



Enhanced Automated  
Reporting Platform for Land  
Based Gaming Devices in  
Casinos and Gaming Parlours

## Foreword

The land-based sector in Malta (excluding Maltco) grew by 3% in 2014, over 2013 figures, in Gross Gaming Revenue (GGR) terms. The largest segment, in GGR terms, is represented by the casinos with an 80% market share of the land-based industry, recovering marginally from the dip post 2012 which is attributed to the licensing of the gaming parlours and their subsequent success and re-distribution of the lower stake street market. As at the end of 2014, the gaming parlours constituted 13% of the market share, followed by the commercial bingo outlets at 7%.

Although the remote gaming segment often gets most of the attention due to its relative novelty and growth rate that it continues to experience, globally and in Malta; the land-based sector is equally seeking to diversify its range of products, their delivery, player experience and indeed growth. Indications show that the player profile of gaming devices in Malta is markedly different from that of other games, such as table games in casinos, and the shift from casino visits to street gaming parlours following the latter's regulation in 2012 indicate that there is indeed an element of substitutability between the two, albeit marginal.

The underlying and leading technology and market development trends have compelled the MGA to look at this gaming devices segment in its totality, whether these are located inside or outside casinos, as it increases its focus on its future sustainability and integrity from a regulatory and consumer protection perspective of all gaming segments.

The MGA is looking into the adoption of an enhanced automated reporting of Land Based Gaming Devices, primarily through the implementation of an enhanced automated reporting platform. The MGA's objective is to continue to improve on compliance reporting, leveraging technology to further drive benefits to the industry in general and the operators in particular in order to reach its goals of improved future stability, integrity and consumer protection.

The MGA strongly feels that before taking decisions in this area it should carry out a public consultation with regard to the system under consideration and its envisaged impact on the industry. It is therefore inviting interested industry stakeholders and the public at large to participate in this consultation process in order to provide feedback into the decision making process.

We encourage you to consider the topics discussed in this document and to provide your views, in particular, your detailed answers to the questions, which are listed in Appendix A of this document. Your contribution will greatly assist us in shaping the way forward.

We look forward to having your views and suggestions.

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## 1. Context

### 1.1 Introduction

Malta is regarded as one of the most experienced gaming base jurisdictions and the MGA's ambition is to excel further in its governance role. The underlying objective is to continue to steer Malta to be the absolute leader in the field, fostering innovation, development and thought leadership in distinct areas of the sector's governance. These areas include overall integrity of the sector, enhanced player protection, and regulatory compliance performance.

In order to achieve these objectives, and those of the regulatory framework in particular, it is paramount that MGA leverages the benefits of the advanced technology in the field in order to enhance the compliance processes and functionality. The land based sector, and gaming devices segment in particular, has led the technology drive in many market segments, and indeed operational reporting is inbuilt in most devices.

Whilst recognising the development and compliance performance in recent years, the MGA needs to continue to focus on this segment's future sustainability, integrity, and compliance and consumer protection. These are becoming ever more important with the increasing rate of global change, with emergent technologies, convergence, and evolving consumer behaviour trends.

### 1.2 MGA's Consultation Objective

The MGA's objective is to consult publicly on issues that are industry relevant and that have a potential impact on operators. As such, the MGA wishes to involve all potentially impacted stakeholders in this consultation process to obtain their views and perspectives on the possible impact of changes in technology and, or operational requirements for enhanced compliance reporting. By connecting with and understanding the core issues in this industry and assessing the risks affecting both players and operators alike, the MGA intends to use the knowledge to create better player protection processes, improved productivity for all stakeholders, and where necessary, more timely and effective enforcement.

The focus of this specific consultation paper is on a proposed Enhanced Automated Reporting Platform for Gaming Devices (Machines) situated in Casinos and/or Gaming Parlours in Malta.

The MGA believes that calling on the industry and other stakeholders in a public consultation on this topic will not only assist the MGA to better understand the benefits to the operators and the industry in general, but also to understand the implications on the operators. The MGA is also interested in understanding the current technology implementations currently in place across the various stakeholder groups in order to factor this information into future decision making on the potential options available and the various approaches to implementation. The MGA is also interested in obtaining feedback on the proposed technology architecture, the data reporting requirements and the potential risks associated with such systems. Most importantly, through this consultation paper the MGA intends to shape its requirements for the selection of the proposed solution.

