



Regulatory Oversight:  
**Supervisory Engagement  
Efforts 2026**

Online Gaming Sector  
Malta Gaming Authority

# Table of Contents

<b>Table of Definitions</b> .....	3
<b>1 Context</b> .....	5
<b>2 Supervisory Engagement Achievements in 2025</b> .....	6
<b>3 Building on the 2025 Framework in 2026</b> .....	7
<b>4 Regulatory Oversight Efforts for 2026</b> .....	8
4.1 External Compliance Audits.....	8
4.2 2026 Supervisory Engagement Focus Areas.....	9
<b>4.3 Focused Compliance Supervisory Engagement Efforts for 2026</b> .....	10
4.3.1 Thematic Review: Internal Control Framework around the Use of Cash and Cash Equivalents within the Online Gaming Industry.....	10
4.3.2 Thematic Review: Internal Control Framework around the use of Crypto Assets within the online gaming industry.....	11
4.4 Focused Sports Betting Integrity Supervisory Engagement Efforts for 2026.....	12
4.4.1 Thematic Review: Athletes Betting on Own Sport.....	13
4.4.2 Thematic Review: Esports Market.....	14
4.5 Focused Player Protection Supervisory Engagement Efforts for 2026.....	15
4.5.1 Thematic Review: Operator Monthly Reporting – ADR Reporting.....	15
<b>5 Next Steps</b> .....	16
<b>6 Conclusion</b> .....	18
<b>Annex A – The MGA’s Supervisory Toolkit</b> .....	19
6.1.1 Supervisory Engagement Type.....	23

# Table of 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):

Approved Audit Service Provider	Audit Service Provider authorised in line with the Approved Audit Service Provider Policy.
Alternative Dispute Resolution (ADR)	Any entity, however named or referred to, which is established on a durable basis and offers the resolution of a dispute through an ADR procedure and that is listed in accordance with the Consumer Alternative Dispute Resolution (General) Regulations. Source: Gaming Definitions Regulations (SL 583.04).
Authority or Malta Gaming Authority	The Malta Gaming Authority as established by the Gaming Act (Chapter 583 of the Laws of Malta).
Compliance Audit Manual	A manual designed to assist Audit Service Providers in performing and documenting the major considerations when performing a compliance audit in terms of the Gaming Act (Cap. 583 of the Laws of Malta) and any other relevant subsidiary legislations on behalf of the Malta Gaming Authority.

Gaming	An activity consisting in participating in a game, offering a gaming service or making a gaming supply, and shall be construed accordingly depending on the context.
Licensee	An operator that has been licensed to carry out a gaming service or a critical gaming supply by the Malta Gaming Authority.
Player	An end customer who participates or takes preparatory steps to participate in a game.



# 1 Context

As with the previous year, this document is dedicated to outlining the supervisory engagement efforts of the Malta Gaming Authority (hereinafter the 'MGA' or 'Authority') in relation to the Compliance, Player Protection, and Sports Betting Integrity regulatory areas. An overview of the Authority's focal points during 2025 will be presented herein, which have set the groundwork for work to continue in 2026, utilising the same methodology and supervisory toolkit highlighted in the document on **Regulatory Oversight: Supervisory Engagement Efforts 2025**.

In 2025, the Authority's supervisory methodology was enhanced, with a specific focus on the online gaming sector. A risk-based, evidence-led, and outcomes-focused oversight framework was adopted, utilising data-driven insights for more targeted engagements. This included full-scope supervisory efforts and thematic reviews, with an aim to foster continuous improvement and proactive compliance amongst Authorised Persons. The key areas covered in 2025, which will also be outlined herein, served as the foundation for the Authority's supervisory efforts for 2026.

# 2 Supervisory Engagement Achievements in 2025

In 2025, the Authority refined its supervisory approach across the Compliance, Player Protection, and Sports Betting Integrity areas within the online gaming sector. This methodology aligns closely with the Authority’s broader strategy of fostering a resilient and sustainable industry. The approach was designed to address key risk areas and desired outcomes, thereby strengthening the Authority’s regulatory oversight, promoting long-term stability, and safeguarding player interests.

Supervisory engagement became more dynamic and targeted, with the Authority leveraging data-driven insights to assess Authorised Persons’ operational models and to allocate resources to the areas of greatest impact. The Authority employed a set of Supervisory Tools to ensure compliance across the relevant regulatory areas.

