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6th EASG Conference on Gambling Studies & Policy Issues
Malmö, 1 July 2005

Player Protection on the Internet

More than the Treatment of
Gambling Addiction



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Overview

- I. Research Topic – Gambling on Internet
- II. Player Protection Issues
- III. Conclusions for Player Protection



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I. **Triennial Research Topic 2001-2003**

Gambling on the Internet

Swiss Institute of Comparative Law

in cooperation with

Institute of Computer Science, Faculty of Science

and

Centre for Comparative and European Law, Faculty of Law

of the

University of Lausanne



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I.

“Cross-Border Gambling on the Internet: Challenging National and International Law”

Schulthess Juristische Medien, Zürich, 2004

ISBN 3 7255 4768 8



I. Research Topic – Gambling on Internet

Main Aspects Addressed

A. Regulatory Framework

- International Legal Framework
- National Legislative Strategies
- Application of National Laws to Cross-Border Online Gambling Operations
- Technical Options
- Online Gambling Legislation in the Context of Cyber-Law generally



I. Research Topic – Gambling on Internet

Main Aspects Addressed

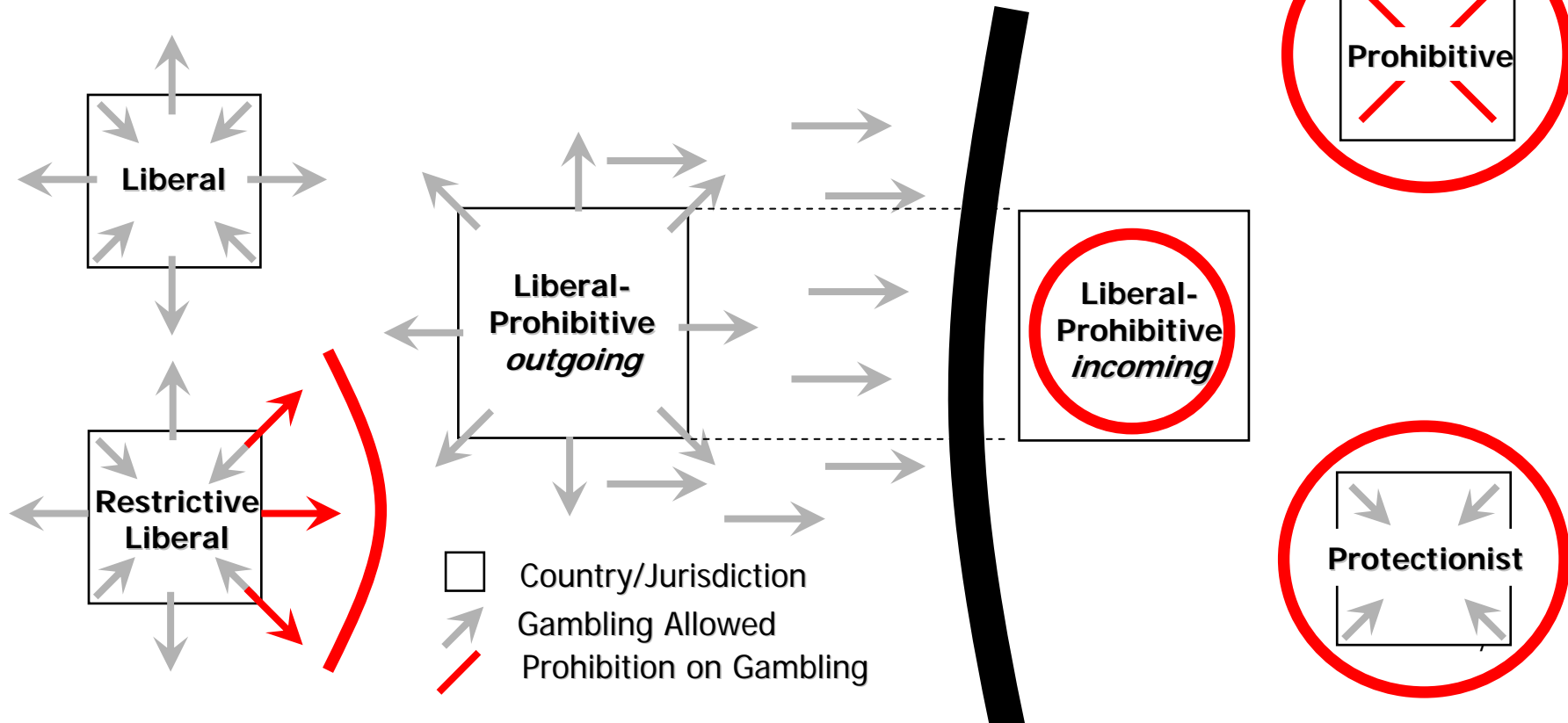
B. Elements of Regulation

- Licensing and Surveillance
- Taxation
- Prevention of Money Laundering
- Player Protection
- Private Litigation
- Alternative Dispute Resolution
- Self -Regulation Structures



I. Research Topic – Gambling on Internet

Main Aspects Addressed – Example –
Applying National Laws to Cross-Border Operations





I. Research Topic – Gambling on Internet

Legal Research

Three Stages of Legal Analysis

1. Prohibiting v. Permitting Online Gambling
2. Regulating Permitted Online Gambling
3. Applying Regulations which govern Permitted Online Gambling



I. Research Topic – Gambling on Internet

(Methodological) Approach to Research

- normative frameworks as data
- unsystematic data collection
- limited empirical analysis
- qualitative analysis
 - ❖ issues arising out of norms
 - ❖ norms offering solutions to issues



I. Research Topic – Gambling on Internet

Overview of Normative Models

Internet Gambling Permitted		I-Gambling Prohibited
Belize	United States Virgin Is.	Manitoba
Dominica	Northern Territory	Ontario
Vanuatu	Victoria	South Africa
St. Kitts and Nevis	Tasmania	United States of America
Panama	Queensland	Belgium