### 1.3 Purpose

For reporting purposes, today the MGA relies on information submitted by the operators using reporting processes that are manual or produced on an ad-hoc basis, often resulting in incomplete or potentially outdated data. The MGA is looking to enhance its reporting system by fully leveraging the data and technologies available in the market. Without a stronger level of automation in place, the MGA is currently unable to supervise compliance at a deeper level and in a timely manner resulting in potential risks to players and operators. Subsequently, this can result in a lack of confidence in the regulatory performance and could impact the local industry as a whole. To protect the industry, most especially the operators and players, these risks need to be mitigated with improved reporting processes and systems. Leaving the situation 'as is' is unsustainable and may impact the growth and long-term viability of the industry.

The MGA recognises that currently several land based gaming device operators already have systems in place to manage and monitor gaming devices, and it intends to leverage data from these systems where available.

The high level benefits from the introduction of enhanced automated reporting platform are listed below.

Detailed benefits are elaborated upon in section 4.

- Player Protection and Support;
- Increased security of operator data transmission;
- Streamlining of current compliance reporting and reporting processes;
- A reduction of complexities in compliance reporting and investigations;
- Reduced manual effort for both the operator and the MGA;
- An increase in industry productivity and efficiency, including faster turnaround of queries and investigations;
- A supply of timely analytics for both the MGA and the operator to support decision making;
- A transparent process between the operator and the MGA;
- Improved data and reporting on the industry;
- Robust reporting of the compliance framework through use of technology;
- Protection of industry reputation.

### 1.4 Pre-Consultation Activities

In 2014 the MGA conducted preliminary research on the possible options and implications of an Enhanced Automated Reporting platform. Specifically it reviewed the following:

- A review of the current legislation that directly relates to enhanced reporting in the land based sector;
- A review of the nature of data to be collected;
- An assessment of industry best practice in other jurisdictions;
- An initial understanding of options available in the market today, and the technical implications of such a system;
- A full cost benefit analysis.

The proposal being put forward is based on the outcome of this review.

## 2. Proposal

### 2.1 Industry Context

Gaming devices form an integral part of the land-based gaming sector in Malta and every national market. In Malta gaming devices for public use can be located either on a licensed casino floor, under the casino licence which covers also other types of games, or in gaming parlours (street market) operating under a specific gaming device operating licence.

The Gaming Devices Regulations came into force in 2011 which with the concurrent amendments to the Lotteries and other Games Act; empowered the Malta Gaming Authority (MGA) to license, regulate and monitor gaming devices in the street market that, owing to the previous blurred regulatory stance and the technological development in such devices, fell in an inadequately regulated space. The Regulations and subsidiary Directives provided for the first gaming parlours to be licensed following the new regulations which became operational in 2012. The street market developed steadily within a couple of years and as at December 2014, there were 42 approved gaming parlours spread over Malta and Gozo. According to the Regulations, there cannot be more than 10 gaming devices in each parlour. The total number of licensed gaming devices in the street market increased from 259 in 2013 to 273 in 2014 which gives an average of 6.5 devices per gaming parlour, while those in casinos, total 649 which are spread over the three licensed casinos.

These developments in the industry and the success achieved to date both by the sector and the MGA in its regulation, compel the MGA to ensure that its future sustainability, enhanced compliance performance and consumer protection continue to feature high on its governance agenda. Enhanced compliance also has direct benefits to the individual operators and to the industry at large.

The MGA seeks to ensure that it continues to have adequate processes and sufficient tools in place in order to provide strong and timely governance based on effective operator compliance. It therefore firmly believes that with the growth and development of this industry segment, and the significant changes in technology, merit the introduction of technology based solutions that reduce administrative burdens in order not to stifle development whilst ensuring high compliance performance.

#### Questions related to Industry Context

- Q1.** What are your views about the effectiveness of the MGA's current reporting framework and processes?
- Q2.** How would you classify the MGA's current capability in technology adoption for reporting and enforcement: Very High, High, Medium, Low, or Very Low?
- Q3.** Do you agree with the MGA on its view of the need to enhance compliance performance in this industry segment?
- Q4.** How do you relate to the need for gaming industry risks to be addressed through enhanced compliance reporting?

## 2.2 Definition

Regulatory compliance is the set of business policies, standards and processes that need to be in place to ensure adherence with the governing regulatory framework for the sector. Its reporting involves a defined methodology which includes the approach; the frequency of updates and the desired reporting that ensures the overall validation of the regulation rule-set.