Collaboration between the Authority and Authorised Persons was encouraged, fostering a culture of transparency, continuous improvement, and proactive compliance. Authorised Persons played a more active role in demonstrating compliance and managing operational risks. Through this methodology, the MGA is better placed to track and measure the effectiveness of its interventions, monitoring outcomes against objectives with a key supervisory focus on the below-mentioned areas:

## 2025 Focus Areas

Operational Resilience – Information Technology	Governance Assurance – Key Functions
Self-Exclusion Due to Problem Gambling	Player Protection Detection System
Local Football Betting Landscape	Sports Betting Integrity: Licensees not reporting

The supervisory efforts undertaken in 2025 have laid a strong foundation for the Authority’s adaptive and responsive framework. To date, the Authority has published guidance reflecting the outcomes of several areas referenced above. Looking ahead, further publications will be issued in the coming months to address areas where guidance is still pending. This initiative aligns with the MGA’s strategic priority of outreach. These forthcoming publications will provide practical guidance for Authorised Persons by outlining key outcomes, identifying best practices, and highlighting areas for improvement where relevant.

## 3 Building on the 2025 Framework in 2026

In 2026, the Authority is advancing the supervisory strategy by building on the achievements and foundational work of 2025. The Authority is systematically monitoring progress and adjusting its strategy based on regular evaluations of risk levels and effectiveness of supervisory tools. This ensures that regulatory oversight remains robust, agile, and aligned to long-term sector objectives.

The Authority continues to utilise its Supervisory Toolkit outlined in **Annex A** to address evolving risks and operational complexities among Authorised Persons. Proactive engagement and targeted interventions remain central to the approach, with resources prioritised for areas of highest risk and critical regulatory importance.

# 4 Regulatory Oversight Efforts for 2026

## 4.1 External Compliance Audits

Full-scope Compliance Audits conducted by Audit Service Providers authorised by the Authority will remain a pivotal component of the Authority's oversight framework. These audits, performed in accordance with the procedures set out in the Authority's Compliance Audit Manual, involve a thorough evaluation of a wide range of operational and regulatory standards, such as financial stability, Player Protection practices, Anti-Money Laundering controls, and assessing IT systems.

While the Authority continues to embrace a Risk-Based approach for ongoing oversight, these full-scope audits continue to be vital in verifying that Authorised Persons uphold the core regulatory standards necessary throughout the duration of their licence. Compliance Audits continue to provide an in-depth assessment of a licensee's compliance with key regulatory requirements, as well as help identify any potential issues that may pose risks to the Authorised Persons' operations, or the broader gaming environment.

By making use of these audits, the Authority ensures that Authorised Persons maintain high standards, reinforcing the reputation of the sector.

For 2026, the key risk areas highlighted below are identified as priorities, with the objective of strengthening the overall effectiveness of supervision in relation to the Compliance, Player Protection, and Sports Betting Integrity regulatory areas, as follows:



## 4.2 2026 Supervisory Engagement Focus Areas

### 2026 Supervisory Engagement Focus Areas

Internal Control Framework around the use of cash and cash equivalents within the online gaming industry	Internal Control Framework around the use of crypto assets within the online gaming industry
Operator Monthly Reporting – ADR Reporting	Esports Markets
Athletes Betting on Own Sport	

## 4.3 Focused Compliance Supervisory Engagement Efforts for 2026

In 2026, the Authority will direct efforts towards the areas of highest risk as identified in the **'Money Laundering, Terrorist and Proliferation Financing and Targeted Financial Sanctions – Malta's National Risk Assessment 2023'**. Consequently, the Authority's focus areas for 2026 will include a review of internal control frameworks around the use of cash and its equivalents, as well as the use of crypto as a payment method within the online gaming industry. These efforts are intended to address the specific vulnerabilities highlighted in the risk assessment and strengthen the sector's overall resilience against money laundering and related financial crimes.

### 4.3.1 Thematic Review: Internal Control Framework around the Use of Cash and Cash Equivalents within the Online Gaming Industry

The scope of this Thematic Review will encompass the use of cash and cash equivalents within the online gaming industry. These payment methods present a heightened risk due to their inherent anonymity, as they can obscure the source and destination of funds and pose significant challenges in verifying customer identity and transaction legitimacy. Despite these risks, Authorised Persons are expected to fulfil their obligations regarding player identification and maintain robust registration processes tailored to transactions involving cash and cash equivalents. This ensures that, even in the face of anonymity, appropriate measures are in place to verify player identity and uphold regulatory requirements.

