

Gambling law in Estonia – part 1

The number of licensed online casino and sports betting operators are on steady growth in Estonia. The number of valid online licenses has soon reached an all-time high with currently 19 online casino licenses and 16 sports betting licenses issued and there are more applications in the pipeline.



What makes Estonia a popular choice for online gambling operators?

Some operators are focusing on the Estonian market and for them there is of course no other choice than having an Estonian license to be able to offer gambling.

However, some organizers have a main interest in other markets, such as unregulated EU countries and third countries with no national licensing procedure to offer. As the Estonian licenses from an international perspective are relatively cheap (the total state fee ranges from approx. 35 000 EUR for sports betting to some 50 000 EUR for online casino) and the Estonian regulator, the Tax and Customs Board, accepts documents in English and has proven to be approachable and co-operative these factors together gives a fair picture to the growing popularity of the Estonian licensing system.

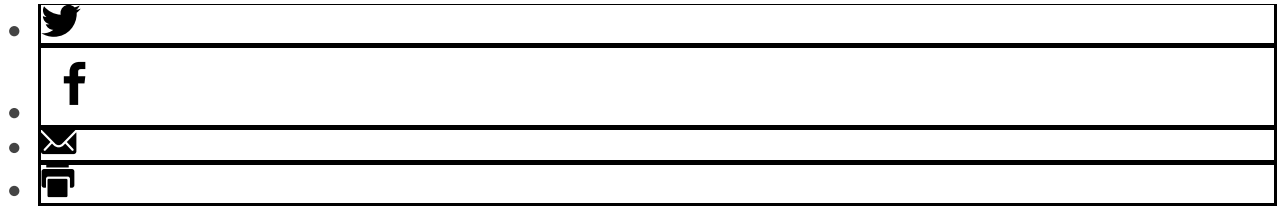
The possibility to offer online gambling to other EU markets derives from one of the European Single Market's four freedoms - the freedom to establish and provide services.

To be able to gamble, the player needs to have reached the age of 18 for sports betting and 21 for online casino and the player must first pass the KYC procedure of the operator and must be offered to set monetary limitations to their spending. There is also a possibility to self-exclude via the HAMPI register.

Following the Estonian AML law operators are required to be diligent, to know the identity of their customers, to identify politically exposed persons (PEPs), to map their own risk appetite, and implement procedural rules for KYC and AML, including monitoring obligations and report suspicions or unusual transactions.

In addition to the general rules, a gambling operator is required to apply due diligence measures at least upon the payment of winnings, the making of a bet, or on both occasions where the sum given or receivable by the customer is at least EUR 2,000.

At NJORD Law Firm our Regulatory team is providing legal advice within gaming law, compliance, GDPR, and AML.



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