Through the EARP, the MGA seeks to ensure both tighter standards and controls on the replicated vaults as well as introduce regular reports (data feed) from operators from which financial, game, and player activity will be monitored and analysed to enhance and determine compliance to the regulatory framework.

Enhanced automated reporting is the usage of technology, through various forms of automation, to:

1. Capture compliance data at regular intervals, which could include daily, weekly or monthly extracts and/or via near real-time data feeds;
2. To store normalised financial, game, and player data in a 'locked down' secure and robust environment for proactive reporting of operator and player activity;
3. To provide data reporting for analytical purposes at industry, operator and / or player, game level for compliance reporting.

Enhanced compliance reporting also includes more proactive player screening and support and enables additional insights through reporting and analytical tools in order to promptly flag a potential compliance breach and irregularity.

There are some inconsistencies at a regulatory level between different types of games. For example there is currently no provision in the law that requires casino operators to submit data for reporting purposes from devices other than through existing manual data dumps. Conversely, the MGA can at any time request relevant gaming devices and/or central systems registered under the operators' control to be connected to a central reporting system operated by the MGA and to maintain such connections at all times.

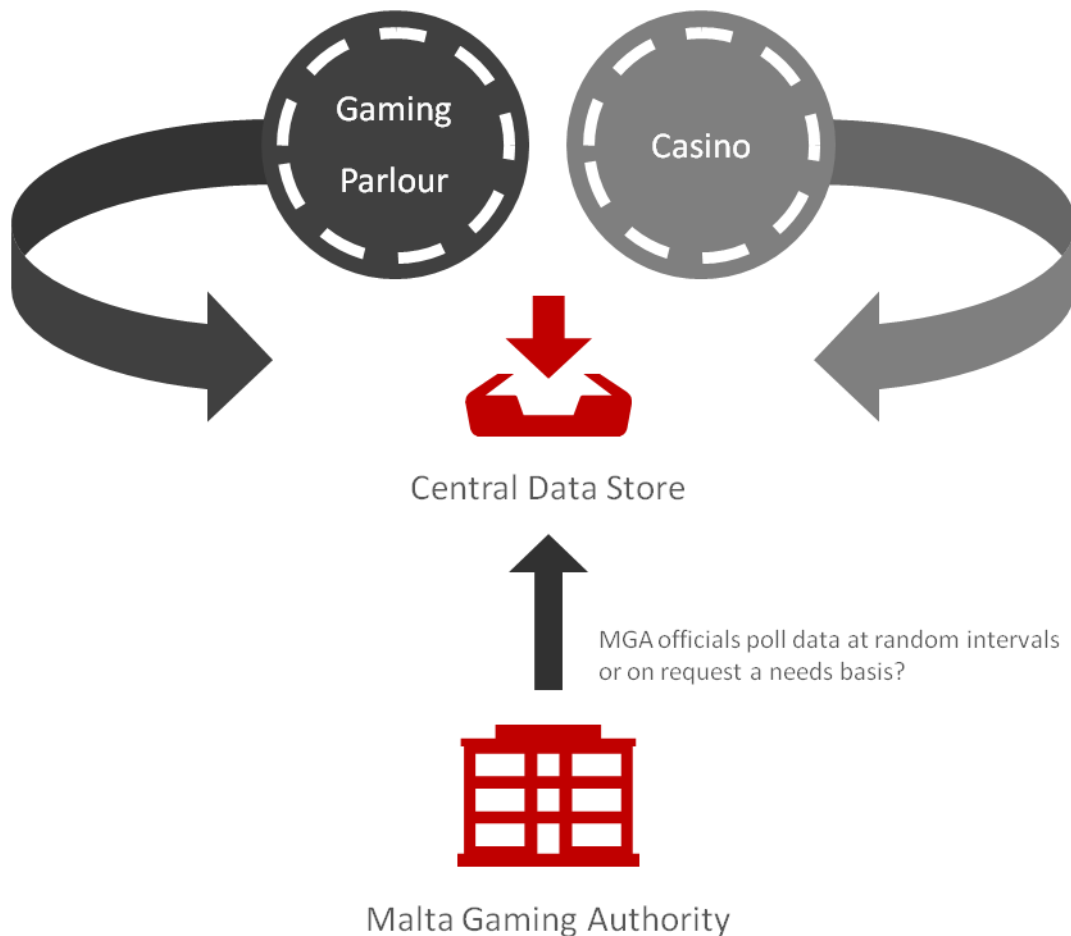
The MGA concludes that these inconsistencies in application have created competitive discrepancies in the market between the operators of different games/devices. To ensure a level playing field, the MGA must ensure consistent operations across the industry. The MGA must therefore ensure that the recommended EARP ensures a level playing field for all operators.

