

A Public Health-based Approach to German Gaming Regulation

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Risk Taking

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Declaration of competing interests

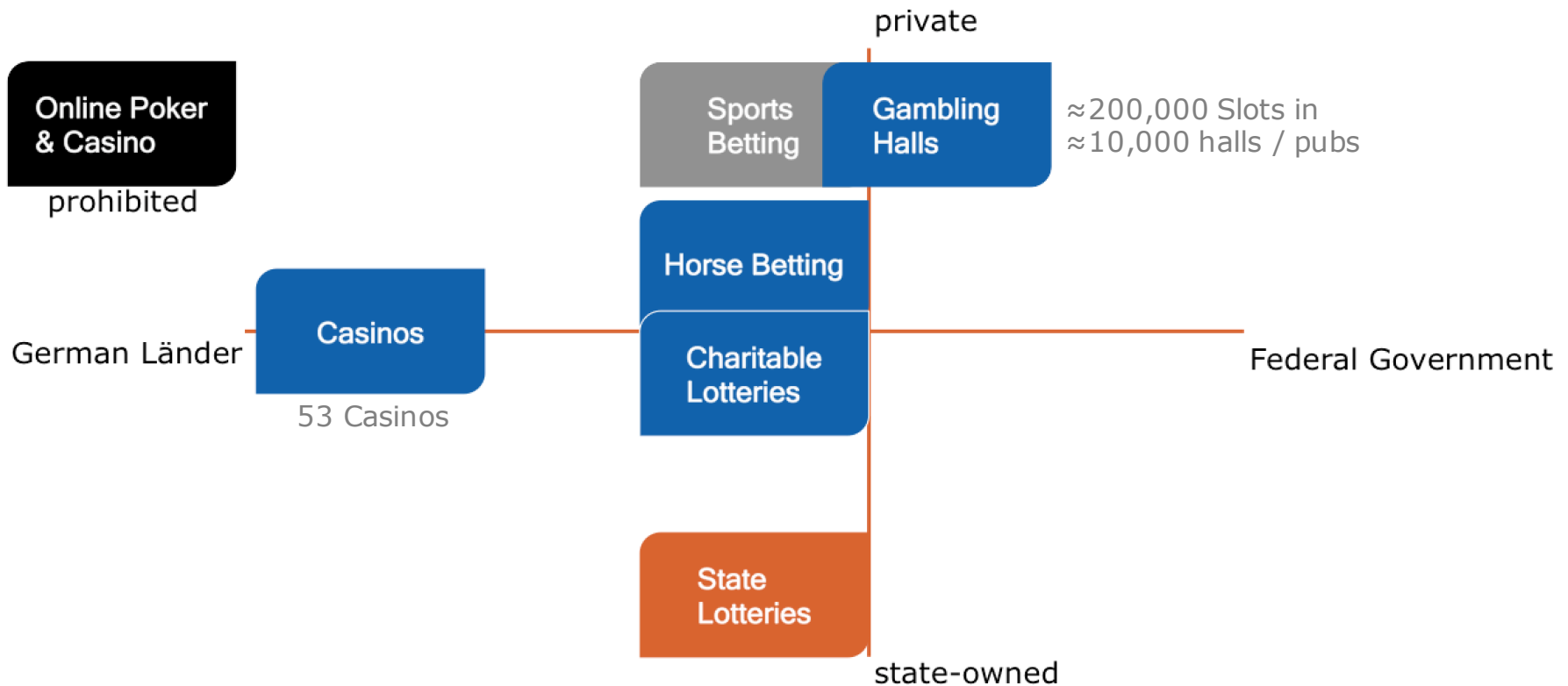
Research has been funded in non-restricted forms by:

- (1) Public research agencies (aetiology, epidemiology, monitoring)
- (2) Public authorities with vested interests (prevention, training, consumer protection concepts; State Ministries responsible for the gambling monopoly)
- (3) Gambling industry (early identification of gambling problems, consumer protection concepts; bwin and German public and private gambling providers)

Table of contents

1. The German Gambling Regulation
2. The Challenge
3. The Aim
4. Scientific Background
5. Quantitative Regulation
6. Qualitative Regulatory Approach
7. Outlook

1. The German Regulation



2. The Challenge

To provide a gambling regulatory framework for an effective consumer protection in Germany.

