



Legal framework and current situation surrounding gambling practices in France



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Gambling in the Czech Republic and its New Regulatory Framework

Praha

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**Online
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in France**

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Online
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Conclusion

- Introduction: legal framework of gambling in France, a regulation strategy

- Current situation surrounding gambling practices in France

 - Off line gambling

 - On line gambling

- Conclusion

The 12th of May 2010 France "opened the online gambling market to competition" in three areas: sports betting, horse course betting and poker

The new law:

- entrusted the regulation of this market to an independent administrative authority, ARJEL, which grants approvals to operators and controls their activity
- Set up an expert public centre, ODJ, in order to assess situation surrounding gambling practices in France

The legal framework of gamble in France has undergone a significant change in 2010.

The 12th of May 2010 France opened a legal online gambling supply on three sectors: sports betting, horse course betting and poker

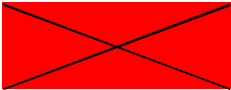
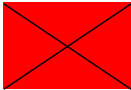
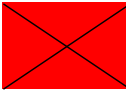
Legal situation before 2010




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Gambling legal framework in France **before 2010**

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	Casinos (Tables games, Slot machines) Poker	Lotteries	Sports betting	Horse racing
Off line	Authorization/ Concession	FDJ (Française des jeux)	FDJ (Française des jeux)	PMU (Pari mutuel urbain)
On line		FDJ (Française des jeux)		

 = State monopolies
 = Private operators
 = Prohibited

Globally and in a few words we can say that Before 2010:

- the gamble is highly regulated in France, with the exception of casinos, they are state-owned companies that manages the supply
- the legal gamble online was limited to playing state lotteries

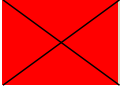
Legal situation since 2010

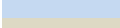


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Gambling legal framework in France after 2010

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	Casinos (Tables games, Slot machines) Poker	Lotteries	Sports betting	Horse racing
Off line	Authorization/ Concession	FDJ (Française des jeux)	FDJ (Française des jeux)	PMU (Pari mutuel urbain)
On line	 Licensed operators	FDJ (Française des jeux)	Licensed operators	Licensed operators

 = State monopolies
 = Private operators
 = Prohibited

An independent administrative authority

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The missions of ARJEL are to:

- **issue approvals and ensure compliance by operators**
- **protect the vulnerable and fight against addiction**
- **ensure the safety and fairness of gambling operations**
- **fight against illegal sites**
- **fight against fraud and money laundering**

Arjel writes the specification of a legal gambling website, stating in detail the nature of games and bets authorized and duties of operators, Eg the obligatory presence of gamble moderators as: self-limitation of wagers to grant licenses and monitor the sites activities.

An expert public body
part of the Gambling consultative committee, that
provides advice to the public authorities

The mission of the ODJ is:

- **to provide decision-makers and professionals of the sector, as well as the public, with factual, objective, reliable information in the area of gambling.**

Key questions:

1. **How many people gamble online?**
2. **Who is gambling online?**
3. **Are they more problematic?**
4. **Do people gamble on regulated websites?**
5. **Practices on the regulated supply are they safer?**

Two years after the promulgation of the law, It was required:

- to quantify and describe this population,
- evaluate the part of this activity taking place on regulated supply
- Analyse the patterns of the online gambling in comparison with

offline

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What were the gambling practices before the law was enacted ?

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A set of gambling related questions included in a regular national health survey (“Baromètre Santé”, INPES)

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- ✦ Telephone survey
- ✦ Random sample of the French population,
- ✦ using CATI
- ✦ October 2009 - June 2010
- ✦ N = 25,034 people aged 18-75 years

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8/10/2014

The last survey is the first and last national survey on gambling, mainly on offline gambling done in 2010

I will use it to compare online and offline gambling

Since the early 1990s, the French National Institute for Prevention and Health Education (INPES) has been conducting a series of surveys called Baromètre santé with many healthcare participants. These surveys examine the various health behaviours and attitudes of the French. They are random, two-tiered questionnaires (household, then individual) conducted using a Computer Assisted Telephone Interview (CATI) system. The 2010 survey, which was entrusted to the GfK-ISL institute, took place from 22 October 2009 to 3 July 2010. The telephone numbers were generated at random using French area codes from 01 to 05 (geographic zones), which allowed households with ex-directory numbers to be surveyed.

To be eligible, a household had to have at least one person in the age range under consideration (15 to 85 for the Baromètre santé 2010) and speak French. Within the household, an individual was selected at random from among the eligible household members.

