

# Report on illegal gambling 2023

One of the Danish Gambling Authority's supervisory tasks is to monitor the illegal gambling market in Denmark.

This ensures player protection and a well-regulated market for those who are licensed to provide gambling in Denmark.

This report describes the Danish Gambling Authority's work with illegal gambling in 2023.

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# Introduction

One of the Danish Gambling Authority's supervisory tasks is to monitor the illegal gambling market in Denmark and thereby protect players and ensure a well-regulated market for those who are licensed to provide gambling in Denmark.

Once a year, the Danish Gambling Authority publishes a report on its work to prevent illegal gambling. The focus is particularly on online gambling operators that target their gambling offers towards Denmark and do not have a Danish licence.

The first few sections of the report briefly explain the rules in this area. This is important to have in place before focusing on the tasks that the Danish Gambling Authority has performed in relation to illegal gambling in 2023.

# Summary

Over the past 10 years, the Danish Gambling Authority has continuously searched websites and processed reports from citizens and others regarding the provision and communication of gambling operators without a licence.

The Danish Gambling Authority has consistently seen that there are more websites that communicate access to illegal gambling than there are websites with gambling offers that target the Danish market without a licence. Looking at the increase in the number of searched websites, requests and blocks (appendix 1), it seems that the illegal market is on the rise. However, it is still our assessment that the illegal market in Denmark is limited and that the increase is more an expression of the Danish Gambling Authority's increasing focus on the work with illegal gambling.

That the illegal market in Denmark is limited is supported by figures published by H2 Gambling Capital (see Appendix 2). Here it can be seen that Denmark has a high level of channelisation. The channelisation rate is an expression of the share of the regulated market.

The Danish Gambling Authority also works with other forms of illegal gambling such as skin betting, the lines between gambling and video games, and education regarding illegal gambling.

What is illegal gambling?

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## 1.1 When is a game illegal?

A game is offered in violation of the Gambling Act if:

- The game is offered without a licence from the Danish Gambling Authority, and
- The gambling operator focuses its range of games on Danish players.

## 1.2 Which games require a licence?

The Danish Gambling Authority monitors the Danish gambling market to ensure that no gambling products are offered in violation of the rules of the Gambling Act. A licence to provide gambling is required in Denmark if:

- The participant must pay a deposit (money or similar of economic value),
- The participant has a chance of winning through the deposit (any kind of prize of economic value), and
- The gambling product has an element of chance.

## 1.3 When is a gambling product aimed at Denmark?

An offer can be directed towards Denmark if one or more of the following elements can be found on the website<sup>1</sup>:

- Danish language
- Danish currency
- Payment cards that only work in Denmark
- Danish customer service
- The video game platform Steam as login
- The website has pre-filled Denmark, Danish, etc. in the registration process
- Gambling offers that in their composition are aimed directly at the Danish market

Similarly, you can target the Danish market even if none of the above conditions are met if you market directly to Danish players.

In relation to skin betting, the court ruled on 6 February 2018, that websites that use the video game platform Steam as a login are considered to be aimed at Denmark. The decision is available on the Danish Gambling Authority's website here: [Decision of 6 February, 2018](#).

## 1.4 Communication and promotion of games without a licence

It is against the Gambling Act to communicate access to or advertise for gambling operators without a licence. Emphasis is placed on whether the communication/advertising is aimed at the Danish market.

Communication is any activity that aims to establish gambling or to offer participation in gambling without a licence, whether offered electronically or otherwise. For example, it can be links to websites of gambling operators that do not have a licence to offer gambling in accordance with the Danish Gambling Act.

Advertising differs from "communication" in that advertising is a more or less general branding of the gambling operator, including measures to increase awareness of

<sup>1</sup> The Danish Gambling Authority's definition of when an offer is aimed at Denmark is based on the Minister for Taxation's response to the telecoms industry in connection with the preparation of the Gambling Act, which entered into force in 2012

the gambling operator.

## 1.5 The Danish Gambling Authority's sanction options

When the Danish Gambling Authority becomes aware of a website with illegal gambling or illegal communication, we send a request to the owners of the website. Here, we draw attention to the infringement and instruct them to stop the illegal offering or communication.

