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# Rising Tide: The Increasing Regulation of Online Gambling Suppliers

The essential guide to the shifting regulatory landscape for suppliers in the gambling industry, what to watch, and how to act

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## Introduction

**B2B suppliers in the online gambling industry are facing a new reality: more jurisdictions are requiring suppliers to be licensed or registered if they want to do business, and regulators are much more closely scrutinising the activities of suppliers - and even directly enforcing against them.**

Alongside this, the technical compliance landscape has become significantly more complex in recent years as European regulators have imposed stricter requirements on game design and in other areas, at the same time that North and Latin American markets have offered significant new opportunities for suppliers and operators to grow their businesses. As a result, more jurisdictions are requiring systems, games and other technologies to be certified against these specific technical requirements, which are increasingly being tightened for responsible gambling reasons.

In this guide, we outline the major regulatory trends which are changing the game for B2B suppliers, and highlight some particular issues to look out for.



**Technical Compliance is a major concern for B2B gambling suppliers.**

Want to jump straight to the solution?

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# Increasing prevalence of supplier licensing

Historically, online gambling suppliers have only been subject to specific licensing requirements in a small number of regulated markets globally and they have generally been able to rely upon licences from leading international licensing hubs in order to demonstrate their credibility.

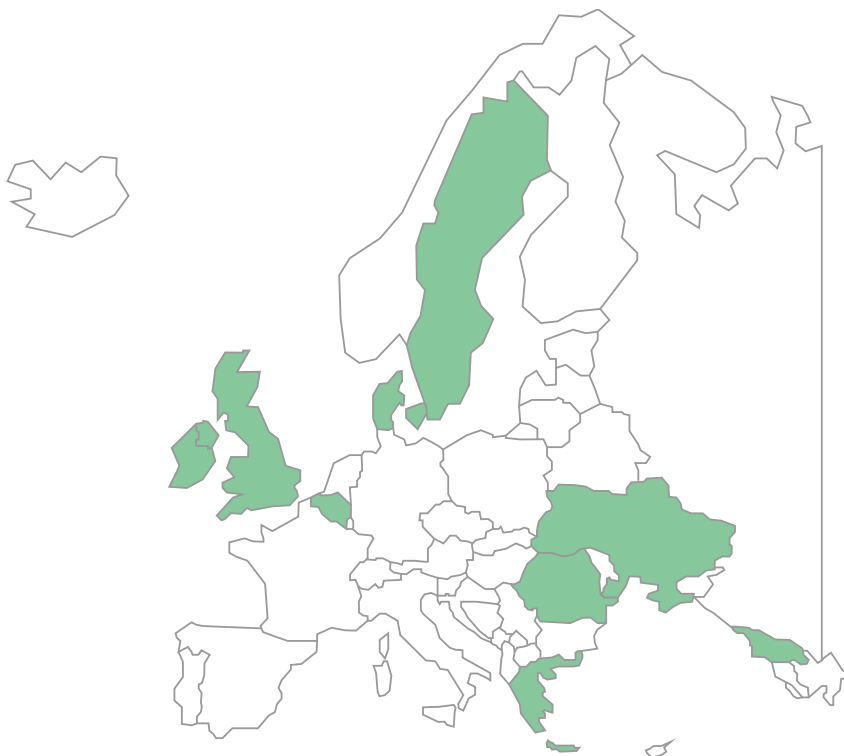
That has not been the case in North America, where providers of land-based slot machine and table game equipment have long been subject to state licensing requirements and the long-tail of supplier licensing has continued through the regulation of iGaming and sports betting. As a result, suppliers of platforms and games now need to undergo strenuous licensing processes in order to support operators in the likes of New Jersey, Pennsylvania, Michigan or Ontario – all of which are now among the top 10 largest regulated markets for online gambling globally. That is also true for those U.S. states currently limited to sports betting, with licensing fees, renewal terms and disclosure requirements all different state-to-state.

The spread of regulation in North America has also overlapped with an increasing trend toward supplier licensing in Europe, too.

Within the past two years, both Sweden and Denmark have adopted new legislation to require a wide range of online gambling suppliers to obtain a B2B licence from national regulators. Finland and Ireland – two countries at different phases in the process of implementing new legislation for online gambling – are both set to also require national licences for suppliers as part of their new regulatory regimes. Further European jurisdictions are also looking to follow suit, according to various gambling regulators speaking at February's ICE Barcelona convention.

Supplier licensing and regulation is also expanding into newly regulated markets in Latin America as well. Online casino game and platform providers (among others) are required to obtain a registration in Peru, while Brazil's new regulatory authority intends to put a similar requirement in place for suppliers later in 2025 or early 2026 in order to keep tabs on companies that are supporting its newly licensed online casino and sports betting operators.

