

# Guidance Paper on the Suspicious Betting Reporting Requirements & Other Sports Integrity Matters

Malta Gaming Authority

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## Definitions

Unless otherwise stated, terms in this document shall have the same meaning as defined in the Gaming Definitions Regulations (S.L. 583.04 of the Laws of Malta):

<b>Authority</b>	The Malta Gaming Authority as established by the Gaming Act (Chapter 583 of the Laws of Malta).
<b>Critical Gaming Supply Licence</b>	A business-to-business (B2B) licence to provide or carry out a critical gaming supply.
<b>Gaming</b>	An activity consisting of participating in a game, offering a gaming service or making a gaming supply.
<b>Gaming Service Licence</b>	A business-to-consumer licence (B2C) to offer or carry out a gaming service.
<b>Licensee</b>	An operator that has been licensed to carry out a gaming service or a critical gaming supply by the Malta Gaming Authority.
<b>Operator</b>	A person who carries out a gaming service.
<b>Player</b>	An end customer who participates or takes preparatory steps to participate in a game.
<b>Stake</b>	Money or money's worth that is or must be committed in order for a player to participate in a game, whether or not it is risked directly on a result of the game.

## Acronyms

<b>B2B</b>	Business-to-Business
<b>B2C</b>	Business-to-Consumer
<b>LRMS</b>	Licensee Relationship Management System
<b>SGB</b>	Sport Governing Body
<b>SBI</b>	Sports Betting Integrity department
<b>IBIA</b>	International Betting Integrity Association
<b>SBRM</b>	Suspicious Betting Reporting Mechanism
<b>FIAU</b>	Financial Intelligence Analysis Unit
<b>IPR</b>	Industry Performance Return

## 1 Context

The Sports Betting Integrity (SBI) department was created in August 2019 with the aim to increase focus and resources towards the fight against the manipulation of sports competitions. The SBI department's role consists of the gathering of data and information relating to suspicious betting and serves as a liaison with local and foreign regulatory authorities, law enforcement agencies, betting monitoring systems, sporting bodies and gaming operators to support the investigation of irregular and suspicious betting activity. The SBI is committed to taking a proactive approach in managing sports betting integrity. Therefore, the SBI department is adamant in keeping its stakeholders abreast with any updates in relation to its integrity endeavors.

This *Guidance Paper* will act as a point of reference to all MGA licensees and other stakeholders on all matters relating to sports betting integrity and the Authority's processes regarding such. As such, this document is being continuously updated to reflect current compliance commitments related to the integrity of sports and sports betting, and to continuously update stakeholders with initiatives undertaken by the Authority's SBI department in this regard.

## 2 Guidance Paper

### 2.1 Queries

Any queries related to sports betting integrity matters are to be sent on [sportsintegrity.mga@mga.org.mt](mailto:sportsintegrity.mga@mga.org.mt).

## 3 Sports Integrity

### 3.1 Definition of Sport & Sporting Event

Chapter 455 of the Laws of Malta, the *Sports Act*, defines sport as including:

*[...] all forms of physical or mental activity which, through casual or organized participation or through training activities, aim at expressing or improving physical and mental well-being, forming social relationships or obtaining results in competition at all levels, but excludes those activities held for therapeutic or clinical purposes or are part of the activities of health institutions or health centres [...]*

Moreover, the Authority defines a sporting event as an event comprising a sport (as defined above) that is administrated by a set of rules or customs and often undertaken competitively.

For the avoidance of doubt, it should be clarified that the above definition also encompasses esports. Furthermore, notwithstanding the fact that it falls outside of the 'sports integrity' nomenclature and definition, the principles within this document also apply to non-sporting events; for example, betting on outcomes of events which are not sports-related, such as the outcome of a TV talent competition or movie/music awards.