In several cases, the dialogue based on this request is sufficient to stop the infringement.

In cases where an illegal gambling offer is not stopped, we do not hear from the owners, or we cannot find the owners, we have the option of having the website blocked by the Danish internet service providers via the district court.

In addition, we have the option to report the owners of the website to the police, after which the responsibility for the further process is transferred to the police.

# The Danish Gambling Authority's work with il- legal gambling in 2023

# 2



## 2.1 Search for potentially illegal websites

In 2023, the Danish Gambling Authority, in collaboration with the Danish Tax Agency's anti-fraud unit, conducted three searches of potentially illegal websites. In addition, the Danish Gambling Authority's market analysis team contributes with searches for potentially illegal websites.

As in previous years, the Danish Gambling Authority had a number of illegal gambling websites blocked by the court in 2023. In 2023, 49 illegal gambling websites were blocked, including stake.com, one of the largest international gambling operators.

The 2023 blocking case was once again decided on a written basis, which makes the whole process a little faster. The Danish Gambling Authority initiated another blocking case at the end of 2023, for which a decision has just been made. You can read more about it here on our website: [The Danish Gambling Authority blocks illegal websites](#).

Another blocking case is expected to be completed in 2024.

See Appendix 1 for a breakdown of the number of searches, requests and DNS blockings<sup>2</sup> over the years.

## 2.2 The effect of blockings

The Danish Gambling Authority presumes that players will attempt to bypass the DNS blockings, and therefore, the Danish Gambling Authority conducts follow-up examinations of the web traffic on the websites that have been DNS blocked. Among other things, this is done using web traffic data from Semrush.

It is difficult to measure the effect of DNS blockings in 2023, as the websites were not blocked for the whole of 2023. The study is therefore limited to the 227 websites that the Danish Gambling Authority had blocked before 2023.

In 2017, only a small share of the 227 websites were blocked, and together they generated 15.8 million visits from Danes. By 2023, the total number of Danish visits to the sites had dropped to 1.8 million, a decrease of 89%.<sup>3</sup> The figures therefore show that blocking has had a significant effect on reducing Danes' visits to illegal websites.

## 2.3 Report for communicating access to illegal gambling

In last year's report, the Danish Gambling Authority stated that 27 websites with illegal communication of gambling had been reported to the police. In particular, the websites had in common that their domain names tell players how to gamble if they are registered with ROFUS (the Danish Gambling Authority's register of self-excluded players), e.g., by writing "Gamble without ROFUS", just as they communicated access to websites where digital signatures are not integrated into the registration process, e.g., "Gamble without NemID".

This is a clear violation of the purpose of the Gambling Act, which is, among other things, to protect young people or other vulnerable persons from developing a gambling addiction and to ensure that gambling is offered in a fair, responsible and transparent

<sup>2</sup> A DNS blocking is a blocking of Domain Name Service with the largest Danish providers of such.

<sup>3</sup> The accuracy of the data from Semrush can vary from website to website. Although the total number of visits to the sites has decreased from 2017 to 2023, it is noted that there are a few websites where there has been no decrease in the number of visits during the period.

manner. Therefore, the gambling legislation also requires a register that allows individuals to exclude themselves from gambling and a requirement to be able to identify online gamblers.

The sites that communicate access to gambling are aimed at players who want to be able to gamble without verifying themselves with a unique ID, e.g., players who have chosen to register with ROFUS and minors. It must therefore be assumed that the websites are particularly aimed at people with gambling problems and minors. To safeguard the protection considerations of the Act, it has been a high priority to report the 27 illegal sites that communicate access to unlicensed gambling sites.

At the end of 2023, one person was fined a total of DKK 100,000 for being behind the websites. Read more on our website: [Fine for illegal distribution of games](#).

## 2.4 Collaboration with Google, Facebook and Apple

The Danish Gambling Authority fights illegal gambling and illegal communication of gambling on many fronts. As part of the Danish Gambling Authority's supervision, we have observed that illegal gambling is offered through apps on the App Store and that access to and advertising for these apps is provided on Facebook and Google.

Therefore, the Danish Gambling Authority has initiated a collaboration with Apple, which gives us special access to report illegal gambling in apps on Apple's App Store. Apple can then remove the app from the Danish App Store if there is illegal gambling content.