The primary focus of this Thematic Review will be on assessing the robustness and effectiveness of internal controls governing cash and cash-equivalent transactions within online gaming operations. The Authority aims to examine whether the Policies and Procedures implemented by Authorised Persons adequately address the identified risks and contribute towards compliance with the Authority's regulatory standards. Specifically, the review will evaluate:

- The internal control framework designed to monitor, record, and verify deposits and withdrawals involving cash and cash equivalents.
- The effectiveness of enhanced Due Diligence measures and transaction monitoring systems to detect and prevent misuse.
- Whether Authorised Persons are adequately equipped to mitigate risks associated with Money Laundering and Financial Crime.

By conducting this review, the Authority seeks to ensure that internal controls are robust, effective, and aligned with regulatory expectations, thereby safeguarding the integrity of the online gaming sector.

### 4.3.2 Thematic Review: Internal Control Framework around the use of Crypto Assets within the online gaming industry

This Thematic Review will focus on the use of crypto assets within the online gaming industry. These instruments are characterised by significant elements of anonymity and transferability, thereby presenting heightened risks in terms of traceability and regulatory oversight. The inherent nature of crypto assets allows for rapid, and often opaque, movement of funds, which can complicate efforts to verify the identity of transacting parties and monitor the flow of assets.

The Authority's approach in this review will centre on a comprehensive assessment of the internal control frameworks established by Authorised Persons to manage these risks. This includes evaluating the adequacy and effectiveness of existing controls, the implementation of further safeguards, and the introduction of mitigating measures specifically designed to address the unique challenges posed by crypto assets. The Thematic Review will aim to ensure that any application of such technology is accompanied by robust governance, transparency, and compliance mechanisms. The objective is to ensure that all Authorised Persons are equipped to manage the risks associated with crypto assets, while upholding the resilience of the online gaming sector.

## 4.4 Focused Sports Betting Integrity Supervisory Engagement Efforts for 2026

Throughout 2026, the Authority intends to prioritise its Sports Betting Integrity initiatives in areas of the industry where integrity-related risks are assessed to be higher.

The identified focus areas reflect the Authority's ongoing assessment of emerging risks, supervisory observations, and insights derived from Suspicious Betting Reports and investigations that the Authority has contributed to.

A targeted review of athlete betting behaviour, the integrity challenges linked to Esports and an enhanced evaluation of Authorised Persons' safeguards across both sectors will be the main Sports Betting Integrity Supervisory focus areas for 2026. These efforts are intended to strengthen the Authority's oversight of integrity-related risks, support early detection and intervention, and reinforce the overall resilience of the sports betting and Esports sectors.

#### 4.4.1 Thematic Review: Athletes Betting on Own Sport

Building on the insights derived from Suspicious Betting Reports and previous supervisory engagements, the Authority recognises the emerging risks linked to athletes placing wagers on their own sport, particularly among individuals who are vulnerable to or currently experiencing problem gambling. This area of focus also aligns with the Player Protection regulatory pillar and adopts a collaborative approach that enables the proactive identification, monitoring and support of athletes who may be at risk. By combining expertise and resources across regulatory areas, this initiative seeks to strengthen early detection mechanisms, reinforce monitoring frameworks and deliver targeted interventions that support both player welfare and the integrity of sporting activity.

A data-driven review will be carried out to assess gambling-related risks among locally-registered athletes. This will draw on relevant supervisory data to better understand the prevalence and drivers of athlete betting behaviour and to support both sports integrity and player welfare. This analysis will focus on aggregated trends and risk indicators rather than individual profiling and will be carried out in line with applicable data protection requirements.

Part of the process will involve the Authority analysing data from selected B2C Authorised Persons offering Type 2 Services and offering markets on events held in Malta. The Authority will review the Policies and Procedures and safeguards that Authorised Persons have in place to prevent athletes from betting on their own sport. In parallel, the Authority will collaborate with national stakeholders through stakeholder engagement designed using the insight gained from our internal assessment, promoting open dialogue and strengthening community engagement. Our efforts are aimed at raising awareness and reinforcing best practice in sports betting integrity.



#### 4.4.2 Thematic Review: Esports Markets

The Authority will focus on the Esports sector and the integrity risks associated with this rapidly developing activity. The Authority will engage with Authorised Persons offering Esports markets to gain an on-the-ground understanding of the risks within the sector and to identify any emerging risks that may affect the fairness and credibility of Esports events. This engagement will support a deeper assessment of betting behaviour, integrity vulnerabilities and the safeguards currently adopted by Authorised Persons.