### 3.2 Suspicious Betting Reporting Requirements

The Authority has brought into force the *Suspicious Betting Reporting Requirements*, as noted in article 43 of the *Gaming Authorisations and Compliance Directive* (Directive 3 of 2018), which obliges:

43. (1) Licensees that offer a gaming service and, or a critical gaming supply relating to betting on sport events shall notify the Authority of any instance relating to suspicious betting.
- (2) Licensees that offer a gaming service and, or a critical gaming supply relating to betting on sport events shall notify the Authority of any circumstances which may lead to one or more bets being voided owing to a suspicion of the manipulation of the sport event to which they relate.
- (3) This article shall come into force on 1<sup>st</sup> January 2021 for all licensees that offer a gaming service.
- (4) This article shall come into force on 1<sup>st</sup> October 2021 for all licensees that offer a critical gaming supply relating to betting on sport events.

The Authority emphasizes the importance of reporting suspicious betting to the Authority. Reporting suspicious betting to the Authority is a compliance obligation and one which must be adhered to by all licensees that offer a gaming service and, or a critical gaming supply relating to betting on sport events.

The Authority is eager to help safeguard the integrity of sports and sport betting, which cannot be done without the assistance of its licensees and other stakeholders. The Authority is expecting that all licensees will collaborate on such matters. However, if there is a clear lack of collaboration, the Authority will have to take the necessary enforcement measures in this regard.

### 3.3 Designated Point of Contact

The role of the 'Key Compliance' should be the designated point of contact between licensees that offer a gaming service and, or a critical gaming supply and the Authority, especially since the Key Compliance holder is the person responsible ensure adherence to any obligations relating to sports integrity matters, as per the [Gaming Authorisations and Compliance Directive & Key Function Eligibility Criteria Policy](#). However, the 'Key Compliance' may delegate the reporting function to the entity's Integrity Manager, or any other individual entrusted with the function of reporting suspicious betting to stakeholders who are entrusted to safeguard the integrity of sports and/or sports betting. Such individual or the Key Compliance representative is therefore responsible to report suspicious betting activity via the Authority's *Suspicious Betting Reporting Mechanism (SBRM)* (see section 3.5). Sports Integrity related matters are corresponded with the licensee's appointed Key Compliance and the email addresses associated with the licensees' designated department.

### 3.4 Defining Suspicious and/or Irregular Activity

The Authority understands that every case is different and requires an assessment on a case-by-case basis. In this regard, the Authority also understands that its licensees and other stakeholders have their own definitions on what is tantamount to irregular or suspicious betting activity hence recognising the fact that industry standards on defining suspicious betting activity already exist. The Authority would

like to highlight the fact that providing a static definition to the term 'suspicious activity' is unfeasible, and to a certain extent, somewhat dangerous. The Authority realises the fact that the methods and criteria which underly suspicious betting are not static in nature and incur a high possibility of change over time. Hence, providing a strict definition in this regard may exclude potential suspicious activities in the future.

Whilst the Authority has its own definition of suspicious and irregular betting activity, it is understood that irregular activities are those activities that are inconsistent with usual or anticipated patterns of the market in question but which may be clarified or explained via information procured from the public domain and accessible through open-source research. The Authority affirms that if an irregular activity cannot be explained via the public domain, then this is to be deemed suspicious and hence reported to the Authority as per requirement noted in section 43 of the *Gaming Authorisations and Compliance Directive* (Directive 3 of 2018).

### 3.5 Reporting Instrument

The reporting instrument to be used for reporting purposes between licensees that offer a gaming service and, or a critical gaming supply and the Authority is the *Suspicious Betting Reporting Mechanism* via access through the Authority's portal shared with all licensees (the *Licensee Relationship Management System* (LRMS)). Therefore, all licensees reporting suspicious events shall make use of this instrument to report.