In last year's report, we reported that the Danish Gambling Authority is in the process of establishing a collaboration with Google, and that collaboration has now become a reality. We therefore have a similar collaboration with Google, where we have also been given access to report illegal gambling in apps on Google Play to Google, who can then remove the illegal content.

In addition, the partnership with Google provides direct access to report illegal gambling content on YouTube and sponsored links on Google's search engine.

Through our partnership with Facebook, we have access to report illegal communication and advertising of illegal gambling content to Facebook, who can then remove the illegal content from their platforms on Facebook and Instagram.

Before illegal gambling content is removed from any of the above media, the Danish Gambling Authority has contributed with evidence, reference to the legal basis and our assessment of the illegal content so that Facebook, Google and Apple can remove the content on an informed and documented basis.

The Danish Gambling Authority is working to establish more collaborations with other media where we see illegal gambling or illegal communication of gambling. If you as a citizen want to help the Danish Gambling Authority in our supervision, we encourage you to document the gambling offer with pictures or video and links to any websites, Facebook groups, apps, etc.

## 2.5 International collaboration

The Danish Gambling Authority has been active in the international collaborations in which we participate. In March 2023, GREF (Group of European Gambling Regulators) published a declaration on our increased cooperation in the fight against illegal gambling. The declaration emphasised that gambling authorities should share more

information about illegal operators, share best practices and work together to establish collaborations with stakeholders such as social media.

Read more in the declaration here: [GREF Declaration of gambling regulators on their concerns regarding illegal operators - Gref](#)

## 2.6 Sanctions as a result of monitoring illegal gambling

In addition to the possibility of DNS blocking illegal gambling systems, the Danish Gambling Authority also reports illegal gambling to the police, as can also be read in section 2.3. The Danish Gambling Authority reports illegal gambling activities to the police in cases where the Danish Gambling Authority assesses that it is a particularly serious case or where there are repeated violations.

In 2021, the Danish Gambling Authority received inquiries from citizens about an illegal lottery offer. According to the Danish Gambling Act, a licence to offer lotteries can only be granted to Danske Spil A/S, and a licence to offer betting on the outcome of lotteries cannot be granted.

The many citizen inquiries led to an inspection of the lottery, which resulted in the Danish Gambling Authority reporting the company that offered the lottery and the company that handled the payment for the illegal lottery to the police, including illegal payment processing.

The report has resulted in the police confiscating DKK 174,000 and imposing a fine of DKK 250,000 on the illegal payment provider.

The Danish Gambling Authority has also reported a major illegal gambling operator to the police, and the case is now before the police. In addition, the operator's website has been DNS blocked.

## 2.7 Multidisciplinary streaming supervision

The Danish Gambling Authority has completed a major inspection project on the marketing and communication of illegal gambling on the streaming services Twitch, YouTube Gaming, Facebook Gaming, and Kick. The purpose of the supervision was to review the services for the provision and/or marketing of gambling targeted at the Danish market and whether illegal gambling sites were offered or marketed.

During the monitoring project, no provision or marketing of illegal gambling products targeted at the Danish market was found. This includes both Danish and English streamers on the mentioned streaming services.

During another inspection earlier this year, the Danish Gambling Authority discovered that a streamer in his livestreams communicated to and advertised gambling sites without a licence, and the Danish Gambling Authority therefore reported the streamer to the police. The police assessed that the streamer had violated the Gambling Act, and the streamer was fined. This is the first time that the Danish Gambling Authority has reported a streamer in a case of illegal communication of gambling, and the Danish Gambling Authority has since reported two additional cases to the police regarding streamers who have communicated access to and advertised gambling services without a licence.

## 2.8 Lottery and other games in pubs

In 2023, the Danish Gambling Authority continued the physical inspections of pubs. We carried out 34 inspections in 2023, of which 2 of the inspections resulted in a report to the police for the provision of illegal gambling, including lottery.

Special rules apply to the offering of lottery, as there is a monopoly on lottery in Denmark, with the exception of charity lotteries. A charity lottery can be held legally either via a licence or if it is held by a closed association. However, various conditions must be met, including that the primary activity of the association is not to provide lottery. The purpose of charity lotteries is to raise money for a good cause that benefits a wider community. The profits from the lottery must not go to the association itself, e.g., for social events for the association's members.