## 2.3 Proposed Technology Architecture

The proposed technology architecture identifies the need for the MGA to capture data from gaming devices at casinos and gaming parlours automatically by means of Electronic Data Interchange mechanisms. The frequency of updates will be determined based on the data to be transferred as well as the specific requirements of the individual devices.

The MGA is envisioning an architecture for its EARP that is a centralised solution, hosted by MGA, which obtains a pre-defined subset of data from operator managed system/s on a regular

basis through a pre-defined set of API's, whereby operators forward data in a required format in line with a pre-established reporting calendar.



The diagram above is an illustration of the proposed architecture for the MGA EARP and its interaction with the operator's systems.

The system will be scalable in order to facilitate handling of the operational requirements from diverse operators irrespective of their size. The system will provide added value in its provisioning of reliability, timely reporting, facilitated access and reporting capabilities.

The MGA recognises that many operators already have solutions in place that have been developed or acquired for their internal operations. To this end, the technical implementation of the proposed solution is not anticipated to be overly complex. The MGA intends to leverage some of this aggregated data already in place to provide data to the proposed reporting platform. The MGA will interface with operator systems either using standard industry interfaces. (From information obtained through research and assessment, the MGA has been given reasonable technical assurances by experts that integration with other 'unknown' systems is possible through an interface that can be utilised in situations where the gaming devices use a different type of machine than the industry standard.)

Data that is transferred to the EARP will be subject to additional processing in order to validate the data and ensure its accuracy.



The MGA is not recommending or requiring direct access to the operator's land based systems for the sake of enhanced reporting. This will remain as it is today with the operators fully managing and maintaining their own respective systems. The MGA will only require a regular data feed from operator's system for normalised financial, player and game data.

### Questions related to the Proposed Technology Architecture

- Q5.** What are your views on the above technical architecture of the EARP?
- Q6.** Do you currently have a system in place to manage land based gaming devices? If yes, please elaborate the nature of your system and provide the system name where applicable?
- Q7.** Does your current system have a capability to export data for compliance reporting purposes?

## 2.4 Data Transfer Requirements and Frequency

The proposed reporting system will be managed by the MGA and the information required to be sent from the operator to the MGA on a regular basis is envisioned to be comprised of three main aspects:

1. Player data, such as:
  - Player id, username, name, surname, address, IP address, nationality, country, cumulative total withdrawals, first date played, last date played, self-barring.
    - It is envisioned that player data is to be transferred once a month, where one record per player with the key player attributes is to be transferred.
2. Financial data, such as:
  - Player Liability data, month-end financial totals, month-end gross gaming revenue, end-of-day book balances, ticketing reports;
    - It is envisioned that financial data is to be transferred once a month, in a normalised manner, whereby key financial attributes are to be transferred.
3. Game and Machine data, such as:
  - Number of sessions by game by player, number of hours by game by player, total stakes, daily withdrawals, random number generators;
  - Machine data such as statistical events (RAM clears, real time percentages (rtp), meters, door statistics);
    - It is envisioned that an aggregate of game and machine data is to be transferred once a day, in a normalised manner, whereby key attributes are to be transferred.

### Questions related to the Data Transfer Requirements

- Q8.** What are your views about the scope of data transfer requirements? Would you recommend any changes in data transfer requirements?
- Q9.** What are your views on the frequency of the data transfer requirements? Would you recommend any changes in frequency?
- Q10.** Does your current system have a capability to export data for compliance purposes?
- Q11.** Is the player data listed above available for export from your current systems?
- Q12.** Is the game data / machine data listed above available for export from your current systems?
- Q13.** Is the financial data listed above available for export from your current systems?
- Q14.** Do you have any overall concerns or changes to the data transfer requirements?

### 2.5 Business Intelligence

Business intelligence is an important aspect of the system for the MGA, which will be implemented using high-end reporting and analytical tools. This presents an immediate opportunity to the operator, since it would be able to access and analyse aggregated industry data as well as its own individual operator data. This can provide the operator with insights and trends as an added value. Individual operator data will only be provided at a detail level to the specific operator providing the data; however industry data at an aggregated level can be provided to all contributing operators.

Summarised business data may be provided through a Business Intelligence portal of the EARP that could provide essential information to assist the operators better understand their business in comparison to the industry for decision making.