To be able to access the portal, and the SBRM, the individual with the role of *Access Rights Administrator* within the company reporting must provide the necessary rights to the individual who intends to access the SBRM. The *Access Rights Administrator* is an individual within the operator's company. Normally, it is the person who had first opened the company account on the Authority's portal. However, in the meantime, such user could have given these rights to another individual within the company. Therefore, the current *Access Rights Administrator* of an operator must be determined internally. Furthermore, such *Access Rights Administrator* must assign the rights of an *Approver* to the individual accessing the SBRM. Therefore, this process must be done internally by the *Access Rights Administrator*, without the need to notify the Authority.

A user-friendly [manual](#) about the SBRM has been made available in order to provide guidance on the workings of such mechanism. Even though the mechanism is a user-friendly one, such document shall act as a point of reference to any queries one may have when reporting suspicious betting activity to the Authority. The Authority's SBI department understands that any type of bureaucracy in this regard will dishearten operators from reporting. Hence, the Authority will remain open to recommendations on how this reporting system can be improved to make it more seamless. The Authority will amend the SBRM as necessary.

### 3.6 Suspicious Betting Reporting

Once a licensee has decided that there is enough suspicion to warrant a notification to the Authority, then the licensee is to notify the Authority in the immediate and in any event before the expiration of 3 days from the date on which the licensee first becomes aware of the irregular activity.

When reporting suspicious betting to the Authority through the Suspicious Betting Reporting Mechanism (SBRM), remote gaming licensees are reminded to also consider their reporting obligations with the Financial Intelligence Analysis Unit (FIAU) in terms of the Prevention of Money Laundering and Funding of Terrorism Regulations (PMLFTR)

### 3.6.1 Concerning licensees who offer a gaming service (B2C)

The Authority, via the SBRM, will require that licensees that offer a gaming service (B2C) provide the following information when submitting a report:

- Description of the markets on which suspicious activity has occurred;
- Geographic origin of the account holder;
- Timing of bets;
- Notification of any new accounts;
- Account profile information;
- Possible links to participants partaking in the sporting event;
- Reasons as to why the activity is being deemed as suspicious; and
- Notification of which bodies/agencies are also being notified of the activity reported.

In this regard, if B2C licensees offered an event to customers falling under the remit of the Authority, and that event was later deemed suspicious, then the Authority would be interested to know about that suspicious event. However, if the accounts pertaining to the suspicious betting are not within the remit of the Authority's licence, then the Authority will not request betting data in relation to those accounts because it is not within its remit to do so. It is usually the case that operators point this out to the Authority, and with this confirmation, the Authority would advise the entity investigating to contact the relevant regulator. Upon reporting, the licensee must correspond the relevant betting data that falls under the jurisdiction of the Authority.

When submitting a suspicious betting report, a detailed explanation regarding the suspicious behaviour noted should be given. An example of such could be an analysis of the unusual activity monitored that by such activity the relevant event or account was deemed suspicious. Such information is needed for the Authority's analysis and record keeping. However, this is also important for the Authority to have as a corresponding discussion regarding the report may ensue with the relevant SGB. As highlighted in the list above, it is important for the operator to also highlight whether such suspicious event or account was already reported to the relevant SGB before submitting the report on the SBRM.



Kindly note that the above example is the minimum requirement. Therefore, any supplementary information given would be appreciated and would avoid any additional emails requesting further clarifications.

### 3.6.2 Concerning licensees who offer a critical gaming supply (B2B)

The Authority understands that licensees which offer a critical gaming supply (B2B) may not have access to personal customer data and are not able to provide the same information as licensees that offer a gaming service (B2C) when submitting a suspicious betting report via the SBRM. The Authority expects licensees that offer a critical gaming supply to report events which have been offered to customers falling within the remit of the MGA licence and which have been flagged as suspicious. The Authority would also require to know which of those suspicious bets recorded fall under the remit of the Authority. The Authority also expects to be provided with a detailed explanation regarding the suspicious behaviour noted as it values the expert opinion of its licensees in this respect.