As part of this work, the Authority will review the measures in place to protect Esports competitions, with specific attention to prevention frameworks, monitoring systems and incident reporting channels. The insights gathered will guide the Authority's supervisory approach for the sector and ensure that appropriate safeguards continue to be upheld.

In parallel, the Authority will collaborate with both local and international stakeholders to reinforce collective oversight and promote integrity-centred practices across the sector. This cooperation will serve to safeguard participants, uphold competitive fairness and support responsible sectorial development.

The Authority's objective is to outline recommended practices, highlight key risks in the sector and set out integrity expectations for Authorised Persons offering Esports-related markets.





## 4.5 Focused Player Protection Supervisory Engagement Efforts for 2026

### 4.5.1 Thematic Review: Operator Monthly Reporting – ADR Reporting

The aim of this Thematic Review is to enhance the quality, consistency, and overall effectiveness of operator monthly ADR reporting practices. The review seeks to support the submission of complete, accurate, and timely information, enabling the Authority to maintain an informed and proportionate understanding of ADR-related activity across the sector.

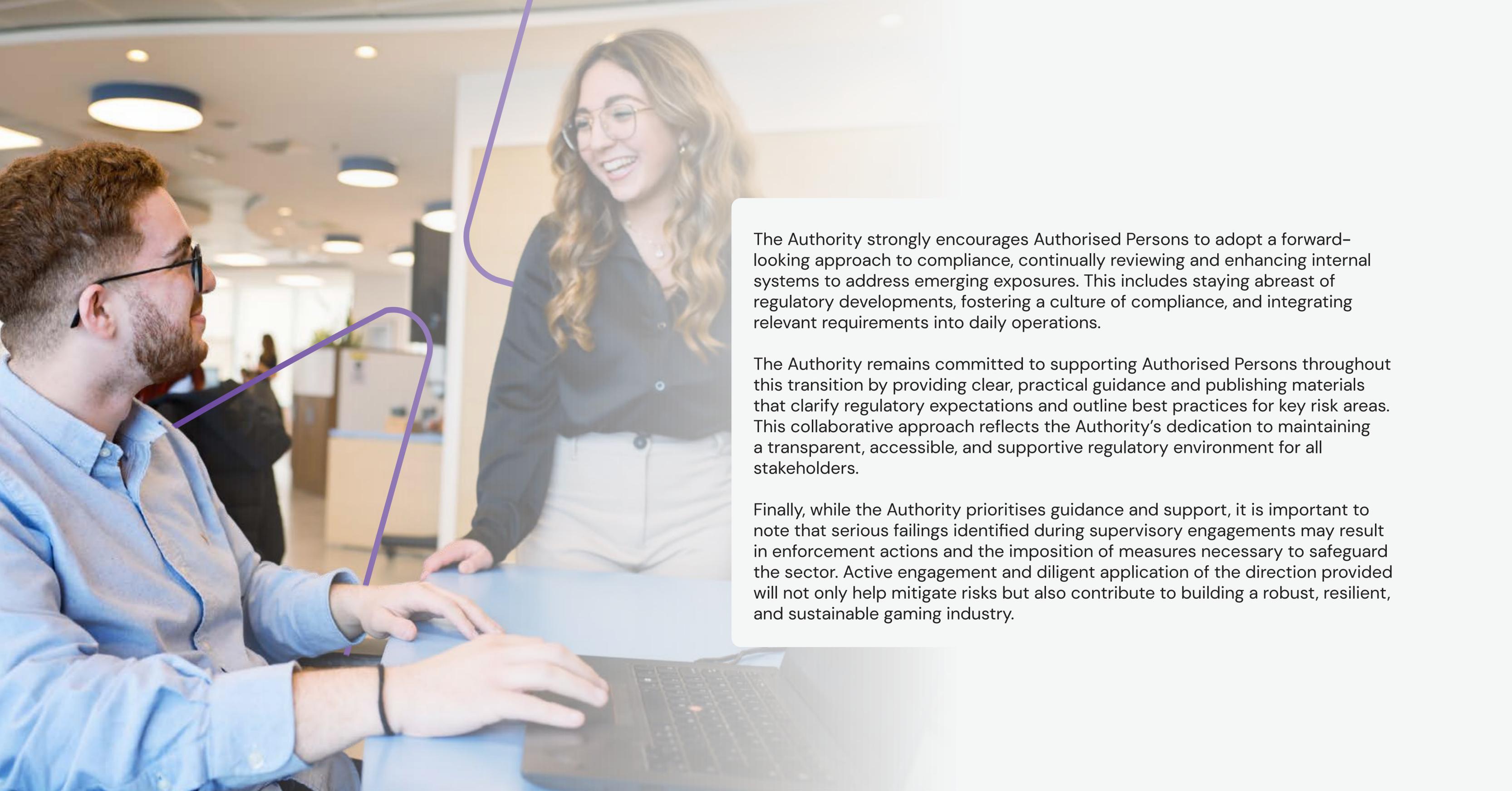
By encouraging a more standardised and transparent approach to monthly reporting, this initiative promotes greater clarity and comparability of information submitted by operators, while supporting efficient supervisory oversight. Improved consistency in reporting also contributes to a clearer regulatory dialogue between the Authority and licensees.