### Questions related to Business Intelligence

- Q15.** Would you be interested in obtaining aggregated 'Industry' business intelligence data from the centralised EARP?
- Q16.** What type of data / reports would you be interested in obtaining from the platform?
- Q17.** Would you be interested in obtaining data specific to your operations from the centralised EARP?
- Q18.** If you are interested in additional reporting and analytics, can you please elaborate on the nature of reporting and analytics required?

### 3. Privacy, Security and Risk Management

The MGA recognises that with the introduction of automated electronic transfers of player, financial and game data, security and data protection requirements are paramount.

For this the MGA is preparing to implement a system with a feature set to include:

- Strong user authentication mechanisms;
- High levels of transactional security and transaction traceability;
- Secure transmission of data between the operator systems and the MGA;
- Secure storage of data at the designated MGA hosted site;
- Adequate data protection and confidentiality measures, so that data is only shared at an aggregate level.

The following risks have been identified; the robustness of any selected enhanced reporting solution to mitigate risks in these areas will be given high consideration:

- Data loss;
- Transfer interceptions;
- Data tampering and manipulation;
- System unavailability and downtime;
- Vulnerability patching.

#### Questions related to Privacy, Security and Risk Management

**Q19.** Do you acknowledge the numerous challenges and risks that the gaming industry is facing today?

**Q20.** Which are the critical risks that need to be addressed in the introduction on the EARP?

**Q21.** Are there any other challenges and risks you would like to see included as part of MGA's priority risk matrix?

**Q22.** Are you aware of any constraints that in themselves create risks to the implementation of a centralised reporting system?

### 4. Benefits and Costs

#### 4.1 Benefits

Following the pre-consultation activities, the MGA's objective is to establish a solution where the operators and the MGA will both benefit from enhanced reporting.

A list of the anticipated reciprocal benefits is in the following areas:

#### 1. Improved regulatory compliance performance, consumer confidence:

- a) The MGA will not be dependent on the operators to provide data on an ad-hoc basis for inspections, audits and compliance checks;
- b) Reporting would no longer need to rely solely on inspections and physical presence;
- c) It will be possible to provide faster response times when player issues are raised;

- d) A proactive prevention approach will be in place rather than random reactive interventions;
- e) Enhanced industry standing and reputation.

**2. Resource optimisation:**

- a) Resources from both parties will be released from having to fulfil ad-hoc and/or follow up requests.

**3. Process Integration and automation:**

- a) The enhanced reporting system would not require a high level of support from the operators and the MGA.

**4. Regulatory and asset assurance:**

- a) Infringements will more likely be uncovered as they occur rather than through demanding subsequent investigations;
- b) Health-checks of gaming devices will be ongoing;
- c) The ability to verify the integrity of physical assets will be ongoing.

**5. Player protection process:**

- a) Timelier handling of player complaints within the timeframes prescribed by law;
- b) An increase in player interaction capabilities;
- c) Improved service provider efficiency;
- d) Better customer service;
- e) Increased customer confidence;
- f) More satisfied clients.

**6. Enforcement and regulatory compliance:**

- a) The need for frequent physical inspections or presence will be reduced;
- b) The MGA will investigate discreetly rather than having to be physically present in the gaming parlours or casino during normal business hours;
- c) Regulatory compliance reporting will be simplified for the operator through a standard set of reporting requirements;
- d) System efficiencies will be improved;
- e) Process integrity will be assured;
- f) Underage players will be identified and barred.

**7. Revenue assurance:**

- a) Erroneous submissions due to human input error will be eliminated;
- b) Theft from human activity and malfunctioning equipment will be prevented;
- c) Fraud attempts will be detected early on;
- d) As an added benefit, operators will have the ability to benchmark themselves against the performance of the segment.

**8. Operational efficiencies and improvements:**

- a) A reduction of burden required in the initial stages of an investigation or audit;
- b) A steep reduction of total man hours required for extracting data.

## 9. Reporting and insight:

- a) Analytics and trending data will be provided back to the operators.

## 10. Security and Data protection

- a) The manual submission or data dumps will be replaced with the implementation of industry grade encryption and secure data communication transfers;
- b) Sensitive information will be protected at all times;
- c) Authentication and verification of data submissions;
- d) Detail logging of system events;
- e) Integrity assurances through data protection against modification.

## Questions related to Benefits

**Q23.** What, in your views, are the direct benefits to your organisation, and/or the industry, through the introduction of an enhanced automated reporting system?

