

Address by the Minister of Finance, Harris Georgiades

National Betting Authority Annual Meeting

23 November 2017

Ladies and Gentlemen,

Thank you for the invitation and for giving me the opportunity to address the National Betting Authority's first annual meeting.

Before mentioning anything else, I would like to underline and repeat the fundamental pillar of the government's policy on betting activity, as well as our approach towards the broader gaming industry.

Our approach rejects both the hypocritical and absolute ban, as well as the irresponsible uncontrolled betting. The only ones who benefit from a total ban are illegal entities and tax evaders. On the other hand, the uncontrolled operation fails to protect society.

Our approach is based on an effective organization and an efficient market regulation, which will enable the controlled development of the sector, and will subsequently facilitate economic activity, will bring in foreign investments, will create job posts and will ensure an increased public income, while keeping society protected.

This was our policy context when dealing with the issue of the casino –this significant investment which is finally beginning to be realized, after the completion of the procedures and the successful results of the international competition. Needless to say that we have closed our ears to the rejectionist approaches which would deprive our country of this promising potential.

In the same context, I feel very satisfied to see that, in a short period of only two years, the National Betting Authority has managed to take a giant leap, aligning completely with the governmental policy.

In my opinion, one of the Authority's significant milestones has been the decision to provide license to online betting, ensuring legality and the licensees' compliance with their license terms. This will, of course, increase public income considerably. According to the information I have received from the Authority, the expected collected tax for 2017 will be 100-120% higher than 2015.

We would like to implement the same approach on other related sectors as well. A government Bill on the Government Lottery is currently pending at the Parliament. This will allow private investors to operate it under the supervision of the National Betting Authority, something that will lead to a further increase in public revenue.

It is also crucial for the public interest to change the way that OPAP games are regulated. Instead of them operating under an intergovernmental agreement between Cyprus and Greece,

they should be operating under Cyprus law and under the control of the National Betting Authority. This Bill is also pending at the House of Parliament.

Today, I would like to announce that the next step for 2018 is the regulation of Bingo. The annual revenues of this activity are estimated to be over 100 million euro, however, this activity is currently conducted without any regulation and control. We intend to bring Bingo under the regulatory control of the National Betting Authority with a special law, which is currently being drafted, and which will allow this activity to continue, while contributing to the social and public interest.

The National Betting Authority has had a leading role in all these developments. This is why we have immediately accepted the Authority's requests for adequate recruitment.

I would also like to mention that a major aspect of the Authority's role and mission is the creation of a culture that prevents irresponsible betting and is able to distinguish between entertainment and addiction.

Ms. President of the National Betting Authority,

I would like to thank you and your colleagues, the Board members and your staff, for all your work. I would like to congratulate you for the outstanding results, and I would like to ask you to continue your keen and responsible work, assuring you that the Ministry of Finance and the Government will stand by your side.

Ladies and Gentlemen,

Thank you for listening.