## Supplier Licence Required For Online Gambling



Source: Vixio Regulatory Intelligence



# Growing scrutiny from regulators: A new reality for suppliers

In years gone by, suppliers were not necessarily in the direct line of sight of gambling regulators, but times have changed.

Companies providing platforms, games and other technologies were acknowledged as a fundamental part of the gambling ecosystem. But the primary concern of many regulatory authorities was to guarantee the technical security of systems and fairness of game outcomes, which generally could be achieved through suppliers' adherence with technical standards that could be verified by independent testing labs and certification bodies.

In today's online gambling industry, regulators now appear to be viewing suppliers increasingly through the lens of their shared enforcement challenge to curtail unlicensed gambling operations.

As they increasingly turn their attention to the black market, regulators have begun to notice what the industry has known for a long time: some of the companies acting illegally in certain markets are able to offer the same games or use the same software as licensed operators that pay their taxes and licence fees and adhere to stricter rules on responsible gambling and in various other areas.

Pressure is being applied both directly and indirectly to B2B firms that double-dip in this way and it is fast becoming the accepted view among regulatory authorities that these sorts of commercial practices are out of line.

Approaches vary from country to country, often depending on whether suppliers are directly licensed.

In Sweden, where restricting the black market was an express objective of B2B licensing when it was introduced in 2024, the approach has been direct enforcement via fines where suppliers are found to be serving the illegal market.

In other prominent jurisdictions that require supplier licensing, regulators are leveraging their direct oversight on suppliers to increase their intelligence-gathering regarding unregulated activities. In the US state of Michigan suppliers are now required to attest that they do not facilitate illegal gambling in either the United States or foreign markets while in Romania, B2B companies must tell the regulator every time they ink a deal with an operator that does not have a Romanian licence.

In other words, these regulators are now armed with information to investigate if the suppliers that they licence are selling products to the operators that flout their nation's gambling laws, with regulators in diverse jurisdictions from Denmark and Ontario to Peru and Brazil citing similar enforcement benefits from supplier licensing or registration.

## In the Spotlight

### UK Commission Chief Promises Seismic Supplier Action

Upcoming action against the UK black market could be so forceful it compels fellow national regulators to follow suit, the chief executive of the Gambling Commission has predicted.

The commission's focus on preventing offshore operators from encroaching on the British market took centre stage late last year, when online casino supplier giant Evolution announced that its UK licence was under review.

The Gambling Commission's CEO Andrew Rhodes has said:

**"Some of the decisions that we're going to make are going to have profound consequences for other regulators [...] I think you will see greater harmonisation [in fighting illegal gambling] this year".**

The UK's Rhodes called on the regulated industry to do its part to make life harder for their supplier partners who want to play both sides.

**"I don't understand why anyone in the licensed industry would want to be in business with someone that is supporting illegal competition,"** he said, adding that signing deals with B2B companies that are known to sign deals with offshore operators could be a business risk once enforcement ramps up.

# The complexity of technical compliance

The spread of supplier licensing and oversight across the global online gambling industry is far from the only critical compliance challenge faced by suppliers seeking to support their operator partners in an increasingly diverse range of jurisdictions.

More regulated markets means operators and their supplier partners face a wider number of technical or product compliance requirements governing online casino and sports betting operations.

## Did you know?



### Brazil

Per guidance from the regulator, paytables for online casino games must be visible to the player as soon as the game is accessed and not be hidden behind a menu or require some other action from the player. All game rules or language must also be exclusively in Brazilian Portuguese.



### Pennsylvania

Per guidance from the regulator, all game help files must be searchable including on mobile devices. Compliance with the requirement became mandatory for all games in April 2024.



### Germany

Permitted online casino games may not mention the “casino”, are subject to a maximum bet of just €1 and a minimum spin speed of 5 seconds. That’s twice the minimum game duration as in the UK, where a higher max bet of either £2 or £5 is now in effect.

## Identifying these complex requirements can:

- ✓ Enable suppliers to prioritise which markets are simplest to meet the requirements in, and accelerate expansion
- ✓ Be essential in ensuring compliance
- ✓ Ensure suppliers efficiently pass certification

Although technical requirements may be modeled on industry standards and appear to be largely similar in many respects from jurisdiction to jurisdiction, they frequently diverge in subtle yet critical areas such as specific rules for casino game design, information security protocols or reporting requirements. Jurisdictions also have divergent rules regarding the scope and frequency of certifications and audits, which generally are required even where direct licensing or registration is not in place for suppliers.

Adding to the challenge of staying on top of a greater number of technical requirements is the trend of regulatory authorities in established markets – particularly in Europe – introducing new or stricter rules to slow game speeds, prohibit specific game features or to require new integrations based on responsible gaming policy objectives.