To offset the phenomenon of landlines being replaced with mobile phones for part of the population with special characteristics in terms of health behaviour, a sample of 2,944 individuals from households that could only be reached by mobile phone was questioned in addition to the 23,605 individuals with a landline and a geographical zone telephone number at their home. Furthermore, 1,104 individuals with a landline who were only reachable through a number starting with 08 or 09 were questioned using their mobile telephone number, which helped improve the representativeness of the sample (Beck et al., 2011). In total, the sample comprised 27,653 individuals. The rate of refusal was approximately 40% for the mobile telephone sample and for the landline sample. The questionnaire lasted thirty-two minutes on average.

The data were weighted using the number of eligible individuals and telephone lines in the household (in order to calculate the inclusion probability for each individual, in particular to offset the fact that an individual in a large household had less of a chance of being randomly chosen) and aligned with the most recent national INSEE (French National Institute of Statistics and Economic Studies) reference data, i.e., the Emploi 2008 employment survey for the preparation of the Baromètre santé 2010 database.

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Prevalence of gambling in France

From all French citizens between 18 and 75 years of age,

the proportion of those who, during the previous 12 months:

in %

gambled at least once	47,8
gambled at least 52 times	10,9
gambled and spent at least 500 euros	4,7
gambled at least 52 times and/or gambled and spent at least 500 euros (active gamblers)	12,2

Source: Health Barometer 2010, gambling module, INPES/OFDT

Quite half of french population has gambled at least once during the last 12 months.

A quarter of these gamblers are active gamblers, I mean, that they've gambled during the last 12 months at least 52 times and/or spent at least 500 €.

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Prevalence of "problem" gambling in the French population of 18-75 years (in %)

CPGI categories	Prevalence in %	95% CI
From the whole population		
Moderate-risk gamblers	0,9	[0,78-0,94]
Excessive gambler	0,4	[0,38-0,50]

Source: Health Barometer 2010, gambling module, INPES/OFDT

The problem gambling identification tool used was the CPGI or Problem Gambling Severity Index (PGSI) .

For problem gamblers there are 2 categories : "moderate-risk gambler" (score = 3-7) and »Excessive gambler" (score = 8 or over).

This is a conservative estimation because only "active gamblers" were asked to respond to the gambling questions.

The calculation of the prevalence of problem gambling (probable pathological or moderate-risk, according to the CPGI scale) in the French population, was based on the assumption that the people affected by this problem were necessarily in the active gambler sample.

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What were the practices online gambling two years after the law was enacted?

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- ✓ 2 coordinated survey on online gambling in 2012:
 - A representative survey which aimed to estimate the prevalence of online gambling by the French **(1)**
 - A descriptive survey of the practices of online gamblers and associated problems **(2)**
- ✓ comparable to the first national prevalence survey carried out in 2010 **(3)**

In 2012, the French Monitoring Centre for Drugs and Drug Addiction (OFDT) and the French Monitoring Centre for Gambling (ODJ) conducted two coordinated surveys to describe online gambling behaviours among French people.

2 questions included in a regular monthly survey
("Monitoring the web practices", Médiamétrie)

- ✦ Telephone survey
- ✦ Random sample of the French population,
- ✦ using CATI
- ✦ September-November 2012
- ✦ N = 2761 people over 18

The first survey was an initial telephone prevalence survey (Enquête Prévalence-e-JEU, ODJ)

was conducted as part of a regular monitoring survey on internet use: the "*Observatoire des usages Internet*" among a random sample of the French population

Two questions intended to measure the prevalence of online gambling were asked

using CATI (Computer assisted telephone interviewing).

Sample : of 2,700 French people aged 18 and older

Time survey: from September to November 2012

Based on “Web Users Panel” (« Le Carré des Médias », Médiamétrie)

- Database: 830 000 Web users
- Sample of Internet users selected according to quotas that come from the results of the last “Monitoring the web practices, Médiamétrie” survey, by: sex, age, socio-professional category and region.
- Response rate to all emails sent and opened was approximately 40%.
- Final sample was weighted according the initial quotas: sex, age, socio-professional category and region.
- Time survey: November-December 2012
- Age: 18-75
- Final sample: **4,042 Internet users stated having gambled on the Internet on the last 12 months**

A second, web self-administered survey aimed to describe gambling practices and gambler profiles

It was based on a database of Web user addresses. Includes more than 800,000 Web users

The initial sample was a 20,000 Internet users aged 18 to 75

selected according to **quotas** that come from the results of the representative Internet use survey)

by sex, age, socioprofessional category and region.