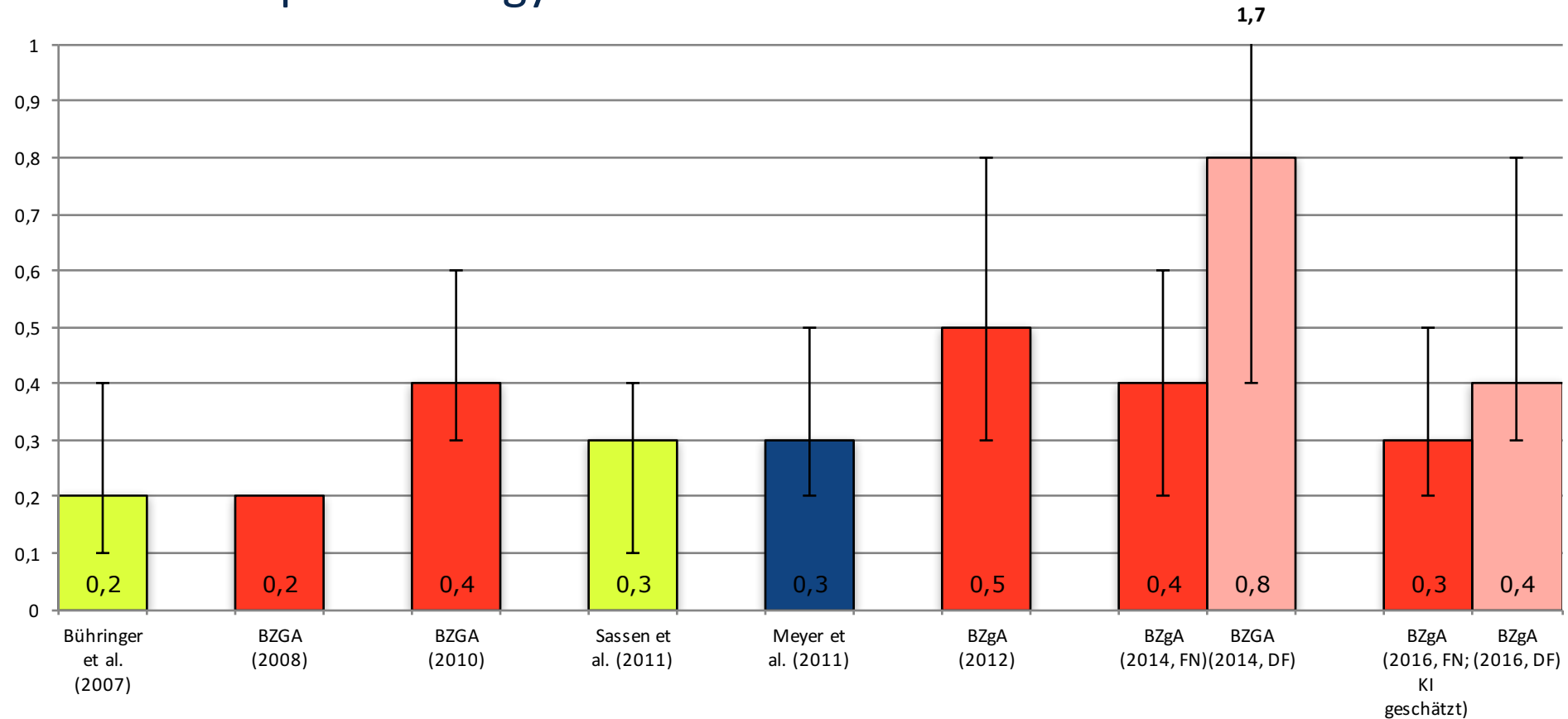
3. The Aim

A regulatory framework that:

- (1) Covers all types of gambling in a limited, controlled market
- (2) Promotes risk awareness
- (3) Protects the interest of social gamblers
- (4) Secures the needs for protection of vulnerable/disordered gamblers
- (5) Is supported by all stakeholders
- (6) Is effectively controlled by independent regulatory body
- (7) Is designed as an adaptive learning system with input from monitored information and scientific expertise

