



# ***EUROPEAN CASINO ASSOCIATION***

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***Fredrik Haraldson***

*Head of Regulatory Affairs  
Casino Cosmopol*



- ECA non-profit association that was Founded in the early 1990s.
- Represents national associations and individual operators of licensed land-based casinos in Europe.
- Approximately 900 casinos and over 70,000 employees in 28 countries across Europe.
- Objective - address and promote issues related to casinos and/or casino operations:
  - collect and provide information on casino operations and casino administration including the assessment of European and national legislation and regulations addressing casino operations;
  - increase awareness and understanding of the casino industry amongst EU policy makers and stakeholders; and
  - contribute to EU decision making on matters affecting the casino sector.



# Casino Cosmopol



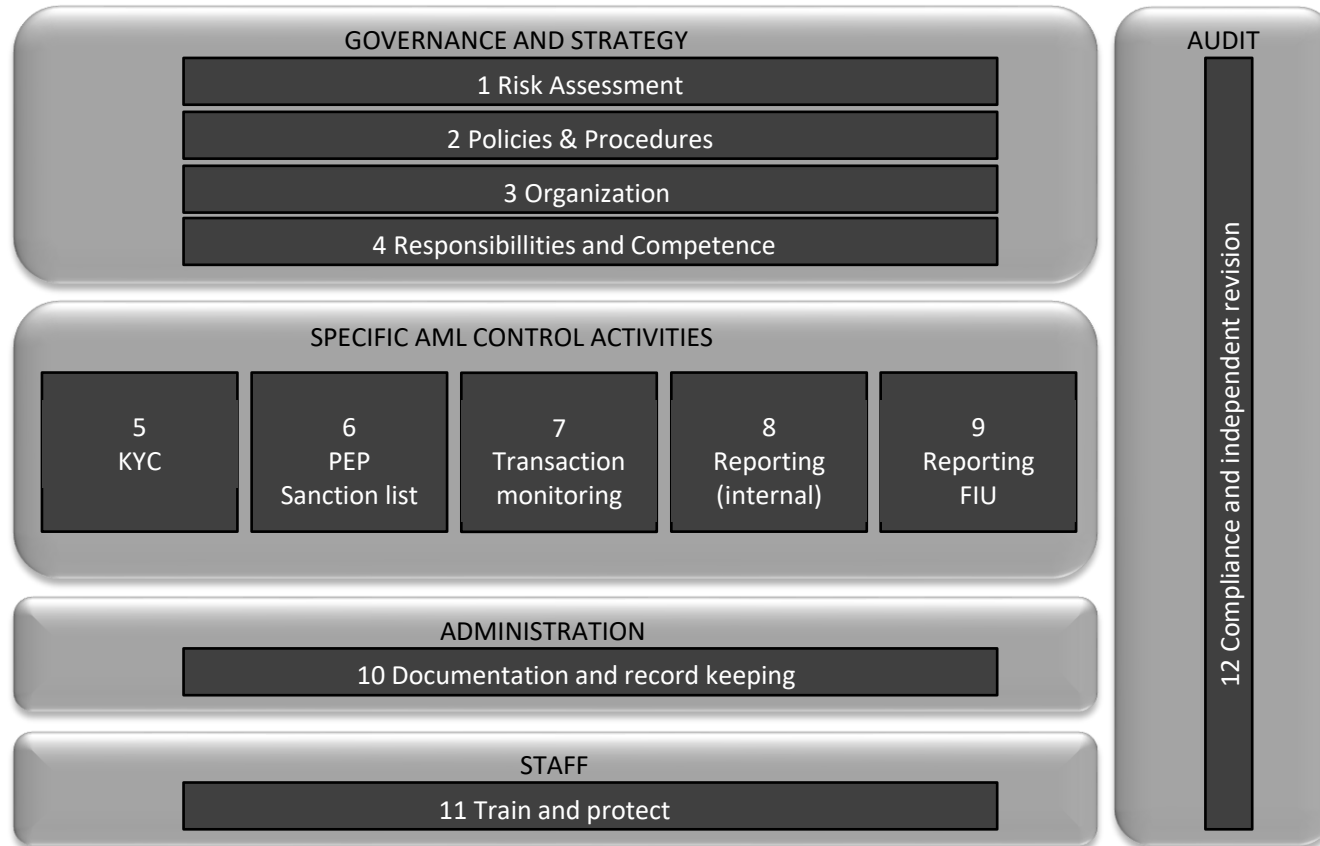


# Casino Cosmopol cont'd

All data from 2015

- Number of visits: 1 104 494
- GGR: approx. 112 MEUR
- Net result: approx. 46 MEUR
- Average spend per visitor: approx. 100 EUR
- Games : approx. 1200 slot machines and 130 table games (Roulette, Black Jack, Caribbean Stud Poker, Three Card Poker, Texas Hold'em – Omaha – 7 Card Stud Poker, Punto Banco, Sic Bo)
- Minimum age limit: 20 years. All guests must register upon entry (name, social security number, address, time of visit and photograph).
- Strong emphasis on responsible gambling
- Casino Cosmopol report suspected cases of money laundering to our Financial Intelligence Unit - 313 Suspicious Activity Reports.
- The National Swedish Gambling Authority actively monitors our business.
- Staff: approx. 1 500, of which 52 % are women, average age: approx. 30 years.
- 35% of staff and 13% of managers are of foreign origin (82 different countries).

## Our AML program in a nutshell







# European Commission

- “...the objective of the initiative is to swiftly **reinforce the EU framework** on the prevention of terrorism financing by enhancing transparency of cash payments through an introduction of a restriction of cash payments or by any other appropriate means.”
- “The proposal **should not** produce any visible global macroeconomic impact. Some specific sectors, relying significantly on cash payments, **could be more impacted**, although it is **difficult to assess** whether the impact will be permanent or whether the introduction of restriction will just lead to adapting practices.”
- “Restricting large payments in cash, in addition to cash declarations and other AML obligations, **would hamper the operation of terrorist networks**, and other criminal activities, i.e. have a preventive effect.”
- “...a measure restricting cash payments would only target higher amounts of payments. Therefore, **such a measure would limit** the options for terrorist networks to finance their terrorist activities.”
- “...the existence of divergent practices is detrimental to an **even playing field** in the Internal Market.”



# European Commission

- “A proposal in this area would also **contribute**, together with other policies against organized crime, terrorism and terrorism financing, **to the security of European citizens and the European society as a whole.**”
- “While being allowed to pay in cash does not constitute a fundamental right, the objective of **the initiative**, which is to prevent the anonymity that cash payments allow, **might be viewed as an infringement of the right to privacy enshrined in Article 7 of the EU Charter of Fundamental Rights.**”
