



Report on Gambling in the Czech Republic 2023

Summary

Gambling regulation and policy

- > Gambling is a part of an integrated addiction policy. The basic legal framework for the regulation of gambling is provided in the Gambling Act of 2017, last amended in 2020.
 - > The *Register of Persons Excluded from Gambling* was launched in September 2020. By law, this register includes people receiving social support or welfare benefits, those in bankruptcy, those who have been banned from gambling, and those who have applied for registration themselves.
 - > In September 2020, the Government approved the *Impact Assessment of the Gambling Act and related legislation*, prepared by the Ministry of Finance. According to the ex-post RIA, the adoption of the new legislation has resulted in a decrease in the availability of technical games, in a decline in the number of gambling premises where technical games can be provided, and in a reduction in the number of technical games venues. The introduction of an *Internet games blacklist* enabling the blocking of illegal operators' websites and related payments was also evaluated as an effective intervention.
 - > In the first months of 2023, the Ministry of Finance finalised the draft amendment to the Gambling Act. The aim of the amendment is to ensure stricter regulation and suppression of illegal gambling as well as greater protection of gamblers themselves.
 - > The forthcoming amendment to the Gambling Tax Act is likely to include an increase in tax rates for most gambling games and a reduction for lotteries and will affect the rules for the distribution of tax revenues between the state and municipalities.
- > The Ministry of Finance is the regulatory authority in the field of gambling. The authorities responsible for supervising compliance with the Gambling Act are the Customs Administration and the Ministry of Finance.
- > The *National Strategy for the Prevention and Reduction of Harm Associated with Addictive Behaviour 2019-2027* is in force. The new *Addiction Policy Action Plan 2023-2025* proposes to set up gambling regulation with regard to the riskiness of different types of games, taking also into account the environment in which the games are operated (land-based vs. online).
- > The provision of gambling is subject to tax. Since 1 January 2020, two gambling tax rates in the Czech Republic have been imposed: 23% for fixed-odds betting, bingo, live game, raffles and small-scale tournaments, and 35% for lotteries and technical games.
 - > Tax yield for the tax on technical games is divided in the ratio 35 : 65 in favour of municipalities; for other gambling types the division is 70 : 30 in favour of the state is applied.
- > Municipalities may prohibit or restrict the supply of technical and live games on their territory by means of a generally binding ordinance (local regulation).

- > From 2022, municipal ordinances are now registered in the *Collection of Legal Regulations of Local Government Units and Certain Administrative Authorities*.
- > In May 2023, the collection recorded a total of 317 generally binding ordinances relating to the regulation of gambling in municipalities, 14 of which were no longer in force.
- > Gambling promotion is obliged to include warnings of the risks of gambling, but the warning is often not clearly displayed. The promotion of gambling operators is a frequent part of sports marketing, where it is not subject to any regulation. Advertising and marketing are also done in the form of sign-up bonuses for new clients and loyalty programs for existing players.

Gambling market

- > The availability of gambling in the Czech Republic has been high in the long term.
- > As of 1 January 2023, 52 companies were licensed to provide gambling in the Czech Republic, 3 of them were based outside the Czech Republic. The largest number of providers were licensed to operate land-based technical games (37) and land-based live games (33). In recent years, there has been an increase in the number of companies licensed to operate online lotteries (5), online technical games (18) and live games (7).
 - > The number of technical games permitted has been decreasing since 2011. As of 1 January 2023, less than 29,000 were permitted. Altogether 4.3 thousand live games were permitted. The number of gambling venues operating technical and live games is decreasing in the long term (834 as of 1 January 2023, including 472 casinos and 362 gambling halls). Casinos account for 57% of all gambling venues.
 - > As of 28 October 2022, there were 2,147 betting shops at 2,012 unique addresses in the Czech Republic. Nowadays, the vast majority of sports betting is conducted online.
 - > Places where lotteries can be operated, are not regulated in the Czech Republic. The availability of lotteries is high; lotteries can be played at almost 8 thousand terminals in newsagents, at branches of the Czech Post and at cash desks of selected supermarkets.
- > In terms of risk, online games, including online lotteries, pose a higher risk for the development of problem gambling compared to traditional land-based games and lotteries - they are available 24/7, allow multiple games to be played simultaneously, offer the possibility of instant play and high frequency games, bets or draws.
- > In 2022, gamblers lost a total of CZK 53.8 billion in gambling in the Czech Republic, which is CZK 14.4 billion (36.5%) more than in 2021.
 - > A total of CZK 759.3 billion was put into gambling (CZK 393.1 billion in 2020 and CZK 526.4 billion in 2021) and CZK 705.5 billion was paid out in winnings (CZK 360.4 billion in 2020 and CZK 486.1 billion in 2021).
 - > In 2022, players spent almost double the amount of money on gambling than during the COVID-19 pandemic.
- > Land-based technical games have long accounted for the largest share of providers' gambling revenues, accounting for 31.0% of the market and generating CZK 16.7 billion. Online technical games accounted for 24.4% of the market with revenues of CZK 13.2 billion, online sports betting made CZK 11.0 billion (20.5% of the market), and land-based lotteries CZK 6.8 billion (12.7% of the market).
 - > Without distinguishing between land-based and online environment, technical games accounted for 55.5% of providers' gambling revenue, fixed-odds betting for 22.4%, lotteries for 16.7% and live games for 5.4%.
 - > The proportion of money lost in online gambling has been increasing over the long term. In 2022, the online gambling market accounted for 49.7% of operators' revenues.