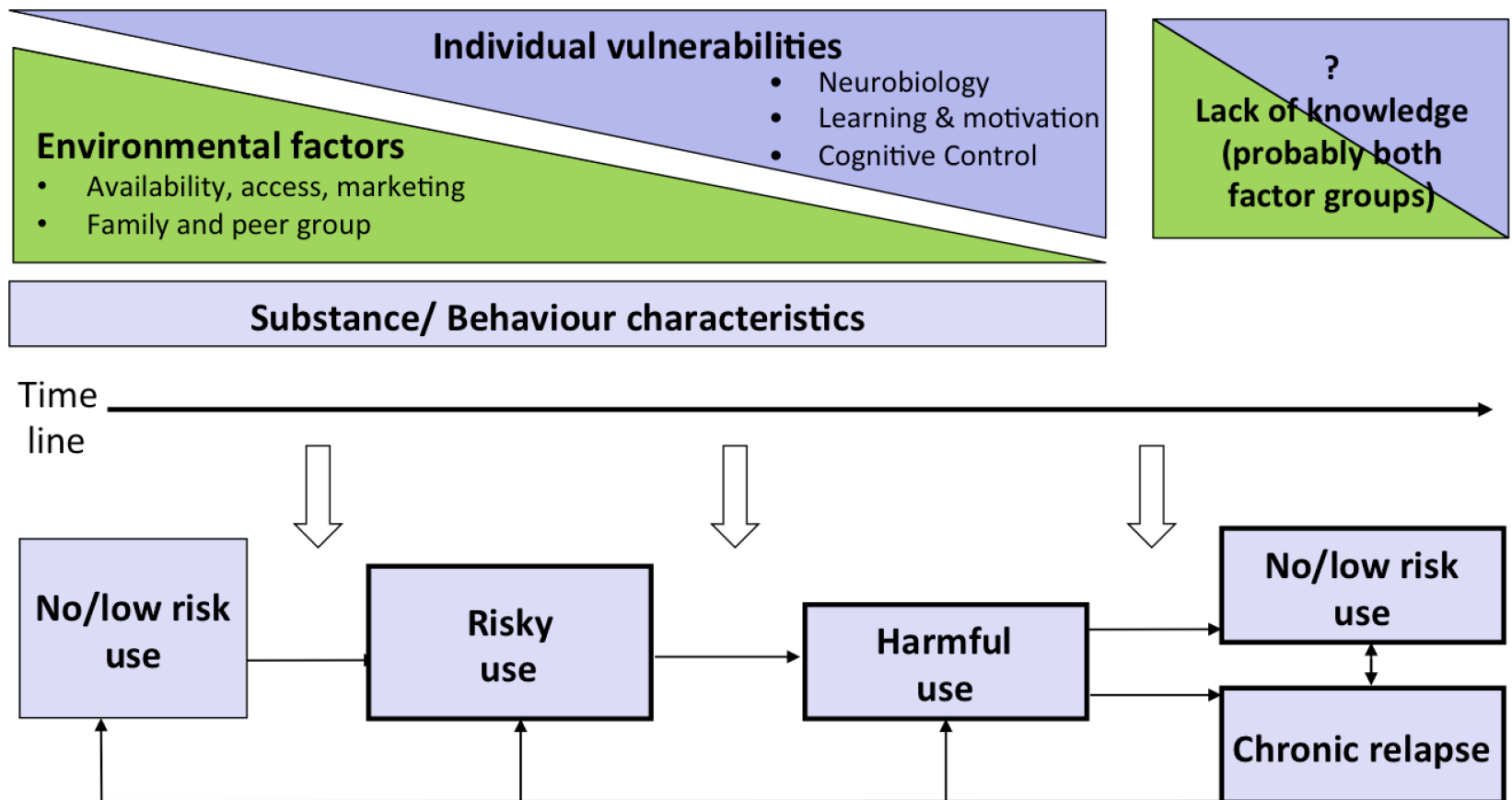
4. Scientific Background

4.1 Epidemiology of PG



4. Scientific Background

4.2 Aetiology: heuristic model



4. Scientific Background

4.2 Aetiology: Environmental factors

Social environment

- Availability of and access to gambling
- Social acceptance, control systems
- Taxation

Family and peer group

- Parents with mental disorders, childhood stress and trauma
- Early peer substance use and peer pressure, dysfunctional social networks and low social support