The response rate to all emails sent and opened was approximately 40%.

People responded about their online gambling using CAWI (Computer assisted web interviewing).

The final sample of analysed questionnaires included **4,042 online gamblers**.

The results were **weighted** according to the quotas criteria: sex, age group, region and socioprofessional category.

Web users are recruited according to various methods and from several sources: telephone surveys, face-to-face studies and Web studies

A point system was implemented for each fully completed questionnaire.

The operating procedure involved sending an invitation with an announcement mentioning the survey

Follow-ups were performed on people who did not open their email and who did not click on the link for responding to the questionnaire.

The procedures for controlling the quality of the data collected enabled questionnaires that were completed too quickly or whose responses were too inconsistent to be excluded.

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Prevalence of online gambling in France in 2012

French population (aged 18 and over)	Estimate	95% Confidence intervals	
		Lower	Higher
Prevalence in the last 12 months	3,7%	2,9%	4,5%

Source : enquête Prévalence-e-Jeu 2012 ; ODJ - N=2761

Turning to results, the first point is the prevalence of online gambling in France
The last year prevalence is 3.7%
of people aged 18 or older (approximately 2 million people) stated having
gambled in the 12 months prior to the survey

Who is gambling online?

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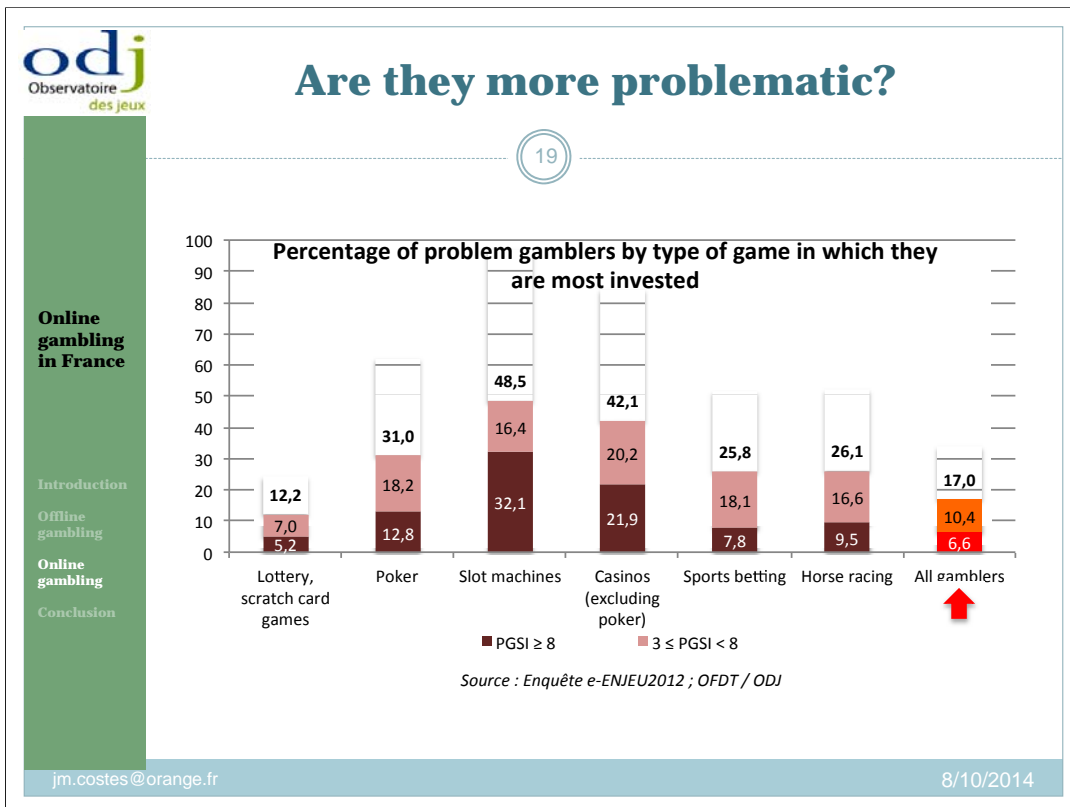
Comparison of Online and Offline Gamblers on Major Sociodemographic characteristics