The Danish Gambling Authority is aware that the definition of a lottery and the rules for offering charity lotteries can be challenging to understand. Therefore, when we are on inspections, we always encourage the organisers to call our case managers for further guidance. You can also read more about charity lottery on our website here: [Charity lottery | The Danish Gambling Authority](#), including how to apply for a licence etc.

## 2.9 StyrPåSpillet - educational platform on gambling and problem gambling

On 1 December 2023, the Danish Gambling Authority launched the educational platform StyrPåSpillet.dk ([styrpaaspillet.dk](http://styrpaaspillet.dk)).

StyrPåSpillet has a special focus on children and young people's relationship with gambling and is targeted at parents and professionals (e.g., teachers), but the platform is useful for anyone seeking general knowledge about or specific tools for dealing with gambling.

The website contains all relevant information about gambling and compulsive gambling, including articles, studies, educational material and the podcast "Vi snakker om spillet" ("We talk about gambling"). Much of the material is about gambling addiction; what it is, how it develops and what tools are available to prevent and treat it.

You will also find articles explaining when gambling is illegal in Denmark and which consumer protection elements must be present with operators licensed by the Danish Gambling Authority. In the platform's gambling dictionary, users can read about definitions of "grey" and "black" gambling websites.

StyrPåSpillet contributes both to general information about gambling, but also to specific information about when gambling is offered illegally.

## 2.10 Presentations at secondary schools

For a number of years, the Danish Gambling Authority has offered to give presentations at secondary schools - among other things, about illegal gambling and the differences between gaming and gambling. One of the aims of this initiative has been to increase students' awareness of our label, thus increasing their understanding of the difference between the regulated and unregulated market. In 2022, we increased our efforts to broaden our outreach.

In 2023, this effort was further focused, including contacting a number of secondary schools. The response was very positive, resulting in a total of 24 class presentations. Furthermore, a presentation was held for professionals in a municipality and a presentation for a lodge in Copenhagen.

The presentations at secondary schools meet students at eye level. We have very deliberately avoided "finger-pointing", bans and scare tactics, and the feedback from both students and teachers has been very positive as the presentations are perceived as balanced.

Participants are highly engaged in the presentations, which use both visual and physical elements. For example, a physical roulette helps make facts such as RTP (return to player) and probability of winning visible.

The presentations so far have included:

- Definitions of gambling
- Motivations for gambling
- Variance and probability
- RTP
- Loss of control
- The Danish Gambling Authority's label

With the many positive experiences gained so far with these presentations, this effort will continue in 2024.

# Land-based illegal gambling

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### 3.1 Illegally installed gaming machines and betting terminals

If the Danish Gambling Authority becomes aware of possible illegal installation and operation of poker and gaming machines or betting terminals, we will report this to the police. We are always happy to assist the police if they request it.

In 2023, the Danish Gambling Authority was involved in cases concerning 17 gambling sites where poker, gaming machines or betting terminals were set up without a licence.

### 3.2 Poker games without a licence

Poker can be played as public poker tournaments according to the rules in the Poker Act. The Danish Gambling Authority issues licences for and supervises the holding of public poker tournaments.

If poker games are played without a licence for not insignificant financial winnings, it is not a violation of the Poker Act or the Gambling Act, but rather of sections 203 and 204 of the Criminal Code. Therefore, it is not the Danish Gambling Authority, but the police who have the authority to visit gambling sites without a licence. However, the Danish Gambling Authority can offer to assist with an inspection.

If the Danish Gambling Authority becomes aware of the existence of illegal poker clubs, we inform the police. The Danish Gambling Authority has assisted the police in one case when inspecting an unlicensed poker club in 2023.

### 3.3 Illegal charity lotteries

In 2023, the Danish Gambling Authority continued a project with supervision in bingo halls, which was initiated in 2019.

The Danish Gambling Authority has initiated supervision of 126 associations that have run bingo. 38 reports have been submitted for running illegal charity lotteries, which are geographically distributed to police districts across the country.

