

CMS | Romanian gambling regulator strengthens rules to prevent access to illegal gambling



The Romanian National Office for Gambling (NOG) recently published a draft legislative initiative or Draft Order, which establishes requirements that must be implemented by ancillary service providers in the gambling industry as part of an effort to keep unlicensed operators out of the industry.

Background

Earlier in April 2024, the Romanian Parliament adopted Law no. 107/2024 prohibiting the direct or indirect provision of services or activities connected to gambling to entities, which do not hold a Class I licence as a gambling operator from the Romanian National Office for Gambling (NOG).

Under Law no. 107/2024, the NOG was required to issue secondary legislation regulating the necessary technical measures to be implemented by the providers of gambling-related services in order for these providers to comply with the objectives of the law. For context, providers of ancillary services to the gambling industry (e.g. payment processors, marketing affiliates, gambling software developers, etc.) are also subject to licensing requirements under Romanian law and must hold a Class II licence from the NOG.

Draft Order

The recently published Draft Order, which the NOG issued further to its mandate under Law no. 107/2024, proposes concrete and specific measures that Class II licensees must implement as part of the NOG's campaign to prevent and combat access to gambling organised by unlicensed operators in Romania.

If the Draft Order is approved in the form published for public consultation, the obligations of all providers of ancillary services to the gambling industry holding a Class II licence in Romania will be enhanced to include:

- the requirement to notify the NOG of any contract, agreement or arrangement of any kind for the provision of any gambling-related services concluded with entities that do not hold a Class I licence in Romania, indicating among others the identification data of the third party beneficiary of such services;
- the requirement to request that the beneficiaries of such services (other than holders of a Class I licence issued by the NOG) provide a statement whereby the beneficiary undertakes to restrict access to gambling organised in other jurisdictions for players accessing the gambling platform from Romania (or Romanian citizens who are not tax residents of another state).

Class II licensees may implement other, more enhanced, internal measures to ensure that they comply with the

objectives of Law no. 107/2024, but they must comply with the Draft Order's minimum requirements.

According to the current form of the Draft Order, failure to comply with these requirements will result in fines ranging from RON 150,000 to RON 200,000 (EUR 30,000 to EUR 40,000). The infringing party will also be subject to confiscation of revenues obtained from the illegal activity and will see its Class II licence revoked.

For further information about the Draft Order, contact your CMS client partner or CMS expert Cristina Popescu.