- > The tax revenue from gambling reached CZK 17.0 billion in 2022, which is significantly more than in the previous year (CZK 12.5 billion). Tax revenue from technical games amounted to CZK 10.5 billion and CZK 6.6 billion from other games. Revenues to municipal budgets accounted for CZK 8.4 billion and CZK 8.0 billion for the state budget. The state's share of gambling tax revenue was 49%.
- > Activities with gambling elements continue to appear on the market. Digital games are increasingly making use of lootboxes, paid-for game components with an element of chance. Digital games also contain elements that directly imitate gambling, e.g., technical games.

Gambling among children and young people

- > The latest wave of the ESPAD study showed in 2019 that the prevalence of gambling in the 16-year-old population has remained roughly the same since 2015, with 9-10% of students reporting having gambled in the last 12 months.
 - > The most commonly reported form of land-based gambling among 16-year-olds included lotteries (10%), followed by cards and dice (6%). Online, the most frequently reported games included lotteries and cards or dice (equal at 7%).
 - > According to the Lie/Bet scale in the *ESPAD 2019* study, 2.3% of 16-year-olds (3.7% of boys and 0.8% of girls) were at risk of developing problems related to gambling, 0.5% of whom (0.9% of boys and 0.2% of girls) were at high risk. According to the CSPG screening scale, a total of 5.4% of students (8.6% of boys and 2.0% of girls) were at risk of problem gambling, with 2.8% of students in the high-risk category.
- > In the group of 15-19-year-old secondary school students, according to the *UPOL 2021* study, a total of 30.0% of adolescents (38% of boys and 24% of girls) reported having experience of gambling in the last 12 months, as did 18% of respondents (30% of boys and 9% of girls) after excluding lotteries.
 - > According to the Lie/Bet scale, 4.7% of 15-19-year-olds (9.5% of boys and 1.2% of girls) were at risk of developing problem gambling, including 1.2% of students at high risk (2.5% of boys and 0.2% of girls). The risk of developing problem gambling increases with age and school year.
- > In 2022, according to an annual study of 11-19-year-olds in primary and secondary schools in Prague, 15% of respondents reported having gambled in the last 12 months. 5% played repeatedly, i.e., several times a year, and 2% played regularly, i.e., almost every week, almost daily or daily.

Gambling in the general population

- > In 2022, 44-56% of people aged 15+ reported some form of gambling (including lotteries) in the last 12 months, 16-25% of the adult population reported gambling other than lotteries and 17-18% gambled online.
 - > The most frequently reported games include lotteries (38-49% in the last 12 months, according to the study). After excluding lotteries, land-based odds betting (8-20%) and online odds betting, including live betting (12%) are the most frequently reported long-term activity, followed by land-based technical gaming (3-7%).
 - > In the long term, the prevalence is several times higher among men and among young adults in the 15-34 age group.
- > The prevalence of gambling outside the lotteries declined slightly in 2020-2021, probably due to measures related to COVID-19. In 2022, the prevalence of gambling in the adult population returned to the 2019 level and, in the case of online gambling, to significantly higher rates.

- > According to the Lie/Bet scale, 2.5% of adults were at risk of problem gambling. Extrapolating the results to the population of the Czech Republic, the number of people at risk of problem gambling was approximately 140-250 thousand, approximately 60-110 thousand of whom were at high risk.
- > Estimates of problem gambling based on the PGSI scale range from 400-500 thousand people at risk, with 50-120 thousand at high risk.
 - > Across studies, it has long been shown that the highest proportion of gamblers at risk of developing problem gambling is among players of land-based technical games and players of online odds betting (including live betting).
 - > The study carried out among *Physicians CR 2022* gives a median estimate of the prevalence of problem gambling of 1.3%. In absolute figures, this is approximately 113,000 people, approximately 10,000 of whom are under 18 years of age.
- > The prevalence of gambling is higher in some population groups. In a study of prisoners in 2022, the prevalence of land-based TG gambling in the last 12 months (prior to the start of their sentence) was 32% and 15% among residents of socially excluded localities, approximately 10 and 5 times higher compared to the general population, respectively.
- > The same pattern of people developing a problem gambling was repeated in the different waves of the study, with respondents starting to gamble at an average age of around 20-24, starting to gamble regularly at the age of 25-27, starting to have problems controlling their gambling at 28-30, and seeking professional help at an average age of 32-34.