**Q24.** Do you share the MGA's view in terms of the direct benefits to you as an operator through the introduction of an enhanced automated reporting system?

**Q25.** Do you believe that the anticipated benefits can be converted to tangible benefits for operators and the regulator alike?

**Q26.** Do you agree that a higher output in quality contributes to better recognition of the value of a licence with banking or financial institutions, stakeholders in general, and investors?

**Q27.** What are your views about the MGA not yet having a proper central reporting system to protect the integrity and value of an operator's licence?

**Q28.** Can you identify additional benefits to the ones determined through pre consultation activities by the MGA?

**Q29.** In your opinion, how cumbersome is the current reporting process to the operator in terms of resource man-hours, technical complexities and investigation requirements?

**Q30.** How effective are the current analytical and reporting capabilities between the operators and the MGA?

**Q31.** Do you share a common view with the MGA about potential efficiency gains to be achieved?

**Q32.** Which are the benefits that will have most impact to your business?

## 4.2 Costs

It is anticipated that the costs for the EARP will be shared with the MGA covering the costs of the EARP while the operator who is responsible for its own production environment will cover the costs for:

1. The implementation of the interfaces between the operator's systems and the proposed EARP;

2. The certification of the interfaces between the operator's systems and the proposed EARP.

### Questions related to Costs

- Q33.** Do you share a common view with the MGA about potential cost model? If not, please elaborate on your perception of the anticipated costs?
- Q34.** Which are the additional costs that you may foresee that can impact your business?
- Q35.** Do you currently undergo a certification process for other jurisdictions? If yes, do you anticipate that your costs can be mitigated by leveraging these certification processes?

## 5. Regulatory Framework

Legislation, regulations and directives constitute the regulatory framework applicable to the gaming industry in Malta. Their purpose is to foster a culture of “responsible gaming” in Malta. Players have a right to gamble however they also have an obligation to do so safely and in an ethical manner without harming themselves or others in the process.

The legislation places boundaries, whereas regulations set more detailed rules on how players are permitted to participate without permitting their actions to escalate into problems. Furthermore, regulations set the statute of limitation in regards to who is authorised to offer such games and how, and who is permitted to play. This spans various levels of integrity in regards to games, and the methodology required to administer funds, fiscal payments, player liability and the games themselves.

The documents in the regulatory framework that are relevant to this consultation are:

### 5.1 Legislation

#### 1. Lotteries and Other Games Act

- a) Regulates:
  - i) Remote gaming;
  - ii) Bingo games;
  - iii) Tombola games;
  - iv) Sports betting;
  - v) Racecourse betting;
  - vi) National Lottery;
  - vii) Other lotteries (including the non-profit);
  - viii) Gaming devices located outside of casinos;
  - ix) Amusement machines.

#### 2. Gaming Act

- a) Regulates:
  - i) Land-based casinos, including gaming devices located in casinos, and other related games;
  - ii) Land based poker games (although not specifically mentioned) because it is considered a type of game played in a casino.

3. **Data Protection Act**
4. **Prevention of Money Laundering Act**
5. **Prevention of Corruption (Players) Act**

## **5.2 Regulations**

6. **Cash Controls Regulations**
7. **Gaming Devices Regulations**
8. **Amusement Machines Regulations**
  - a) Regulates:
    - i) Amusement Machines.
9. **Prevention of Money Laundering and Financing of Terrorism Regulations**

## **5.3 Directives**

10. **Directive on Inactive Accounts**
11. **Registration of Players Directive 2011**
12. **Other Amusement Machines Directive**

## **Questions related to Regulatory Framework**

**Q36.** What are your views about the current standards and regulatory framework that govern the sector with regard to compliance reporting?

**Q37.** Do you recognise a need for change in the current legislation and the regulatory framework in general for land-based gaming devices inside casinos and in gaming parlours with regard to compliance reporting?

## 6. Consultation Process

The following is the relevant information about the consultation process, key dates and the process to forward queries to the MGA during the consultation period.

### 6.1 Period

The MGA will allow a total period of eight (8) weeks for the public consultation which will be set as follows:

**OPENING DATE OF CONSULTATION:** Wednesday, 21 October 2015

**CLOSING DATE OF CONSULTATION:** Wednesday, 16 December 2015 at 16:00h

### 6.2 Consultation Questions

The MGA is keen to seek the input of stakeholders and has set out a series of questions throughout this document which should be addressed by contributors. Appendix A contains the consolidated list of the consultation questions. Please respond to as many questions as possible and provide supporting information where required and provide examples where applicable. Kindly use the question numbering in your responses.