4.3 Aetiology: Gambling characteristics

Reward properties

- Time to reward/ relief
- Intensity
- Frequency

4. Scientific Background

4.2 Aetiology: Individual vulnerabilities

Neurobiological	Genetics, early adverse events and neuro-adaptation result in a vulnerable reward circuitry (e.g., dopamine and other neurotransmitters)
Learning and valuation	Changes in reward-based learning: <ul style="list-style-type: none">• overweighting of short-term reward• reduced sensitivity to long-term outcomes
Motivation	Excessive incentive salience to substance use or repetitive other behaviours, e.g. attentional and approach bias, cue reactivity Reduced incentive value of natural reinforcers
Cognitive control	Cognitive control impairments, dysfunctional decision-making and impaired conflict monitoring Shift from voluntary goal-directed to habitual behaviour

5. Quantitative Regulation

5.1 Examples

- (1) Indirect quantitative approach: distance regulations
 - gambling halls : 100-500m (exceptions: 0 or 50m)
 - sports betting sites : extreme differences
 - children/youth facilities : 0-500m
- (2) Direct quantitative approach
 - number of gaming machines per license
 - number of licenses
 - number of internet sports betting licenses

5. Quantitative Regulation

5.2 Evidence

- (1) No / inconsistent long-term correlation between supply of gambling opportunities and gambling related behavioural problems:
 - Systematic review : 1975-2012 (Williams et al., 2012)
 - Germany : 2007-2015 (Bühringer et al., 2016)
 - Switzerland : 2007-2015 (Lischer, 2016)
 - Norway (Rossow et al., 2013)

5. Quantitative Regulation

5.2 Evidence

(2) Possible explanations:

- Adaption of gamblers and society (Williams et al., 2012)?
 - better awareness
 - decreased novelty
 - improved protection efforts
 - removal of problem gamblers
- Low impact of the risk factor “supply” / “game characteristics” compared to “individual vulnerability” and “protective social environment”?