Through this thematic exercise, the Authority reaffirms its commitment to safeguarding player welfare, promoting sound reporting practices, and maintaining trust in the regulated environment, while continuing to support operators in meeting their ongoing regulatory obligations.

## 5 Next Steps

The Authority wishes to reaffirm and place greater emphasis on the core message outlined in its 2025 publication regarding the transition to an evidence-based supervisory engagement framework. This updated methodology relies fundamentally on the proactive involvement and accountability of Authorised Persons. Operators are expected not only to demonstrate an understanding of their regulatory obligations but also to maintain robust internal control frameworks and fully embrace their role within the Authority's supervisory processes.

Timely engagement with the Authority is essential. Authorised Persons must ensure the timely and accurate submission of all requested documentation, including policies, procedures, and supporting information. Transparency and cooperation during supervisory engagements remain critical to enabling the Authority to identify and mitigate risks effectively. Furthermore, adherence to direction or action plans issued by the Authority, with prompt and comprehensive implementation of any required remedial measures, is expected as standard practice.



The Authority strongly encourages Authorised Persons to adopt a forward-looking approach to compliance, continually reviewing and enhancing internal systems to address emerging exposures. This includes staying abreast of regulatory developments, fostering a culture of compliance, and integrating relevant requirements into daily operations.

The Authority remains committed to supporting Authorised Persons throughout this transition by providing clear, practical guidance and publishing materials that clarify regulatory expectations and outline best practices for key risk areas. This collaborative approach reflects the Authority's dedication to maintaining a transparent, accessible, and supportive regulatory environment for all stakeholders.