The MGA is open to all types of responses, and other comments on the MGA's position and proposals are welcome.

### 6.3 Queries

The MGA has set up a dedicated electronic mailbox for the purposes of this consultation. The MGA will receive queries and requests for clarifications that contributors may have in respect of the contents of the paper and proposals, and contributions/feedback from interested parties on the following email address: [consultations.mga@mga.org.mt](mailto:consultations.mga@mga.org.mt)

All queries will be acknowledged in writing within two (2) working days from receipt.

**Note:** The MGA will consider only those contributions that clearly identify the originator of the contribution, contact information, and a clear statement of which interest they represent.

### 6.4 Transparency

The MGA will maintain a register containing details of all contributions received. This register will be published on the MGA's website following the closing date of the consultation. The following information will be published in the register; names of respondents, and all related documents and individual contributions.

The MGA will consider contributions which include a request for anonymity on a case-by case basis. However, for such requests to be considered, they must include a clear indication of the interest group which the contributor represents/belongs. Where such requests will be granted, the contributors information will be anonymised and will clearly indicate the stakeholder/interest group.



The MGA will ensure that any data that is confidential to the operator's environment or business is kept confidential at all times and will not be disclosed in the consultation reports.

## **6.5 Post Consultation**

The MGA will consider all responses carefully when finalising its proposals, but will only alter its position if it believes there is a sound basis to do so. Following the end of the consultation the MGA will prepare a summary of responses, which it will publish alongside the finalised documents.

## **6.6 Data Protection Statement - Data Protection Act (Chapter 440)**

As part of this consultation, individuals are invited to forward their recommendations, views and opinions which will enhance the process. We intend to collect the following information: name of the organisation or individual responding to the consultation, the contact details of the individual (e-mail and telephone number). The contact details provided will enable us to contact the person to clarify their contributions – if the moderator of this consultation needs to seek such clarifications.

The recommendations will be analysed and placed, in full or in part, on the MGA website after the consultation has been concluded. The comment of the organisation or the individual will be accompanied by the 'Display Name' as listed at the time when the comment was entered by the individual. If an individual chooses to have his name removed from the comments, the moderator will categorise these comments according to the following stakeholders' list:

- Gaming parlours operators;
- Casino operators;
- Service providers to the industry;
- Testing laboratories and other standards' auditors ;
- Industry experts;
- Sector associates or stakeholders;
- Citizens;
- Others.

The personal data collected will be processed by the people involved in the consultation process according to the provisions of the Data Protection Act (Cap 440) and will not be accessed or disseminated to third parties.

Contributors may request for modification or deletion of their submitted contribution to this consultation process, by sending their request via e-mail to: [consultations.mga@mga.org.mt](mailto:consultations.mga@mga.org.mt)

In addition, please be aware of:

- Disclosure under the Freedom of Information Act (Chapter 496)

As the MGA is a public authority all documents held by the Authority, including documents related to this public consultation process, may be released following a request under the

Freedom of Information Act (Chap. 496), unless such request may be subject of an exemption arising from the same Act.

## Appendices

### Appendix A: Definitions

<b>Enhanced Automated Reporting Platform (EARP)</b>	A computer system that obtains data from Operators' systems on a regular basis to report and provide analytics on operator activities for the purpose of compliance related reporting.
<b>Financial data</b>	Any data pertaining to the financial activity of a player.
<b>Licensee</b>	As per the definition of licensee in Gaming Act, the Lotteries and other Games Act, and the Gaming Devices Regulations.
<b>Player information</b>	Any data which contributes or may contribute to the identification of a player.
<b>Game data</b>	Any data which contributes or may contribute to the game activity of a player.
<b>Compliance</b>	Compliance is a term describing the conformance requirements for meeting the standards and requirements of the regulatory framework and conditions in licence.
<b>Compliance reporting</b>	Compliance reporting is a set of rules designed for assurance of compliance to regulatory standards, requirements and licence conditions. It involves a defined methodology which comprises the approach, frequency of updates, desired reporting output and overall validation of the rules.
<b>Normalised data</b>	Data that has been simplified in its structure in order to transmit a subset of data in a standard format.
<b>Operator</b>	An operator licensed by the MGA or in the process of obtaining a licence, to operate gaming devices from the MGA in Malta.
<b>Regulatory framework</b>	A combination of legislation, regulations and directives established by Government and operated by the MGA through various regulatory mechanisms and processes in order to ensure sound governance and regulation of the gaming sector: to meet its objectives of fair gaming, free from crime and fraud and above all: consumer protection.