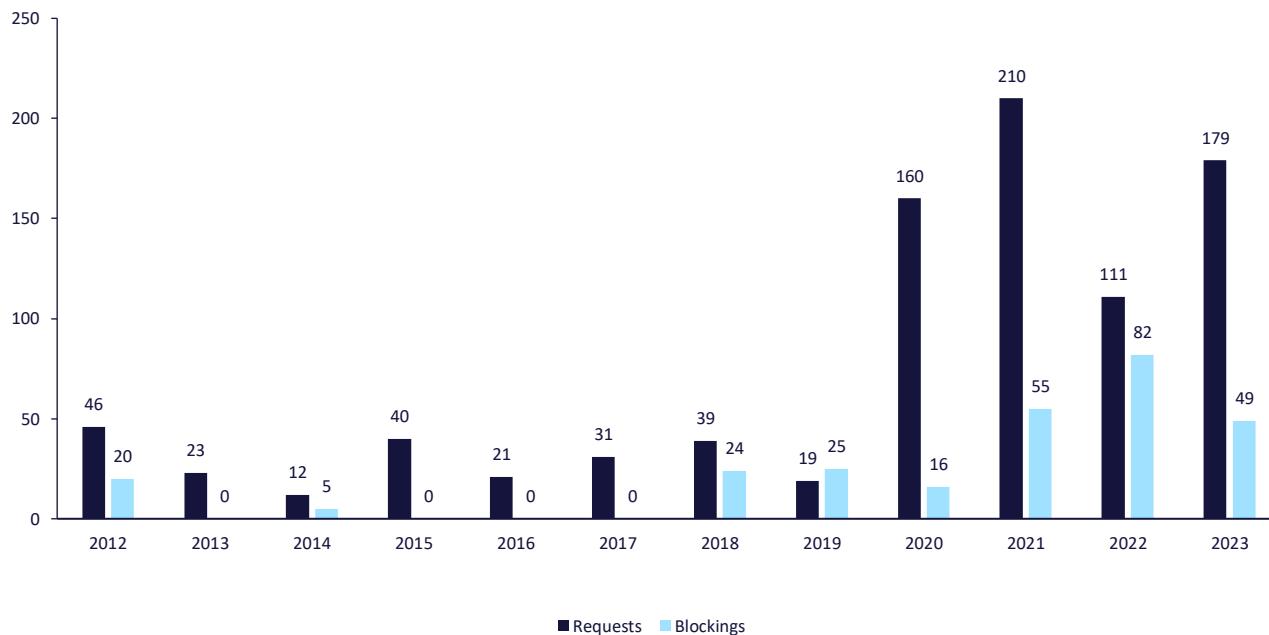
# Appendixes

# 4



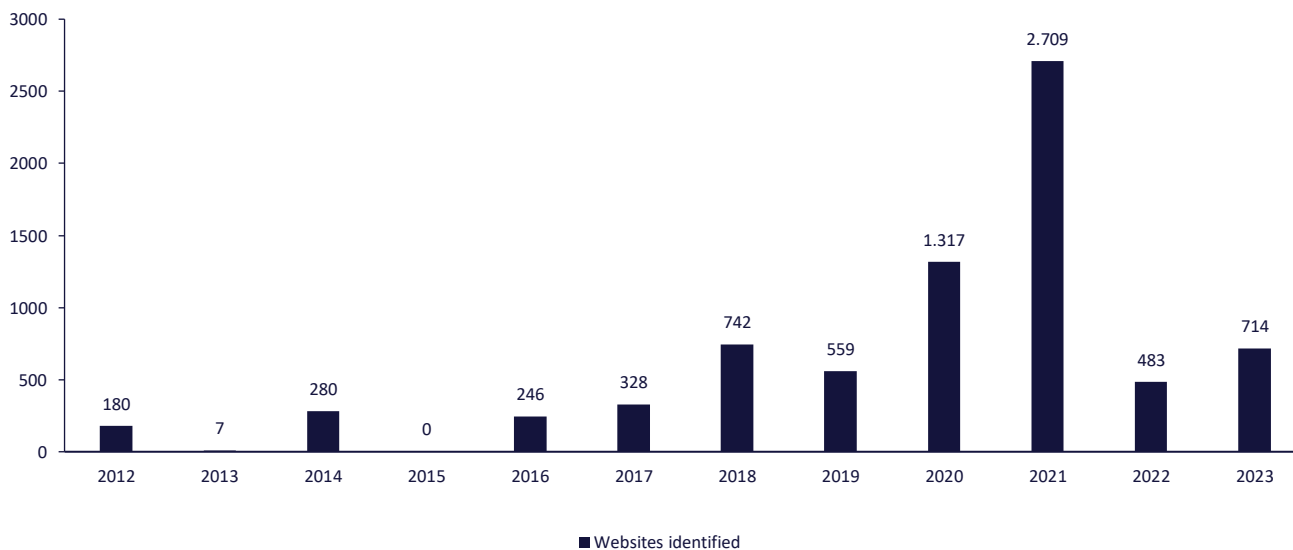
## 4.1 Appendix 1: Overview of the number of requests and blockings since 2012