	Online gamblers 2012 per cent (N= 4 042)	Offline gamblers 2010 (N= 11 655)	General population data 2012
Sex			
Men	57,2	52,3	49,0
Women	42,8	47,7	51,0
Age			
18-24	12,0	11,0	12,1
25-34	26,1	20,4	17,6
35-49	35,0	34,2	29,1
50-64	21,0	26,0	27,8
65-75	5,8	8,4	13,4
Education			
Did not complete Baccalaureate	22,2	42,4	59,7
Completed Baccalaureate	24,9	19,0	15,9
Completed Post-Baccalaureate diploma	53,0	38,7	24,5
Socioprofessional category *			
Low SPC	23,8	41,8	31,1
High SPC	52,5	31,7	25,9
Inactive	23,8	26,5	43,1

*Low SPC = employee, labourer, farmer; high SPC = manager, mid-level professor and higher, artisan,
source : Enquête e-ENJEU2012, OFDT/ODJ ; Baromètre santé 2010, INPES/OFDT ; INSEE

On this table, we compare the sociodemographic profile of **online gamblers** to that of **all gamblers** (2010 national gambling survey) and to that of the **general population** (INSEE, or French National Institute for Statistics and Economic Studies),

it was observed that online gamblers are mainly
male (this was even more pronounced than for all gamblers),
younger,
better educated
and in a higher social status



Regarding problem gambling we used the Problem Gambling Severity Index (PGSI) (Ferris & Wynne, 2001) tool.

This tool was already used in the 2010 national survey.

According to estimates based on the PGSI, of the people who stated having gambled online in the last 12 months,

six out of ten (59.2%) were non-problem gamblers,

one out of four (23.8%) were low-risk gamblers,

one out of ten (10.4%) were moderate-risk gamblers

and 6.6% were probable pathological gamblers.

The problem gamblers, who were considered to be moderate-risk and probable pathological gamblers, represented 17.0% of people who had gambled in the last year.

When the problem gambling was analysed by type of game in which the gamblers were most invested, the prevalence of problem gambling was highest among those who played slot machines and traditional casino games - games that are illegal online.

Poker was in third position and, in contrast, instant win and scratch card games generated the lowest number of problem gamblers.

Comparison of Online and Offline Gamblers on gambling patterns

	Percent	Online gamblers (n = 4,042)	Offline gamblers (n = 11,577)
Frequency/Spending			
gambled ≥ 52 times in the past 12months		45,0	22,8
spent ≥ 500 € in the past 12months		27,1	9,8
Serious gamblers*		50,8	25,5
Gambling activities (among serious gamblers)			
Lottery, scratch card games		64,5	89,6
Poker		19,2	8,0
Sports betting		16,4	8,8
Horse racing		13,8	23,2
Slot machines		7,2	17,7
Casinos (excluding poker)		4,0	4,6
Problematic gambling**			
Moderate-risk gamblers		10,4	1,9
Problem gamblers		6,6	0,9

* having gambled 52 times or more and/or having spent at least 500 € in the past 12 months

** PGSI = 3-7 ; PGSI ≥ 8

source : Enquête e-ENJEU2012, OFDT/ODJ ; Baromètre santé 2010, INPES/OFDT ; INSEE

this table which resume the comparison available

Between online and offline gamblers on gambling patterns.

First, the online gamblers play more intensely : more frequently and higher spending

Second, prevalence of problem gambling is 5 times higher for online gamblers

But we can not directly attribute this to the Internet media

For instance, we can see on this table that the games playing are not the same

odj
Observatoire
des jeux

Do people gamble on regulated supply?

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Distribution of gamblers according to the regulated status of web sites they use

in %	All gamblers (N=4042)	Regulated field (2010 law)	
		Poker (n=335)*	Sport/Horse Bet (n=317)*
only regulated web sites	54%	53%	70%
only unregulated web sites	19%	23%	6%
both	27%	24%	24%

source : Enquête e-ENJEU2012; OFDT/ODJ

* exclusifs gamblers

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One of the purposes of the survey was to attempt to assess the extent to which online gambling practices, existing prior to the 2010 law, had shifted towards legal practice. Methodologically speaking, this question is difficult to document.

The survey tested four different approaches.

- specify the domain name extension of the sites they used
- questions about the procedure required to register on the gambling sites
- people were asked to name the 3 websites they visited most.
- Finally, the category of game may also be a clue because some games are not allowed on the web

A composite indicator based on these variables was created in order to classify the legal status of the gambling

it seems that legal online gambling, although predominant, is far from being exclusive.