The Authority articulates the fact that to be able to perform an effective evaluation, sufficient detail needs to be provided by the licensee. Hence, if deemed relevant, said licensee may be required to provide the Authority with additional information which is extraneous to the above criteria. This information is to be provided via the reporting instrument noted above.

## 3.7 Monitoring & Alerting

With the *Suspicious Betting Reporting Requirements* in place, the Authority is able to monitor all the suspicious betting activity taking place within the remits of its Malta-licensed betting operators. Whilst recognising this responsibility, the Authority believes that in sharing information with its operators it can capitalise on the strong sense of collaboration that is already present and increase the chances of detecting suspicious betting behaviour.

Upon receiving a suspicious betting report indicating suspicious betting behaviour, or any other alert that may indicate potential manipulative behaviour surrounding an event, the Authority's SBI department will analyse such report to evaluate the suspicious behaviour being noted. The SBI department will also determine if further information is needed such as betting data which has not been attached at reporting stage.

Furthermore, the SBI will share knowledge of such reports with its licensees without revealing the source of the information. The Authority expects that licensees will then be able to review the event in question and establish whether the information being provided by the Authority may reveal any new indications that were previously not noticed. For example, an operator may be already deeming an event to be borderline suspicious due to irregular betting patterns noticed surrounding the event and hence the new information provided by the Authority may establish a better conclusion in that regard.

The Authority also expects that licensees will be able to review (or re-review) the betting activity surrounding the event being indicated in the alert, as this will increase the odds in recognising any

suspicious behaviour (if there is any). If suspicious betting is recorded by an operator after receiving an alert, then the suspicious event in question is to be reported via the *Suspicious Betting Reporting Mechanism*. A deadline of a week is given for operators to report suspicious activity after the Alert has been corresponded. The Authority is not expecting a reply should no suspicious betting activity be recorded on any of the events noted in the alert.

### 3.7.1 Report Writing and Analysis

After the one-week deadline pertinent to the alerting exercise has been met, the initiation of the information gathering process by the SBI commences. The SBI will confirm if any additional reports have been submitted as a result of the Alert corresponded. If so, the SBI will collate all the suspicious betting reports received and gather as much information as possible. Through this analysis, the SBI will attempt establish links between the reports submitted on the same events. For example, attempting to establish links between the different suspicious betting patterns reported to recognise links between the markets which were targeted, stakes placed, and other links that may establish potential illicit behaviour.

Moreover, the SBI compiles a report with all the information gathered. Once finalised, such report is corresponded with the relevant Sports Governing Body (SGB) linked with the event being reported. Such report will exclude any personal data at the time. Personal data will only then be provided upon a *Request for Information* (as highlighted in section 3.8). The relevant report is also given a risk-rating. If the report is deemed as high-risk, the SBI may also compile a comprehensive intelligence report which brings together intelligence from both open and closed sources to provide a better risk analysis of a targeted sporting event and corresponding betting markets.

## 3.8 Request for Information

The Authority may in certain circumstances request its licensees to provide it with information subject to a set deadline, in accordance with its regulatory powers as set out in article 7(2)(d) of the Gaming Act (Chapter 583 of the Laws of Malta). A reply regarding such requests is expected to be corresponded with the Authority before the set deadline. These replies are monitored and should it be the case that the Authority recognises a lack of compliance on a number of requests, the Authority will have to take the necessary enforcement measures in this regard. These requests will be corresponded formally and via email. In these instances, the Authority may be interested in knowing which of its licensees offered bets on a sporting event in question whilst also detailing out the information required relating to bets placed by the customers of the licensee as well as information about the account holders. The specific fields required will be detailed within the request and may include a request for personal customer data. In such cases, disclosure to the Authority is necessary for the prevention or detection of crime and for reasons of substantial public interest. This must be carried out without tipping off the data subject, so as not to prejudice any investigations to which the request would be pertinent to. It is the licensee's responsibility to take the necessary steps to ensure that their systems are compliant with data protection legislation when providing such information to the Authority.