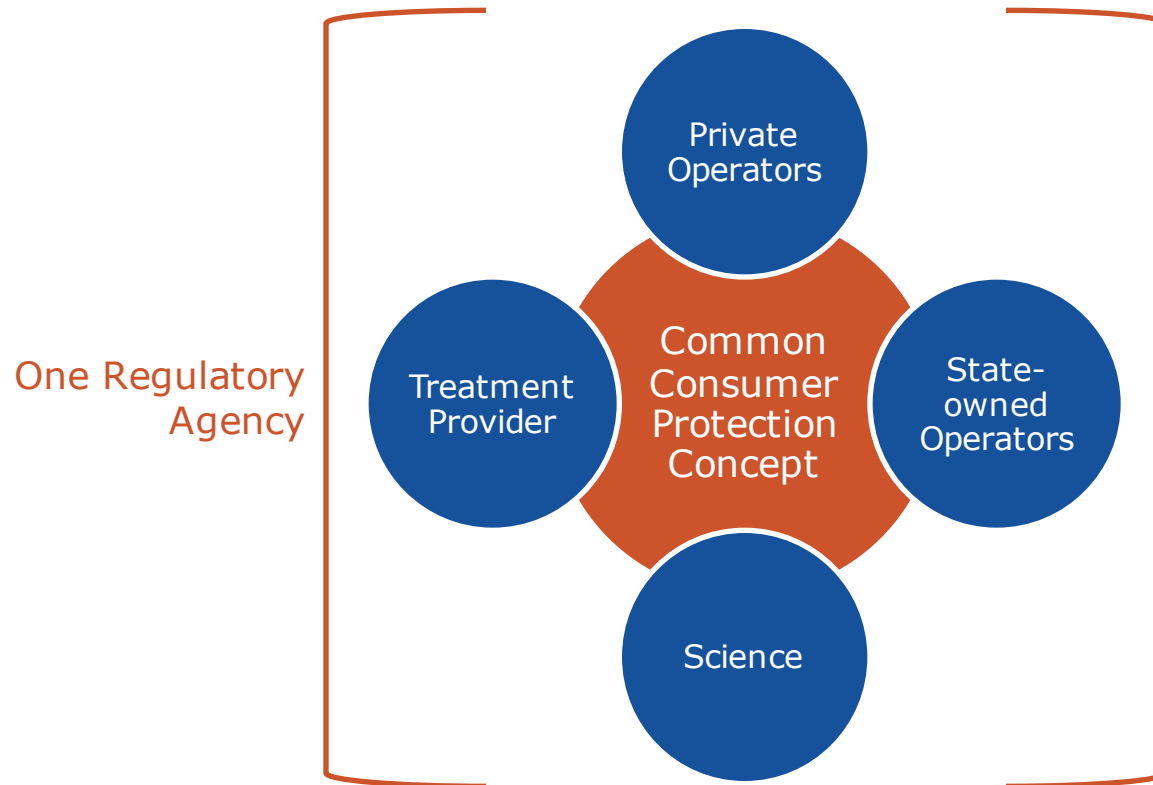
5. Quantitative Regulation

5.3 Further disadvantages

- (1) Refusal of quantitative regulation components by national and EU courts
- (2) EU-infringement proceedings against Germany

6. Qualitative Regulatory Approach

6.1 Cooperative Strategy of all stakeholders!



6. Qualitative Regulatory Approach

6.2 Joint Goals

- Direct demand for gambling to safe, legal and controlled offerings;
- Model gambling environment to assume consumer rights;
- Support low-risk gambling and risk awareness;
- Early detection of existing or upcoming gambling problems;
- Offering protection and support to persons with gambling problems;
- Exclusion of minors;
- Prevention of manipulation of gambling services and gambling environment;
- Establishing of effective and robust gambling regulation.

6. Qualitative Regulatory Approach

6.3 Basic Strategy



6. Qualitative Regulatory Approach

6.4 Quality of Social Environment

- (1) Information and education (school, apprenticeship, family, youth facilities)
- (2) Advertising bans related to minors
- (3) Advertising limitations related to vulnerable gamblers
- (4) Exclusion of minors and banned players
- (5) Licenses for land-based gambling sites according to urban planning concepts
- (6) Limitations of land-based gambling sites according to high risk sociodemographic characteristics (minors, migrants, unemployed people)

6. Qualitative Regulatory Approach

6.5 Quality of Gambling Services I

- (1) Transparency of game rules, procedures and characteristics
- (2) Game cards with self-determined limits and personal identification
- (3) Automatic feedback on core gambling information: e.g. stats, wins and losses
- (4) Monitoring of core game procedures for control purposes
- (5) No loans
- (6) Nationwide self- and forced exclusion system
- (7) Effective protection against manipulation
- (8) Payout guarantee

6. Qualitative Regulatory Approach

6.6 Quality of gambling services II

As far as players' accounts are required:

- (1) "One player = one account",
- (2) Secure identification,
- (3) Secure verification,
- (4) Transparent account statements,
- (5) Flexible self-limitation tools

6. Qualitative Regulatory Approach

6.7 Quality of prevention and treatment services

- (1) Provision of universal, selective and indicative measures
- (2) Training of staff
- (3) Implementation and monitoring of problem indicators during individual gambling processes
- (4) Self-determined player(card) limits with delayed options to increase the limits
- (5) Timely procedures for self- and forced exclusion with options for suspension
- (6) Early access to counseling and treatment services
- (7) Obligatory cooperation between providers and treatment services
- (8) Ongoing evaluation of prevention and treatment concepts

6. Qualitative Regulatory Approach

6.8 Quality of Regulator Body

- (1) Independent authority (public monopolies!)
- (2) Responsible for all gambling options
- (3) Automated monitoring of license and protection regulations and violations
- (4) Risk analyses of new gambling devices
- (5) Adaption of regulations according to monitored information and scientific knowledge

6. Qualitative Regulatory Approach

6.9 Quality of Gambling Research

- (1) Publication of results in recognized scientific journals,
- (2) Distinction between scientific findings and expressed opinions,
- (3) Distinction between statistical correlations and causal relations,
- (4) Thorough discussion of limitations and generalizability of study results

7. Outlook

- (1) First proposal on the table
- (2) Beginning of a dialogue with all stakeholder groups
- (3) Further development and implementation of anti-fraud and integrity measures
- (4) Final goal: New consumer protection based state treaty covering all types of gambling in 2021

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THANK YOU VERY MUCH!