

Introduction

The Government of Anguilla has identified that gaming plays an integral role in the tourism economy, particularly as an amenity and a form of entertainment. As such, the Government is desirous of creating a luxury gaming environment that limits competition locally via a regulated gaming industry, but is competitive with the rest of the region. A competitive quality gaming environment will therefore attract high gaming budget customers; facilitating maximum tax benefits as gaming operators maximize revenues.

August 2019 brought about the beginning of developing a gaming sector with the contracting of The Innovation Group to conduct a Gaming Market Assessment. Assessing Anguilla market potential, consultants focused on hospitality and gaming issues such as capacity, expansion, social implications and the fiscal impact. The results and recommendations were presented to the Government with an overall gaming proposal that is illustrated in this policy.

Policy Statement

This policy is designed to facilitate the development and oversight of a viable gaming sector that will be positioned to attract global participants, to garner tax revenues, regulate participation and avoid illegal gaming.

Policy Goals

It is envisioned that following the development of a gaming sector, the goals below will be achieved:

1. Quality gaming product for gaming consumers
2. A viable gaming tax structure
3. A responsible gaming economy

Policy Goal No.1

A quality gaming product.

Objectives

- i. To define the gaming industry suitable for Anguilla

- ii. To identify the regulatory framework that will facilitate the gaming developments

Policy Position 1

Despite Anguilla's unique tourism offerings, gaming underpinned by **quality** rather than **quantity**, and supported by a regulatory framework will position Anguilla as a competitive player in the region. A quality gaming industry will further propel the expansion of Anguilla's tourism sector offerings, and provide positive economic impacts without severely affecting the current tourism product. A number of unique scenarios for gaming were analyzed ranging from a single standalone casino with only table games; to scenarios including a full casino resort and locally oriented slot halls.

Taking into consideration the size of the population and tourism product, this Policy supports the development of no more than two stand-alone brick-and-mortar casino gaming locations, equipped with both table games, electronic gaming machines, food and beverage outlets and additional non-gaming amenities.

Developers and/or operators of Gaming Clubs are to operate them on a registration and membership basis only, unequivocally restricting 'walk in' customers. Each gaming customer, having satisfied the registration and entry requirements determined by the Developer and/or operator will be approved and registered to engage in such gaming activities. Such registration and approval should not be discriminatory or unreasonably withheld or delayed.

Policy Position 2

Gaming legislation to be referred to as the Anguilla Gaming Act 2023, supported by this Policy and other existing legislation will prescribe a clear regulatory framework and the introduction of an oversight body with the capacity of ensuring that gaming activities (identified below) stay within the ambits of the law. This policy and accompanying legislation will prescribe a framework for compliance measures for gaming operations and internal control. This will include measures to be taken by customers at the casino before gaming (example registration). The legislation will require other measures such as procedures and control measures that address the social implications of gaming such addictions.

a. Gaming Commission

The Anguilla Financial Services Commission shall be coined as the “the Gaming Commission”, and shall have the right and capacity to initiate and participate in the legal proceedings concerned with gaming. The Commission will have the authority to exercise the powers conferred upon it by the proposed Gaming Act to be established, the Financial Services Commission Act and Regulations, in addition to any other powers conferred on the Financial Services Commission pursuant to any other enactment. To note, existing laws are to be revised to capture this new sector for monitoring and prudential purposes.

The Commission will have jurisdiction and oversight over the licensing and regulation of all forms of licensed gaming activities with the objectives of;

- ensuring that gaming activities are subject to and operated in accordance with adequate financial and other regulatory standards in accordance with the provisions of the appropriate regulatory instruments; and
- Safeguarding the gaming industry from money laundering, terrorist financing, proliferation of the financing of weapons of mass destruction and related activities.