When *Requests for Information* are corresponded with licensees that offer a gaming service and, or a critical gaming supply, the Authority will never require personal data of accounts that do not fall under

the remit of the MGA licence. However, in terms of reporting suspicious events, the Authority expects that it is made aware of those events that were offered to customers falling within the remits of the MGA licence but reported as suspicious due to accounts not falling within the remits of said licence. The reason being the fact that, when queried by SGBs, enforcement bodies, and other sports integrity-related stakeholders, the Authority would be able to direct them to the relevant regulator and be in a position to advise them on whether the event was actually deemed suspicious or not by any of its operators. However, in such cases, the Authority would still not request the personal data of those customers falling outside the remit of the MGA licence.

The Authority understands that licensees that offer a critical gaming supply (B2B) are not able to provide personal customer data to the Authority. Hence, the Authority may in certain circumstances request licensees that offer a critical gaming supply to provide it with details surrounding the event in question subject to a set deadline, in accordance with its regulatory powers as set out in article 7(2)(d) of the Gaming Act (Chapter 583 of the Laws of Malta). The details required in this regard would be a confirmation to whether the entity noticed any suspicious betting behaviour surrounding the event in question, the reasons why the event has been flagged as suspicious (if this is the case), and any additional information that the entity may provide based on evidence and/or their expert opinion.

### 3.8.1 Data Collection Method

Licensees that offer a gaming service (B2C) are to provide betting data in a spreadsheet file format (specifically “.xls”) so that it may be viewed using Microsoft Excel. The data requested needs to also be provided in the order as is requested (for example, if the *Request for Information* requests the licensee to submit the *First Name of Account Holder*, *Second Name of Account Holder*, *Date of Birth of Account Holder* and *Country Name*, then these are to be displayed in the spreadsheet file in that order (displayed in rows)). Licensees that offer a critical gaming supply are to provide details (as noted in section 3.7) in a format that is best suitable. However, in most cases, it is usually the case where such information is distributed in a PDF file format. The file is then to be corresponded via email to [sportsintegrity.mga@mga.org.mt](mailto:sportsintegrity.mga@mga.org.mt), should it not contain any personal data of sorts. Files containing personal data are to be transmitted using appropriate methods that are compliant with relevant data protection legislation. In fact, if the data being corresponded is pertinent to a report already submitted via the SBRM, the SBI department can set the report status of the corresponding report on the SBRM to *Amendments Required*. This will allow the operator to amend the report and upload the relevant betting data in the *Enclosures* section of the SBRM. The Authority kindly requests that the operator notifies the Authority when such report has been re-submitted and the relevant betting data has been successfully uploaded.

The Authority is expecting betting data to be corresponded with the initial report being submitted via the SBRM, the following information should be included in the betting data being corresponded:

- **Full name (forename and surname);**
- **Username;**
- **Address;**
- **Date of Birth;**

- **Country of registration;**
- **Contact email;**
- **Contact telephone numbers;**
- **IP history;**
- **Date of account opening;**
- **Details of any linked accounts;**
- **Details regarding how the bets differ from the account behaviour seen to date;**
- **Precise time at which the bets in question were made;**
- **Assessment of how these wagers may differ from overall market activity on this offer;**
- **Betting history on the relevant match/s (including all dates, timings, stakes, odds and winnings).**

### 3.9 Sharing of Information

The Authority may in certain circumstances share any relevant data, including personal data, in its possession with local and, or foreign regulators entrusted with the governance and regulation of a particular sector, when such transfer of data is (i) considered by the Authority as a necessary measure in the public interest, and (ii) necessary for the process of detecting, preventing and investigating activities constituting a criminal offence in Malta, or in accordance with Maltese law, and the law of the country of the relevant foreign regulator. The Authority is empowered to do so in accordance with article 8(2) of the Gaming Act (Chapter 583 of the Laws of Malta). The Authority is also legally obliged to share information with competent law enforcement agencies.

