to ensure that not all online gambling is covered by the law's scope of application, games that are not aimed at the Swedish market are excluded. It is therefore not sufficient that a website where gambling is provided is accessible from Sweden - for the law to be applicable, it must be designed for the Swedish market. This must be decided after an overall assessment, where significant circumstances may be that the website contains Swedish text or offers deposits and winnings in Swedish currency. Commentary on the Act Prop. 2017/18:220 p. 290

## Gambling Act, Chapter 18

Section 26 If an account is used or can be assumed to be used for the mediation of bets or winnings to or from a gambling activity without the necessary license under this Act, a payment service provider may be ordered under the Payment Services Act (2010:751) to block electronic payment transactions to and from the account.

The provision means that as a starting point it is permitted to mediate payments if the gambling site does not have text in Swedish and does not offer transactions in SEK.

## **Gambling Act, Chapter 19**

Section 1 Anyone who intentionally or through gross negligence provides unauthorized gambling or gambling without the necessary license under this Act shall be sentenced for illegal gambling to a fine or imprisonment for a maximum of two years.

In minor cases, no liability shall be imposed.

Section 2 Anyone who intentionally or through gross negligence promotes participation in such gambling as referred to in Section 1 shall be sentenced for the promotion of illegal gambling to a fine or imprisonment for a maximum of two years.

The provisions mean that, as a starting point, it is permitted to provide and promote gambling on sites if they do not have text in Swedish and do not offer transactions in SEK.

What enables extensive gambling at unlicensed gambling companies is that the facilitation that takes place in Sweden and which aims to ensure that Swedish gambling customers participate in gambling is not directed at the Swedish market in the sense referred to in the Gambling Act.

### **Consequences**

It is legal to assist unlicensed gambling as long as it takes place on the internet, is not presented in Swedish and does not offer transactions in SEK. Such assistance can be provided by providing advertising space, mediating payment or delivering other services such as, for example, gambling products.

Payment intermediaries, advertising platforms and gambling providers do not therefore violate the Gambling Act.

The consequence of the scope of application that the government chose to propose to the Riksdag, and which the Riksdag decided on, is that according to Swedish gambling regulations, it is permitted for gambling companies all over the world and their service providers to enable games from Swedish customers as long as it is done in a language other than Swedish and in a currency other than SEK. Most Swedes understand English and understand the value of commonly used foreign currencies, such as the euro. There is therefore no real possibility for the Government to initiate any effective measure with the scope of application of the Gaming Act chosen by the Government to make it more difficult for Swedish gambling customers to freely choose to play at gambling companies that are not licensed in Sweden. This means that the focus is instead on licensed gambling companies meeting demand.

BOS has raised this problem with both the previous and current governments, but so far, no action has been taken. We would like the Government to take the initiative to change the scope of application of the Gambling Act so that it also becomes illegal to passively receive Swedish gambling consumers. That is, to change the scope of application to that originally proposed by the Gambling License Investigation (see column above on p. 2). Such a change in law would make it possible to counteract the existence of unlicensed gambling companies as well as payment intermediaries and other subcontractors who currently avoid being hit by the law by using the euro as currency and English as language. We believe that the recent acquittal by the Court of Appeal against a payment intermediary who mediated payments from Swedish consumers to gambling companies unlicensed in Sweden underlines the importance and urgency of the issue.\*

As always, we are at your disposal if the Government wishes to receive further information on this issue.

Kind regards,  
Gustaf Hoffstedt  
Secretary General

BOS – Branschföreningen för Onlinespel

Box 3198  
103 63 Stockholm

[gustaf.hoffstedt@bos.nu](mailto:gustaf.hoffstedt@bos.nu)

[www.bos.nu](http://www.bos.nu)

\* <https://www.spelinspektionen.se/globalassets/dokument/ovriga-dokument/domar/zimpler-ab-dom-kr-1859-24.pdf>