- “**Data** on legitimate and illegitimate use of cash **should ideally be collected** to substantiate the need of the initiative. Such information will most certainly come from law enforcement authorities and Europol. However, it should be understood that, like for all underground and criminal activities, information will not be easily available, and **rough estimates might have to be used.**”
- “The **most relevant evidence** is contained in the **Europol report** "Why is cash still king?”



# Europol – Why is cash king?

- “Perhaps the most significant finding around cash is that there is **insufficient information** around its use, both for legitimate and illicit purposes. The nature of cash and the nature of criminal finances mean that there is little, if any, reliable data available on the scale and use of cash by ordinary citizens, let alone by criminals.”
- “While not as rapid as one might expect, improvements in alternative payments systems, the rise of e-commerce and the digital economy, as well as greater access to the banking system have **led to a steady increase in the use of non-cash payment systems across the EU.**”
- “...there is **little, if any, concrete data available** beyond figures around the volume and value of bank notes issued and in circulation. Much else to do with cash is unknown. Assessing the legitimate use of cash suffers from the same problems faced when considering its illicit use: **very little hard statistical data is available.**”





# Europol cont'd

- Pedro Felício (Team Leader, AP Sustrans - AML), meeting on January 9th, 2018
  - Since 2014 (at least), Europol has not received any indications about money laundering cases involving the land-based casino industry;
  - Europol has focused attention on the unlicensed online gambling sector where there are increased issues with money laundering;
  - Major organized crime cases in connection with online gambling have become apparent over last years; Malta shown up as country with substantial issues in the area of organized crime; and
  - Virtual currencies have appeared as major issues in actual cases handled by Europol with connection to drug money and even terrorist financing in last half year.

<https://www.occrp.org/en/thedaphneproject/how-maltese-online-gambling-became-an-atm-for-the-Italian-mafia>



# *Commission* *Supra National Risk Assessment*

The assessment of the TF threat related to casinos has not been considered as particularly relevant.



# European Casino Association

- ECA welcomes constructive and effective measures to combat ML and TF
- Many European casinos are state owned or controlled – special instructions and directives
- Casinos are cash intensive businesses – part of the experience and for many customers a way to control their gambling
- The industry acknowledges the risk with cash and has put in a robust series of counter measures
- ECA does not believe cash restrictions would improve an already high standard of anti money laundering processes
- Restrictions on cash payments would have a detrimental impact on the land-based casino industry
- ECA believes declaration for cash payments would risk creating undue bureaucracy
- Should cash restrictions be implemented, ECA strongly advocate that exemptions should be made for on a case-by-case basis



*Thank you for your interest!*

**Questions?**