Having a clear and up-to-date understanding of technical requirements is critical for suppliers, who need to obtain or maintain the right certifications in order to continue to support their existing operator customers or establish commercial relationships with new ones, both in newly regulating markets and in established jurisdictions.

Being behind the curve on technical compliance may mean scrambling to reconfigure products or systems in order to remain compliant or, in a worst-case scenario, having to withdraw products from markets until compliance is achieved.

Managing technical and product compliance is no mean feat, with most jurisdictions across Europe and the Americas invariably offering up one or several unique or complex requirements that are particularly challenging to meet. Regulators, in turn, may continue to revisit or redefine particular requirements based on wider policy objectives without full consideration of how challenging they might be to meet from a technical perspective.

Just in recent months, suppliers and operators have faced new technical challenges in several major regulated markets.

For example:

- **Brazil:** Technical requirements for online gambling have been laid out across several overlapping regulatory ordinances and then expanded upon via the regulator's website, with policymakers setting several unique rules in order to ensure that casino games can conform with the statutory definition of fixed-odds betting under Brazilian federal law.
- **UK:** A range of new regulatory restrictions for online casino games are being introduced as a result of the UK government's wider review of gambling laws. These include new maximum bet limits for online slot games that will vary based on the age of the player, and an extension on the ban on certain game features already in place for slots to also include other online casino games such as blackjack and roulette.
- **Connecticut:** Regulators updated their technical specifications in late 2024 to prevent real-money online casino games from using the word 'free' to describe any game features such as free spins.
- **Netherlands:** As of October 2024, if a player's stake in an online casino game is set automatically and it exceeds the minimum possible bet, the operator must ensure the player receives a clear warning message advising them of their ability to place a bet for a lower amount.

*"Not only is fully understanding the often diverging technical requirements across multiple jurisdictions fundamental from a compliance perspective, it is also a critical part of evaluating new market entry due to the upfront and ongoing costs involved in meeting specific rules related to certification and recertification."*

*With Vixio's Technical Compliance Tool, we're providing a solution that empowers our customers to confidently expand into new markets, knowing they have the most up-to-date and comprehensive regulatory intelligence at their fingertips."*

**James Kilsby,**  
Chief Analyst, Vixio



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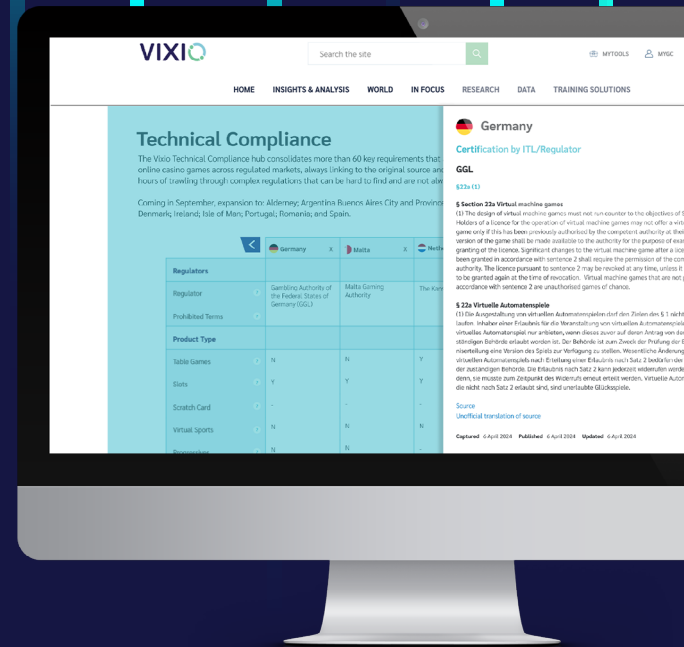
# Technical Compliance is a game changer for B2B gambling suppliers. Now you're up-to-speed, what's your next step?

Book a Technical Compliance Tool demo with a member of the Vixio team who can show you how the Technical Compliance Tool can help your organisation stay ahead of the complex technical requirements, and feel empowered to confidently expand into new markets.

[Book a demo](#)

## About Vixio

Vixio is a leading Regulatory Technology (RegTech) provider that takes the heavy lifting out of regulatory monitoring. For nearly two decades, Vixio has offered comprehensive, actionable intelligence on compliance across over 180 jurisdictions worldwide. Our expert team combines deep industry knowledge with cutting-edge technology to provide critical insights to some of the world's biggest brands in the payments and gambling industries. With Vixio's award-winning platforms, organisations can navigate the ever-evolving global regulatory landscape with ease to mitigate risk and uncover new growth opportunities.



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