The public interest requirement shall be deemed *ipso jure* satisfied where the transfer of data is required in relation to the process of detecting, preventing and investigating activities relating to any of the following offences:

- a. money laundering;
- b. terrorist financing;
- c. fraud, identity theft and misappropriation of funds;
- d. computer misuse; and
- e. manipulation of sports competitions:

Provided further that for the purposes of detecting, preventing and investigating the manipulation of sports competitions, the Authority may also share information, including any relevant personal data, with sport governing bodies and other platforms whose function includes the detection of suspicious betting activities and, or are responsible to take action to prevent such manipulation of sports competitions from taking place, and with whom the Authority has signed a data-sharing agreement: Provided further that all processing operations shall be in accordance with the applicable data protection legislation. The Authority is empowered to do so in accordance to article 8(2) of the Gaming Act (Chapter 583 of the Laws of Malta).

### 3.10 Industry Performance Return

The Industry Performance Return (IPR) is the obligatory report that needs to be completed, on a bi-annual basis, by all companies licensed by the Authority. The Authority utilises information provided by the industry to assess any changes in the gambling landscape amongst others, regarding, money wagers, gaming revenue, overall participation in gaming activities, responsible gambling and much more. Statistics collected enable the Authority to understand better the dynamics of the market and provide the necessary support to the decision-making processes. The Authority is empowered to request such information as per article 7(2)(d) of the Gaming Act (Chapter 583 of the Laws of Malta).

The questions in the IPR relating to sports betting integrity may vary from time to time. However, the questions that are usually presented in the IPR are on the same lines as the following:

1. Does your company possess a Type 2 approval?
2. Does your company have a system that flags out the instances of suspicious betting linked with sports integrity?
3. Did your company flag out any instances of suspicious betting linked with sports integrity during the reporting period (1 January – 30 June or 1 July – 31 December)?
4. Indicate the following information on suspicious betting events: (a) which type of sports pertain to suspicious betting events; (b) how many instances relating to suspicious betting were noted per sport, during the reporting period (1 January – 30 June or 1 July – 31 December)?
  - a. Which type of sports pertaining to suspicious betting events were noted during the reporting period (1 January – 30 June or 1 July – 31 December)?
  - b. How many instances relating to suspicious betting were noted for the listed sport type in (a), during the reporting period (1 January – 30 June or 1 July – 31 December)?
5. From the total events noted in Q4, how many suspicious betting events linked with sports integrity were reported to: (a) the gambling regulator; (b) a betting integrity agency; (c) a sport governing body; (d) a law enforcement agency?
6. How many player accounts linked with suspicious betting were noted during the reporting period (1 January – 30 June or 1 July – 31 December)?

7. How many sports betting markets (individual sports matches) had all the bets placed on them cancelled due to suspicious activity, after the event took place during the reporting period (1 January – 30 June or 1 July – 31 December)?

### 3.11 Policy

Following the bringing into force of the *Suspicious Betting Reporting Requirements*, the Authority is in a position wherein it can implement procedures or protocols for the benefit of the integrity of sports betting, and sports in general. The Authority believes that in analysing reports of suspicious betting, it will be able to better assess the risks that various sporting competitions are exposed to and hence capable in guiding the industry accordingly to be able to mitigate the said risks. Using this information, the Authority may be able to determine whether to restrict certain betting markets or provide guidelines thereto, especially in terms of betting practices on amateur competitions, competitions involving minors, etc. Nonetheless, the Authority will continue consulting with the industry and other stakeholders prior to taking any decisions that may affect both the industry and sports bodies in their integrity efforts. The Authority intends to discuss these subject matters also in various fora and events that may be organised with this intention in mind.