### Appendix B: Acronyms

<b>MGA</b>	Malta Gaming Authority
<b>AML</b>	Anti-money Laundering
<b>API</b>	Application programming interface

## Appendix C: Full list of Consultation Questions

### Questions related to Industry Context

- Q1.** What are your views about the effectiveness of the MGA's current reporting framework and processes?
- Q2.** How would you classify the MGA's current capability in technology adoption for reporting and enforcement: Very High, High, Medium, Low, or Very Low?
- Q3.** Do you agree with the MGA on its view of the need to enhance compliance performance in this industry segment?
- Q4.** How do you relate to the need for gaming industry risks to be addressed through enhanced compliance reporting?

### Questions related to the Proposed Technology Architecture

- Q5.** What are your views on the above technical architecture of the EARP?
- Q6.** Do you currently have a system in place to manage land based gaming devices? If yes, please elaborate the nature of your system and provide the system name where applicable?
- Q7.** Does your current system have a capability to export data for compliance reporting purposes?

### Questions related to the Data Transfer Requirements

- Q8.** What are your views about the scope of data transfer requirements? Would you recommend any changes in data transfer requirements?
- Q9.** What are your views on the frequency of the data transfer requirements? Would you recommend any changes in frequency?
- Q10.** Does your current system have a capability to export data for compliance purposes?
- Q11.** Is the player data listed above available for export from your current systems?
- Q12.** Is the game data / machine data listed above available for export from your current systems?
- Q13.** Is the financial data listed above available for export from your current systems?
- Q14.** Do you have any overall concerns or changes to the data transfer requirements?

### Questions related to Business Intelligence

- Q15.** Would you be interested in obtaining aggregated 'Industry' business intelligence data from the centralised EARP?
- Q16.** What type of data / reports would you be interested in obtaining from the platform?
- Q17.** Would you be interested in obtaining data specific to your operations from the centralised EARP?
- Q18.** If you are interested in additional reporting and analytics, can you please elaborate of the nature of reporting and analytics required?

### Questions related to Privacy, Security and Risk Management

- Q19.** Do you acknowledge the numerous challenges and risks that the Gaming Industry is facing today?
- Q20.** Which are the critical risks that need to be addressed in the introduction on the EARP?
- Q21.** Are there any other challenges and risks you would like to see included as part of MGA's priority risk matrix?
- Q22.** Are you aware of any constraints that in themselves create risks to the implementation of a centralised reporting system?

### Questions related to Benefits

- Q23.** What, in your views, are the direct benefits to your organisation, and/or the industry, through the introduction of an enhanced automated reporting system?
- Q24.** Do you share the MGA's view in terms of the direct benefits to you as an operator through the introduction of an enhanced automated reporting system?
- Q25.** Do you believe that the anticipated benefits can be converted to tangible benefits for operators and the regulator alike?
- Q26.** Do you agree that a higher output in quality contributes to better recognition of the value of a licence with banking or financial institutions, stakeholders in general, and investors?
- Q27.** What are your views about the MGA not yet having a proper central reporting system to protect the integrity and value of an operator's licence?
- Q28.** Can you identify additional benefits to the ones determined through pre consultation activities by the MGA?
- Q29.** In your opinion, how cumbersome is the current reporting process to the operator in terms of resource man-hours, technical complexities and investigation requirements?
- Q30.** How effective are the current analytical and reporting capabilities between the operators and the MGA?

- Q31.** Do you share a common view with the MGA about potential efficiency gains to be achieved?
- Q32.** Which are the benefits that will have most impact to your business?

### **Questions related to Costs**

- Q33.** Do you share a common view with the MGA about potential cost model? If not, please elaborate on your perception of the anticipated costs?
- Q34.** Which are the additional costs that you may foresee that can impact your business?
- Q35.** Do you currently undergo a certification process for other jurisdictions? If yes, do you anticipate that your costs can be mitigated by leveraging these certification processes?

### **Questions related to Regulatory Framework**

- Q36.** What are your views about the current standards and regulatory framework that govern the sector with regard to compliance reporting?
- Q37.** Do you recognise a need for change in the current legislation and the regulatory framework in general for land-based gaming devices inside casinos and in gaming parlours with regard to compliance reporting?