Figure 1. Number of requests and blockings from 2012-2023



Source: The Danish Gambling Authority

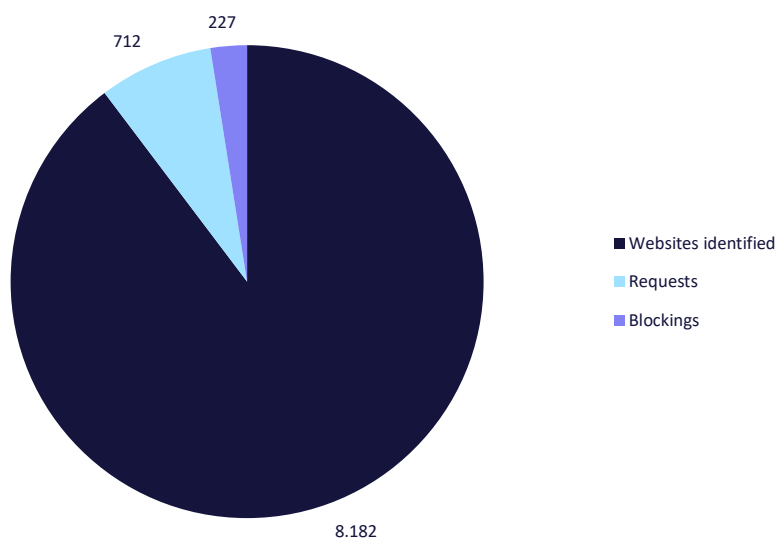
Figure 2. Number of searched websites from 2012-2023



Source: The Danish Gambling Authority

In 2021, the Danish Tax Agency's anti-fraud unit carried out a broader search, which, among other things, also showed previously searched websites, etc. This explains the large number of searches in 2021.

Figure 3. Total number for 2012-2023



Source: The Danish Gambling Authority

## 4.2 Appendix 2: Published statistics from H2 Gambling Capital

Only channelisation rate estimates for 2023 have been published.

Table 1 shows that Denmark continues to have a high level of online channelisation compared to other European countries. In 2023, there was an increase in the channelisation rate compared to 2022.

Table 1. Channelisation rate for the online market

Rank	2021		2022		2023	
	Country	Channelisation rate	Country	Channelisation rate	Country	Channelisation rate
1	Great Britain	97.64%	Great Britain	97.78%	Czech Republic	97.17%
2	Czech Republic	94.85%	Czech Republic	96.58%	Great Britain	96.70%
3	Sweden	91.73%	Italy	93.47%	Italy	94.36%
4	Romania	91.29%	Romania	90.79%	Sweden	91.97%
5	<b>Denmark</b>	<b>89.32%</b>	Portugal	90.02%	Serbia	91.07%
6	Belgium	88.16%	Estonia	89.43%	<b>Denmark</b>	<b>90.15%</b>
7	Italy	87.81%	Bulgaria	89.36%	Bulgaria	89.89%
8	Lithuania	84.99%	Sweden	89.27%	Romania	89.89%
9	Portugal	84.45%	Belgium	89.25%	Estonia	89.77%
10	Estonia	84.27%	<b>Denmark</b>	<b>89.20%</b>	Portugal	89.58%

Source: H2 Gambling Capital