### 3.12 The Prevention of Corruption in Sport Act, Chapter 593 of the Laws of Malta

Stakeholders should be aware of Chapter 593 of the Laws of Malta, the *Prevention of Corruption in Sport Act*. This law was enacted in 2018, replacing a previous version which was enacted in 1976. This law was viewed as an essential update, especially since the previous version was deemed outdated and made no reference to online betting. The Authority participated in the task force which had worked on the implementation of this law.

#### 3.12.1 What is considered to be match-fixing in Malta?

Match-fixing in Malta is defined by *article 2* of the *Prevention of Corruption in Sport Act* (Chapter 593 of the Laws of Malta) as “manipulation of a sporting event”, as follows:

*“manipulation of a sporting event” means an act or omission by virtue of which any person makes an intentional arrangement, aiming at or successfully accomplishing:*

*(a) the deliberate alteration of the outcome of any sporting event;*

*(b) the deliberate alteration of any of the aspects of a sporting event and the unpredictable nature of the sporting event, irrespective of whether such alteration affects the final outcome of the sporting event and whether such alteration, if any, is achieved as a direct or indirect consequence of the act or omission;*

*(c) the provision of inside information to third parties in a manner that assists or facilitates the commission of an offence against this Act;*

*(d) the actual acquisition of inside information with the intent of providing such information to third parties;*  
*or*

(e) the aiding, abetting, encouragement and/or inducement in any other way, of third parties to commit any one or more of the aforementioned acts, which may result in an undue advantage or gain for that person or for others.

### 3.12.2 What are the types of liability that apply in Malta?

Whosoever engages in match-fixing or manipulating the outcome of a sporting event shall be criminally liable for such offence under Maltese Law. Article 4 of the *Prevention of Corruption in Sport Act* states that anybody who is guilty and convicted of the above offences shall be liable to a term of imprisonment of not more than 3 years and a fine from €5,000 to €30,000, or both. At this point, no administrative liability is imposed upon offenders, although additional punishments may be imposed by the Sport Governing Body or the club.

### 3.12.3 Is there a difference between professional and amateur sport?

Professional sport is not a criterion in Malta for the criminalising of the manipulation of sports competitions. This is made clear in article 2 of the *Prevention of Corruption in Sport Act*, whereby the definitions of “athlete” and “Maltese sporting event” do not allude to the requirement of being professional in order for the provisions of the Act to apply to them. Therefore, there is nothing in the *Prevention of Corruption in Sport Act* precluding operators from offering betting markets on amateur sport competitions taking place in Malta. At this moment in time, it is possible that the manipulation of amateur sports may fall within the scope of Chapter 593 and under criminal law.

## 3.13 Participants Betting on their Own Sport

The Authority concurs that those who are in any way or manner whatsoever involved in a sporting event (e.g. athletes, agents, club officials and staff, match officials, and where reasonable, family members) should comply with the betting integrity rules established by the SGB organising the event. Safe and fair sports betting is reliant on the professionalism and compliant conduct of all stakeholders. The Authority understands the fact that all participants should ensure that their involvement in sport is based on the principles of loyalty, integrity, and fair play. Thus, the Authority encourages its licensees to make it a point to not allow participants of a sporting event betting on their own sport through their systems. In addition, the Authority understands that various gaming operators are already reserving the right to immediately report any of their account holders (to the regulator or respective SGB) who they know to be breaking any sports rules. The Authority supports this action-plan and encourages other operators to follow suit.

The Authority realises that participants betting on their own sport may tantamount to suspicious betting activity. Hence, recognition of such betting activity needs to be reported to the Authority, just like any other incidents of suspicious betting recorded. In fact, as noted in section 3.7.1, operators will have the feasibility of reporting a suspicious account over the SBRM. The Authority also understands that

licensees that offer a critical gaming supply might not be able to recognise such athletes betting on their own sport as they do not have access to the relevant personal data.