The functions of the Commission will include but not be limited to:

1. Control and regulate all forms of licensed gaming.
2. Grant, refuse, restrict, suspend or revoke any licence or recommend the grant or refusal etc. of licenses and certificates of suitability and activities.
3. Reviewing all licence applications; monitoring of compliance to determine whether there are any breaches. Monitor compliance of gaming licenses in respect of policies and legislation designed to deter compulsive gambling and to prevent underage gambling;
4. Adopt rules and regulations as deemed necessary to fulfill present and future policies
5. Authorize inspectors for gaming establishments.
6. Maintain a Master List of all authorized gaming activities by licence and location.
7. At any time, revoke, suspend, amendment and/or rescission of the conditions in respect of operator licenses.
8. Determine the fees associated with the licenses for Gaming

9. To establish committees for the performance of any function conferred on the Commission provided that no such Committee will consist of fewer than two members of the Commission.

b. Licence applications

In order to qualify for a licence;

- i. A company will, in the case of an applicant for any operator licence, is to be incorporated or registered under the relevant laws of Anguilla.

(For the avoidance of doubt, the character of beneficial owners, shareholders and directors of a company shall fall within the ambit of a natural person; a person fit and proper whose character, integrity, honesty, prior conduct, regard for the law, reputation, habits and associations do not pose a threat to the health, safety, morals, good order and general welfare of the inhabitants of Anguilla and to the provisions and policy of the Gaming Act)

- There must be proven expertise in the management and operation of gaming clubs in a regulated environment, or demonstrable access to such expertise and success of operations; and
- They must be of good financial standing and have adequate means to undertake and sustain the activity for which the licence is required.

Any application for the grant or renewal of a licence will:

- i. be lodged in a manner and form to be determined by legislation, accompanied by the relevant documents and any additional information determined by the Commission;
- ii. be accompanied by the prescribed fees.

c. Licenses

The Commission shall approve all licenses associated with Gaming. A gaming licence will relate to both the premises and the operator respectively, and shall be identified on the said licence. A licence will therefore permit the holder to establish and carry out approved gaming activities at a physical location licensed by the Commission.

The following gaming activities may be permitted:

- table games
- slot machines
- Lottery (traditional lottery, electronic lottery, instant lottery, online lottery)
- Betting (any wagering of a legal activity including but not limited to sports betting and Auto – racing)
- Other games (includes all other games of chance which are not determined by draw of balls, including but not limited to pallet, scratch, bingo)

However, a license for a Gaming Club shall only apply to table games, slot machines, betting and other games. Such games must be operated exclusively on the licensed Gaming Club premises.

For the avoidance of doubt, the policy does not support expansive licensing of standalone gaming facilities for individual or specific gaming activities identified above such as slot parlors. As such, each license application will be considered in light of the desired gaming product of this policy..

The operation of the gaming activities identified above, and any other gaming activity not identified by this policy are prohibited in the absence of a licence, save for ‘Other games’ including all other games of chance which are not determined by draw of balls, including but not limited to pallet, scratch, bingo. In the case where such other forms of gaming are carried out in a public space by way of an event, the event is to be registered with the Financial Services Commission and any other requirements by law.

d. Personnel Licenses

In addition to the gaming licence noted above, a developer of a casino is to ensure that the necessary training and licenses are obtained for the respective roles within the business.

- **Key employee licence** - required by every executive director or agent of, or any person in the employ of the holder of any operator licence who may exercise direct control over gaming operations or the activities authorized by the principal licence.
- **Gaming employee licence** - required by every person, excluding a key employee, who is employed by the holder of a principal licence within a gaming premises, and who is directly involved in the activities performed under the principal licence.

Further to above, a person who is desirous of offering services to manufacture, sell, test or repair slot machines or other gaming devices or equipment will apply to the Commission for a supplier's registration certificate and/or a technician licence.

All licence applicants will be subject to due diligence check by the Commission to determine suitability.

Gaming Licence Structure	
Application Fee	
Gaming Club licence - Vicinity Licence - Activities licence	
Lottery Licence	
Betting Licence	
Other Gaming Licenses	
Gaming Personnel Licence	
Key Employee Licence	
Gaming Employee licence	
Technician Licence	

Policy Goal No.2

A viable gaming tax structure.

Objectives.

- i. To establish the cost of Gaming licenses and to further identify a suitable Gaming Tax

Policy Position

Licence fees and tax structure

A person desirous of establishing and operating a facility for gaming shall pay the prescribed application and license fees determined by the Financial Service Commission. The holder of a gaming club licence will pay to the Financial Service Commission the prescribed annual licence fee, to be payable by the end of January of each calendar year. The fee will be prorated as at the date of the granting of the licence until December 31. Thereafter the full annual fee will be paid.