Antigua and Barbuda	Australian Capital Territory	Switzerland
Isle of Man		-----
		New Zealand
		Netherlands
Non-Government Organisations	Interactive Gaming Council	Ethical Online Gaming Assoc.
	Interactive Gambling, Gaming and Betting Assoc. - GamCare	



II. Player Protection Issues

Examples

1. Players as Consumers of Online Gambling Services
 - 1.1. Consumer Protection Mechanisms
 - 1.2. Consumer Protection Standards
2. Vulnerable Players
 - 2.1. Prevention of Problem Gambling
 - 2.2. Treatment of Problem Gambling



II. Player Protection Issues

Examples

1.1. Consumer Protection Mechanisms

- Are “real commerce” consumer protection standards also applicable to electronic commerce?
- Are national or regional frameworks for consumer protection effective in the field of electronic commerce?
- Who should formulate relevant consumer protection standards?
- Who should enforce such consumer protection standards?



II. Player Protection Issues

Examples

1.2. Consumer Protection Standards

- Standards for traditional gambling services
 - ❖ Duty to properly inform players
 - ❖ Advertising restrictions
 - ❖ Educating (actual and potential) players
- Are additional standards needed for online gambling services?
 - ❖ Data protection and privacy rights



II. Player Protection Issues

Examples

2.1. Prevention of Problem Gambling

- Design and advertising of web sites offering gambling services
 - ❖ “play-for-fun” web sites
- Self-imposed restrictions on possible gambling activity
- Externally imposed restrictions on possible gambling activity
 - ❖ electronic surveillance of gambling activity



II. Player Protection Issues

Examples

2.2. Treatment of Problem Gambling

- Exclusion of players from web sites offering gambling services
 - ❖ voluntary (self-) exclusion
 - ❖ compulsory (external) exclusion
 - Enforceability
 - Inter-site mobility
 - inter-jurisdictional mobility



III. Conclusions for Player Protection

1. Existing prohibitions and regulatory controls may be classified as either:
 - a. smoke screens
 - b. good faith efforts to address broad and difficult issues
 - c. coercive norms that are (legally) enforceable only within limited areas
2. Important justifications advanced to support existing prohibitions of internet gambling include:
 - a. failure to protect particularly vulnerable players
 - b. facilitating criminal activity
 - c. insufficient economic contribution to the local community



III. Conclusions for Player Protection

3. Player Protection is effectively afforded only to high rollers and the hopelessly addicted