Such a stance also mirrors the Authority SBI department's intention in echoing the Authority's mission statement: *To regulate competently the various sectors of the gaming industry that fall under the Authority by ensuring gaming is fair and transparent to the players, preventing crime, corruption and money laundering and by protecting minor and vulnerable players.*

### 3.14 Misuse of Inside Information

Chapter 593 of the Laws of Malta, the *Prevention of Corruption in Sport Act*, defines inside information as:

*[...] important information of a precise nature relating, directly or indirectly, to any sporting event that a person possesses by virtue of his position in relation to a sport or sporting event, but does not include any information already published or which is common knowledge, easily accessible to interested members of the public or disclosed in accordance with the rules and regulations governing the relevant sporting event:*

*Provided that:*

- (i) for the purposes of this definition, information shall be deemed to be important if it is such that, if it were public, it would be likely to have a significant effect on the public's perception of the more likely outcome and, or progress of a sporting event;*
- (ii) for the purposes of this definition, information shall be deemed to be precise if it indicates a circumstance or set of circumstances which exist or may reasonably be expected to come into existence, or an event which has occurred or may reasonably be expected to occur and/or if it is otherwise specific enough to enable a conclusion to be drawn as to the possible effect of that circumstance or set of circumstances or event on the more likely outcome or progress of a particular sporting event.*

The Authority recognises the fact that any bets based on inside information are substantially unfair. In certain contexts, such activity may also be tantamount to cheating or fraud. As noted above, inside information is information which is known by an individual or individuals because of their role in connection with an event and which is not in the public domain. However, for its intents and purposes, with the word 'event' the Authority is referring to any event (even that which is a non-sporting event) on which bets can be placed. The misuse of inside information includes individuals using this information for themselves, or passing it on to others, for betting purposes.

The Authority encourages all SGBs to include clauses relating to the misuse of inside information within their regulations. In conjunction, the Authority notes that betting operators ought to continue addressing issues relating to the misuse of inside information via their internal controls and in turn report any such activity to the relevant SGB or the Authority in compliance with the *Suspicious Betting Reporting*



*Requirements.* In addition, the Authority recognises the fact that there are several other organisations whose products are directly or indirectly related to betting endeavours, and hence may need to also consider their own policies on betting rules and misuse of inside information. These organisations may be TV, radio production and broadcasting companies, telecoms companies, and any selection panels or committees which is involved in judging or giving awards.

The Authority will continue to ensure that gaming is fair and, in some cases, will continue to play a role in investigating cases of suspicious betting, even those which involve the misuse of inside information. The Authority will share information with relevant parties where appropriate, and in accordance with law.

### 3.15 Benefits of Operator Engagement with a Global Monitoring Body

Considering the continuous challenge in combatting match-fixing and other types of manipulation, the Authority recognises that there is a clear value from operators being part of a wider international integrity alert and/or monitoring system, which also feeds data into the appropriate authorities. This adds an additional layer of protection both for operators' own businesses and the licensed framework and its operational integrity capacity and associated reputation. It further allows for the development of a common threshold for identifying and reporting suspicious betting. The Authority recognises that there is also substantial value when operators pool in resources and information to better meet the intended objectives. Many a time, such networks also present value for industry and regulators alike as their positions on policy matters would be representative of a wider array of stakeholders, hence the Authority joins other regulatory bodies in recognising the benefits of operators being part of a wider international betting integrity monitoring network.

### 3.16 Frequently Asked Questions

The Authority continuously publishes and corresponds a [Frequently Asked Questions](#) document regarding the use of the [Suspicious Betting Reporting Mechanism](#) and other sports betting integrity matters, to better assist operators in their efforts to protect the integrity of sports and sports betting.

## 4 Conclusion

For any queries relating to this guidance paper or any other sports integrity related matters, please do not hesitate to contact the Authority's SBI department on [sportsintegrity.mga@mga.org.mt](mailto:sportsintegrity.mga@mga.org.mt).

