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PORTUGAL: RGA CALLS FOR A REVIEW OF THE REGULATORY REGIME

On the second anniversary of the introduction of the Portuguese taxation and licensing regime, The Remote Gambling Association (RGA) is calling for an urgent review of the system after its failure to attract almost no licensees.

In 2015, when the new regime for licensing online gambling was introduced, one of the key policy objectives was to provide Portuguese consumers with an attractive offering that was licensed by the Portuguese regulator. By channelling consumers into the local market the aim was to ensure they received the appropriate safeguards and the government benefitted from the ensuing tax revenues.

Provision was quite rightly made in 2015 for a review to take place once the regime had been established. As the stated objectives of the regulatory reforms have clearly not been met, the RGA is now urging the authorities to launch such a review now as a matter of urgency.

Clive Hawkswood, the RGA's Chief Executive said, 'It is clear from all the evidence that the Portuguese market is not operating in the way that the Government intended. Only six licences have been granted so far, of which just two are for sports betting which compares unfavourably with well-regulated jurisdictions in Europe and cannot be sufficient to channel consumers into the regulated market.'

The main reason for this is the 8/16% turnover tax on online sports betting which makes the market unattractive to the bulk of European operators.

There are also a range of regulatory issues, such as the limitations on poker liquidity, which would benefit from reconsideration. If suitable amendments can be made, especially on the tax front, then more operators will take out licences and this in turn will enable the regulator to police the market more effectively.

Against this background, we strongly urge the Portuguese government to follow the example of other EU countries where viable tax regimes and good regulation have created markets that are successful for their governments; provide suitable protections for their consumers; and enable the industry to be competitive and profitable.'

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Notes to editors

The RGA is a London & Brussels -based trade association whose members are all licensed for gambling purposes in Europe.

Its membership includes most of the world's largest and most respected Internet gambling companies, many of whom also have interests in terrestrial gambling establishments.

The RGA is committed to promoting a regulated and non-discriminatory environment for responsible licensed operators in the world's remote gambling markets.

Further information about the RGA and a list of its members can all be found at www.rga.eu.com

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