Even within the new regulated field, especially for the poker

practices on illegal gambling websites, mainly involved casino games, slot machines and other games that are not available on legal websites.

that legal sites only have an ".fr" extension. A majority of gamblers only used sites with an ".fr" extension, and 37% used a site with a ".com" extension

Legal French gambling sites require gamblers to submit a piece of identification to the online game operator. Only four out of ten gamblers stated that they had sent identification to the sites they used and, even more surprisingly, the same proportion state that they had never been asked to provide identification. When interpreting these results, one must consider that one out of ten gamblers use "free" sites, where they are not required to identify themselves (see the "free" gambling box).

, 8.0% of gamblers mentioned at least one site that was not considered legal as one of those they used most often. Moreover, 11.0% of the gamblers had also mentioned sites that are in a legal "grey area", i.e., sites that offer "free" gambling (or integrate free gambling to an extent) with a view to monetary or other gains.

Practices on the regulated supply are they safer?

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Gambling patterns of individuals who participated to a regulated online gambling activity* according to the regulatory status of gambling sites (N=3,230).

	Overall (N=3,230)		
	Regulated sites only %	Unregulated sites %	OR ¹
Steady involvement in gambling			
Frequent gambling (≥ 52 times in the past 12 months)	41,4	47,6	0.69***
Important spending (pent ≥ 500 € in the past 12months)	25,2	26,8	0.65***
Problematic gambling (score of 3+ on the PGSI)	12,1	17,3	0.67***
Associated Consequences			
Lifestyle behaviours			
Sleep disturbance	9,7	20,1	0.47***
Unhealthy eating	9,1	17,9	0.51***
Interpersonal problems (arguments. conflicts)	2	1,6	1,2
Substance use behaviours			
Increased concern about alcohol consumption	3	3,5	1,09
Increased concern about tobacco use	6,3	12,2	0.69*
Increased concern about cannabis use	1,3	2,2	0,94
Increased concern about use of illicit drugs (excluding cannabis)	1,1	1,2	1,32

¹ Significant odds ratio (OR) adjusted for age and sex: *p<=.05, ** p<=.01, ***p<=.001

*regulated activities: lotteries, poker, horse racing and sports betting

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- ✓ Online gambling: 7 % of the French gamblers
- ✓ A young, male, educated, well-integrated population
- ✓ More intensive and more problematic practices than offline gambling
- ✓ Mostly, but not entirely, regulated gambling
- ✓ Some evidence that gambling on regulated supply is safer

Two years after the promulgation of their regulatory framework these two surveys provide an overview of online gambling behaviours.

This practice is carried out by 3.7% of the French population.

Although it is primarily regulated, the line between legal and illegal websites is not fixed and is uncertain, depending on the perception of the gamblers.

It can generate significant addiction risks in some gamblers .

These data confirm that online gambling is of a higher risk than traditional gambling.

This risk is further exacerbated for certain game categories, such as those that are not regulated by law.

Moreover, it seems that legal online gambling, although predominant, is far from being exclusive.

These observations should lead to:

monitoring of online gambling trends and the prevalence of problem gambling through regular, targeted surveys

developing prevention measures that are appropriate for certain, specific online gambling populations, such as women, young people and high socioeconomic status individuals

reinforcing actions to prevent illegal gambling websites and reflecting on the actions to be taken against the "free" websites.

These observations should lead to:

- ✓ Developing prevention measures that are appropriate for certain, specific online gambling populations
- ✓ Opening a regulated supply for casino games ??
- ✓ monitoring of online gambling trends and the prevalence of problem gambling through regular, targeted surveys;
 - ✓ 2 key indicators: % problematic gamblers, % activity on regulated supply
 - ✓ the protective effect of the regulation of gambling activities?

These observations should lead to:

Developing prevention measures that are appropriate for certain, specific online gambling populations, such as women, young people and high socioeconomic status individuals

Opening a regulated supply for casino games ??

on the one hand, these games continue to be offered on illegal sites. On the other hand, one might think that including such practices on regulated websites could potentially expose a smaller share of its users to damage . However , the relative dangers of such a practice complicate the answer to this question. This point doesn't make sense. I need to talk it over with you and I think I'll be able to figure out the wording pretty quickly though.

monitoring of online gambling trends and the prevalence of problem gambling through regular, targeted surveys

Improve 2 key indicators: % problematic gamblers, % activity on regulated supply
better address the central issue of this work—namely, the effectiveness of the protective effect of the regulation of gambling activities