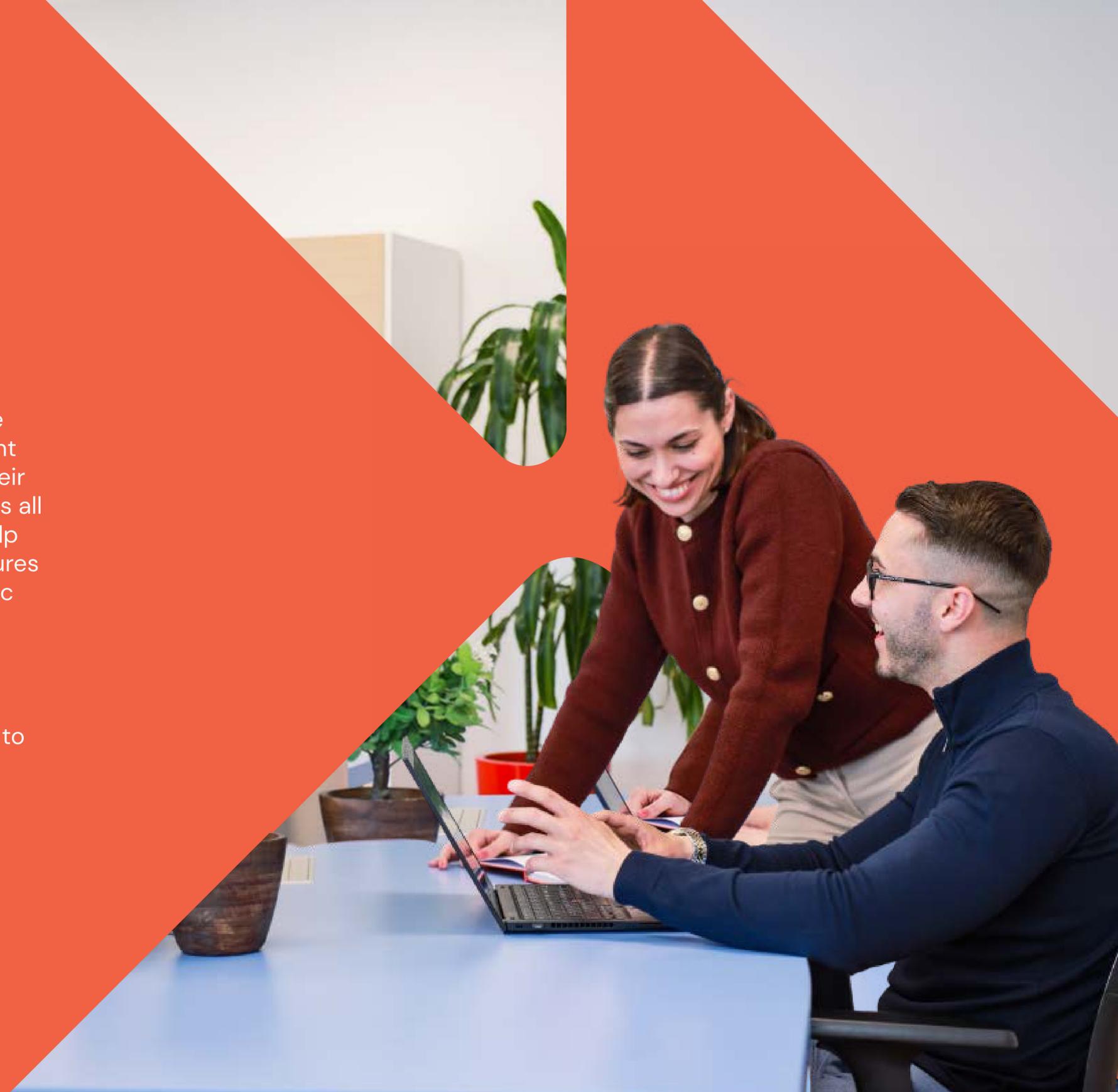
Finally, while the Authority prioritises guidance and support, it is important to note that serious failings identified during supervisory engagements may result in enforcement actions and the imposition of measures necessary to safeguard the sector. Active engagement and diligent application of the direction provided will not only help mitigate risks but also contribute to building a robust, resilient, and sustainable gaming industry.

# 6 Conclusion

This document not only updates Authorised Persons on the Authority's current regulatory oversight but also serves as a practical guide. It identifies key focus areas and outlines expectations, providing valuable insights to help Authorised Persons align their operations with regulatory standards and adopt recommended best practices. The Authority will continue to release further guidance and publications to enhance clarity and offer ongoing support, ensuring that effective practices identified during supervisory engagements are communicated to all Authorised Persons.

Authorised Persons should ensure that the contents of this document are reviewed and discussed by their executive management and across all three lines of defence. This will help guarantee that compliance measures are tailored to address the specific risk areas highlighted herein.

Should Authorised Persons have any questions or require further clarification, they are encouraged to contact the Authority at **[compliance.mga@mga.org.mt](mailto:compliance.mga@mga.org.mt)**.



# Annex A – The MGA’s Supervisory Toolkit

## Supervisory Engagement Tools

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### Supervisory Inspections

Supervisory Inspections are comprehensive assessments of Authorised Persons conducted by the MGA. These inspections involve detailed reviews of relevant documentation, interviews with Directors and Key Function holders, team discussions, process walkthroughs, and system evaluations. Following the inspection, the MGA issues a formal letter outlining key findings and recommendations, inviting feedback and facilitating corrective actions, where required. Inspections may be conducted on-site or online. Currently most supervisory inspections are conducted through external Compliance Auditors, in line with the MGA’s Compliance Audit Manual.

Supervisory Inspections are classified into **three types**:

#### *Full-Scope Inspections*

A thorough review of an Authorised Person’s compliance with regulatory requirements and licensing conditions. Typically conducted by external Approved Audit Service Providers or the MGA itself, these inspections involve extensive documentation reviews, system walkthroughs, and discussions with Directors and Key Function holders. They cover all aspects of the regulatory framework and usually extend over several business days.

### *Broad-Scope Inspections:*

An assessment focusing on multiple operational areas of the Authorised Person. Similar to full-scope inspections, these include in-depth meetings, system walkthroughs, and document reviews. They also span several business days.