Health consequences and social correlates

- > The *Pathological Gamblers in Treatment 2021* study confirmed a high prevalence of psychiatric comorbidity. Over 72% of players had suffered an anxiety-depressive disorder in the last 30 days before treatment, and a further 13% had an increased risk of this disorder.
 - > Suicidal ideations were reported by 46% at some point in their lives and 14% reported a suicide attempt, half of them repeatedly.
 - > There is a higher prevalence of substance use among people suffering from gambling disorder.
- > The average monthly expenditure on gambling in the last year before the start of treatment was CZK 34 thousand, the average monthly balance was CZK -70 thousand. About 88% of players were in debt, the average debt was approximately CZK 815 thousand.
- > Gamblers' main source of income before entering treatment was legal work (43% of total income of players), followed by loans, mostly non-bank loans.

Gambling-related crime

- > Misdemeanours and crimes involving the operation of gambling games are defined as crimes primarily related to gambling.
- > In 2022, the Customs Administration carried out 763 inspections as part of its supervision over the operation of gambling and found 456 violations of the Gambling Act. The fines imposed amounted to CZK 41 million.
 - > In 2022, the Customs Administration registered 102 cases of the illegal operation of gambling out of a total of 141 complaints investigated. Fines totalling up to CZK 275 million were imposed for breaches of the law in the operation of gambling on-line.
 - > As of the end of May 2023, there were 719 websites on the list of unauthorised Internet games.
 - > Currently, the biggest problem encountered is the shift from illegal gambling in restaurants to illegal establishments that are operated for the sole purpose of gambling.

- In 2022, the police recorded 9 gambling-related offences; 6 people were prosecuted. Compared to the previous period, there is a significant decrease in the number of registered crimes and people prosecuted in connection with gambling.
- For 2022, the Public Prosecutor's Office registered a total of 22 people prosecuted for an offence primarily related to gambling, with 14 people being charged and 22 convicted.
- According to the results of the *Pathological Gamblers in Treatment 2021* study, 61% of gamblers committed a crime. Committing theft or other illegal acts to fund gambling or pay off a debt from a game at some point in their lives was reported by nearly 20% of respondents of a survey among incarcerated prisoners.

Prevention

- Prevention of gambling among children and adolescents is part of the system of prevention of risky behaviour. The *National Strategy for the Primary Prevention of Risky Behaviour Among Children and Young People for the period 2019-2027* is in force.
- As of December 2019, a total of 62 organisations with 94 programmes had a certification of competence in primary prevention, 80 of them also dealt with gambling issues. The certification process has been suspended since May 2019.
- A total of 2,171 primary schools and secondary schools (40% of all schools in the Czech Republic) have reported their activities into the *System of Evidence of Prevention Activities* for the academic year 2021/2022. The most time was devoted to the topic of non-substance addictions, including gambling, in the 8th and 9th grades of primary school (2.3 lessons). These grades also had the highest number of cases of behavioural addictions handled within the school, including gambling.
- According to the *Pathological Gamblers in Treatment 2021* study, 37% of gamblers had experience of being offered the opportunity to limit their gambling by setting limits on their play. A third of the respondents who were offered the chance to set limits took the advantage of that.

Treatment

- The number of gamblers entering treatment is relatively low, although the capacity and availability of specialised care in the Czech Republic is increasing. This is due, among other things, to barriers on the part of the players, especially fear of admitting the problem and rejection by the family.
- A total of 87% of players in the *Pathological Gamblers in Treatment 2021* study had tried to reduce or stop their gambling at some point in their lives without professional help. 45% had been in treatment repeatedly.
 - The main reasons for seeking professional help were problems in close relationships and financial difficulties, followed by mental health problems.
- Services for gamblers and their families in the Czech Republic are provided in outpatient addictology programmes, psychiatric outpatient clinics and residential programmes. Online counselling and treatment interventions are being developed.
 - The *2020 Census of Addictology Services* shows that gamblers are one of the target groups for 53% of the services surveyed. Players are mostly offered outpatient and counselling services and interventions.
 - The provision of services to gamblers is listed in 79 projects supported in the subsidy procedure of the Office of the Government of the Czech Republic. There were 2,808 gamblers in contact with the services.
 - In outpatient and inpatient psychiatric and addictology care, there were a total of 1,161 patients with a primary or secondary diagnosis of pathological gambling (F63.0) in 2022, among them 846 were treated in outpatient clinics and 315 in inpatient wards.



- > Since 2015, the number of people in treatment dropped by approximately 32%. In 2022, the number of gamblers treated in psychiatric and addiction health facilities slightly increased.
- > Internet and telephone helplines are being developed. The *National Quitline* (tel. 800 350 000) has been operating since 2018. A total of 8 online counselling and information services for gamblers and their close ones are available in the Czech Republic, and self-help interventions are also being developed.
- > Specialised voluntary addiction treatment units, which also target people with a gambling disorder, were set up in 10 out of a total of 35 prisons in 2022. The total capacity of the specialised treatment wards was 323 places. Gambling was reported as the primary problem by 3 out of 337 people newly enrolled in the therapeutic program.