The holder and /or operator of a gaming club licence will further pay an annual levy of 15% gaming taxes on Gross Gaming Revenue. Winners of a gaming activity are to pay 15% of the winnings.

Policy Goal No. 3

To create a responsible Gaming economy. Gaming developers and/or operators will be required to enter into a Memorandum of Understanding, detailing the development, operations and any other agreements deemed necessary to facilitate the development and success of the project.

Legislation coupled with a Memorandum of Understanding will create a responsible gaming environment suitable of achieving the objectives below.

Objectives

- i. To outline the prohibitions in respect of Gaming
- ii. To outline internal control measures to be employed by gaming operators.

Prohibitions of Gaming

The following prohibitions should be put in place to facilitate responsible gaming in Anguilla.

1. No person under the age of twenty-one (21) years will enter any designated area that is identified for gaming purposes.
2. No person will work in and/or operate a gaming development without the appropriate licence.
3. No person will engage in the manufacture, service or repair of any gaming device, slot, or Electronic Gaming Machine without the appropriate registration documents and licenses.
4. No person will engage in the importation, acquisition, distribution, marketing, leasing or selling of any gaming device without the appropriate licenses and suppliers registration certificate.

5. The establishment and/or alteration of the selection of criteria which determines the result of a gambling game or the amount or frequency of payment in a gambling game is strictly prohibited.
6. No person who is in any way concerned with the management, supervision, control or administration of the holder of an operator licence or any gaming conducted at such business will participate in gaming at such business or at any other gaming business.
7. Establishments are to be restricted in terms of design and location. There will be no gaming developments established within close proximity of the capital, sensitive buildings such as schools or churches. Entrances to areas designated for gaming and amenities are to be separate and clearly marked. Design and locations are to be approved by the department of Physical Planning.

Internal control measures to be employed by gaming operators.

- A. The licence holder within of a gaming premises or establishment must have a program to promote responsible gaming and prevent gaming abuse with —
 - i. Guest education regarding the phenomenon of problem gaming abuse;
 - ii. Accessible counseling programs for persons affected by problem gaming;
 - iii. Appropriate approach and actions for persons affected by gaming such as addictions;
 - iv. Any useful action to impose in the interest of the proper conduct of the game or related activities

- B. The holder of a licence will promote responsible gaming by:
 - i. Providing training to its licensed employees, consisting, at a minimum, of information concerning the nature and symptoms of problem gaming behavior, assisting patrons in obtaining information about problem gaming, and information on the self-exclusion program.
 - ii. Ensuring that a notice informing the public of the phenomenon of compulsive or problem gaming is prominently displayed at every entrance within the premises which provides access to any specifically demarcated area where gaming takes place; and

- iii. Ensuring the display on the licensed premises of an adequate supply of pamphlets for public reference and use, providing information regarding the phenomenon of compulsive or problem gaming.
- C. The holder of a licence will develop and submit to the Commission for its approval, written internal control standards to be implemented to ensure;
- i. the integrity of its gaming operation;
 - ii. that adequate controls are in place effectively to manage and minimize gaming-related risks;
 - iii. that gaming devices, documents and information are properly controlled and safeguarded;
 - iv. that financial and other gaming-related records are accurate and reliable;
 - v. that gaming-related transactions are recorded in sufficient detail to ensure the proper reporting of gaming revenue, taxes and other fees due;
 - vi. that appropriate measures and procedures are in place to ensure compliance with policies, legislations and regulations.
 - vii. that gaming-related functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent and appropriately qualified employees.

Conclusion

This Policy outlines Government's position regarding the development and regulation of a Gaming economy. Guided by the proposed Gaming Act, Financial Services Commission Act and Regulations, and any other powers conferred on the Financial Services Commission pursuant to any other enactment, the Policy will facilitate the development of luxury gaming environment under the supervision of a Gaming Commission. Within the purview of the Financial Services Commission, the policy ensures transparency and accountability within the gaming environment.