### *Focused-Scope Inspections:*

Targeted reviews delve deep into specific regulatory obligations or operational areas. These inspections require the submission of key information and documents, with participation from Directors and Key Function holders.

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## Supervisory Meetings

A Supervisory Meeting is a formal engagement between the Authority and a Licensee, designed to facilitate a focused and structured discussion on key compliance and operational matters. These meetings are conducted based on a predefined agenda and typically involve Directors, Key Function holders, and their respective teams, as applicable. The purpose is to foster an open dialogue, address specific regulatory topics, and assess the effectiveness of governance and compliance frameworks within the organisation.

Supervisory Meetings can take place in various formats to accommodate operational needs and circumstances. They are commonly held on-site at the premises of the Licensee, at the Authority's offices, or through online channels. These meetings serve as a critical platform for mutual understanding, enabling the Authority to gather insights into the Authorised Persons' practices while offering guidance to support compliance with regulatory obligations.

## Supervisory Reviews

A Supervisory Review is a desk-based supervisory activity conducted by the Authority to analyse and evaluate a Licensee's compliance with the applicable regulatory framework. This process involves the use of various analytical techniques to assess the accuracy, completeness, and compliance of the information provided by Authorised Persons. Key components of a Supervisory Review include the examination of regulatory returns submitted periodically, alongside any additional documentation, information, or data requested by the Authority on an ad hoc basis, depending on the specific need of the review.

By leveraging this method, the Authority ensures a comprehensive and efficient assessment of regulatory adherence without requiring direct engagements. Supervisory Reviews provide a critical means for the Authority to identify potential areas of non-compliance, assess evidence levels, and determine the need for further follow-up actions or engagements. This approach supports the Authority's overarching objective of maintaining robust oversight while promoting a culture of compliance and accountability among its Authorised Persons.

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## Thematic Reviews

A Thematic Review is a focused supervisory activity conducted by the Authority to examine specific areas of compliance or operational practices across a representative sample or specific categories of Authorised Persons. The objective of this review is to identify common findings, trends, and practices within the sector, enabling the Authority to provide targeted guidance, drive industry-wide improvements, and assist Authorised Persons in avoiding common pitfalls.

Thematic Reviews can take different forms of supervisory engagements. The outcomes of these reviews are shared with the relevant Authorised Persons, offering tailored feedback on identified issues. Where appropriate, the Authority may also communicate the relevant findings and recommendations to the wider public through outreach initiatives. In instances where review findings highlight specific concerns in relation to a particular licensee, the Authority will directly address these with the Authorised Persons, initiating specific follow-ups or requiring remedial actions as necessary. These reviews serve as a proactive tool for promoting transparency and compliance within the industry.

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## Mystery Shopping

Mystery Shopping is a targeted supervisory tool employed by the Authority to evaluate compliance and best practices. By reproducing real-world scenarios, mystery shopping provides the Authority with an unfiltered view of how regulatory requirements are applied in practice. The insights gathered from these evaluations enable the Authority to monitor adherence to the regulatory framework effectively and identify areas for improvement. Findings from mystery shopping activities help the Authority to monitor and enforce regulatory requirements and guide Authorised Persons toward enhancing their practices. Ultimately, this method supports the Authority's commitment to fostering a safer and more transparent gaming environment, ensuring industry standards are upheld.

## 6.1.1 Supervisory Engagement Type

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### Planned Supervisory Engagements

Planned Supervisory Engagements are scheduled, systematic interactions between the MGA and Authorised Persons, conducted as part of an established timetable. These engagements include routine inspections or reviews outlined in the regulatory framework. Their primary aim is to ensure ongoing compliance, enabling proactive oversight, consistent monitoring, and the identification of areas for improvement.

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### Ad Hoc Supervisory Engagement

Ad Hoc Supervisory Engagements are unscheduled interactions initiated as needed to address specific incidents, complaints, or unforeseen issues outside the planned schedule. These engagements enable the MGA to respond promptly to emerging concerns, address potential regulatory breaches, and ensure the protection of players and the integrity of Authorised Persons.

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### Follow-Up Supervisory Engagements

Follow-up Supervisory Engagements are conducted to verify the implementation of corrective actions and ensure ongoing compliance following a previous supervisory engagement. These engagements confirm that identified issues have been addressed and monitor continued adherence to regulatory requirements.

