

Strategic Plan 2023-2025 & Action Plan 2023



NATIONAL
BETTING
AUTHORITY





Contents

02	Message from the President
03	Responsibilities, Role and Objectives
04	Organisational Structure
05	Current Situation
07	Strategic Plan
11	Strategic Framework
14	Strategic Goals 2023-2025
19	Risk Management
21	Action Plan 2023

Message from the President



It is with great pleasure that we present the National Betting Authority's Strategic Planning for the period 2023-2025. The Strategic Planning has been developed in light of the severe impact of Covid-19 pandemic, and the need to safeguard the sustainable development of the betting sector.

In the short term, the Authority's priority is the implementation of the policies and measures that have been decided or will be promoted in the future by the Government. In the long term, the Authority will keep implementing various initiatives and actions in line with its action plan and strategic goals.

The Authority's vision is to establish Cyprus as a fair and safe environment of development and innovation in the gambling sector, while focusing on the protection of players.

The Strategic Plan of the Authority is the core of its actions and activities, and it sets its strategic goals and priorities for the period 2023-2025. The strategic goals for this period are the enhancement of the Authority's regulatory and supervisory roles, the protection of the players and the public, the development and modernisation of the sector, and the improvement of its internal operation.

The Authority's ultimate goal is to maintain its leading and decisive role for the sustainable development of the betting sector and its long-term economic prosperity, while protecting society, eliminating illegal activity within the sector, and preventing money laundering.

The National Betting Authority's team and I will keep doing our best towards a successful implementation of our strategic goals and objectives.

Responsibilities, Role and Objectives

The National Betting Authority (hereinafter the “Authority”) was established in 2012 as a legal public entity governed by the Betting Law of 2019 37(I)/2019. It is an independent supervisory Authority with financial independence and autonomy.

The Authority’s main responsibilities are the regulation, supervision, and monitoring of the betting activity in the Republic of Cyprus. Among its main responsibilities are the issuing of Class A (land-based betting) and Class B (online betting) licenses to bookmakers and authorized agents, carrying out on-site inspections, supervising licensees, as well as drafting and issuing Directives that facilitate law implementation.

The inspections conducted by the Authority aim to ensure that the betting activity is legal, transparent and fair, complying with the regulations, that the profits are paid to the players, the taxes are paid to the government and the contributions to the Authority, and that the betting activity complies with the legal and regulatory framework. Furthermore, the Authority is responsible for adopting measures for combating money laundering and terrorist financing, as well as for issuing relevant Directives that facilitate the implementation of the law and measures.

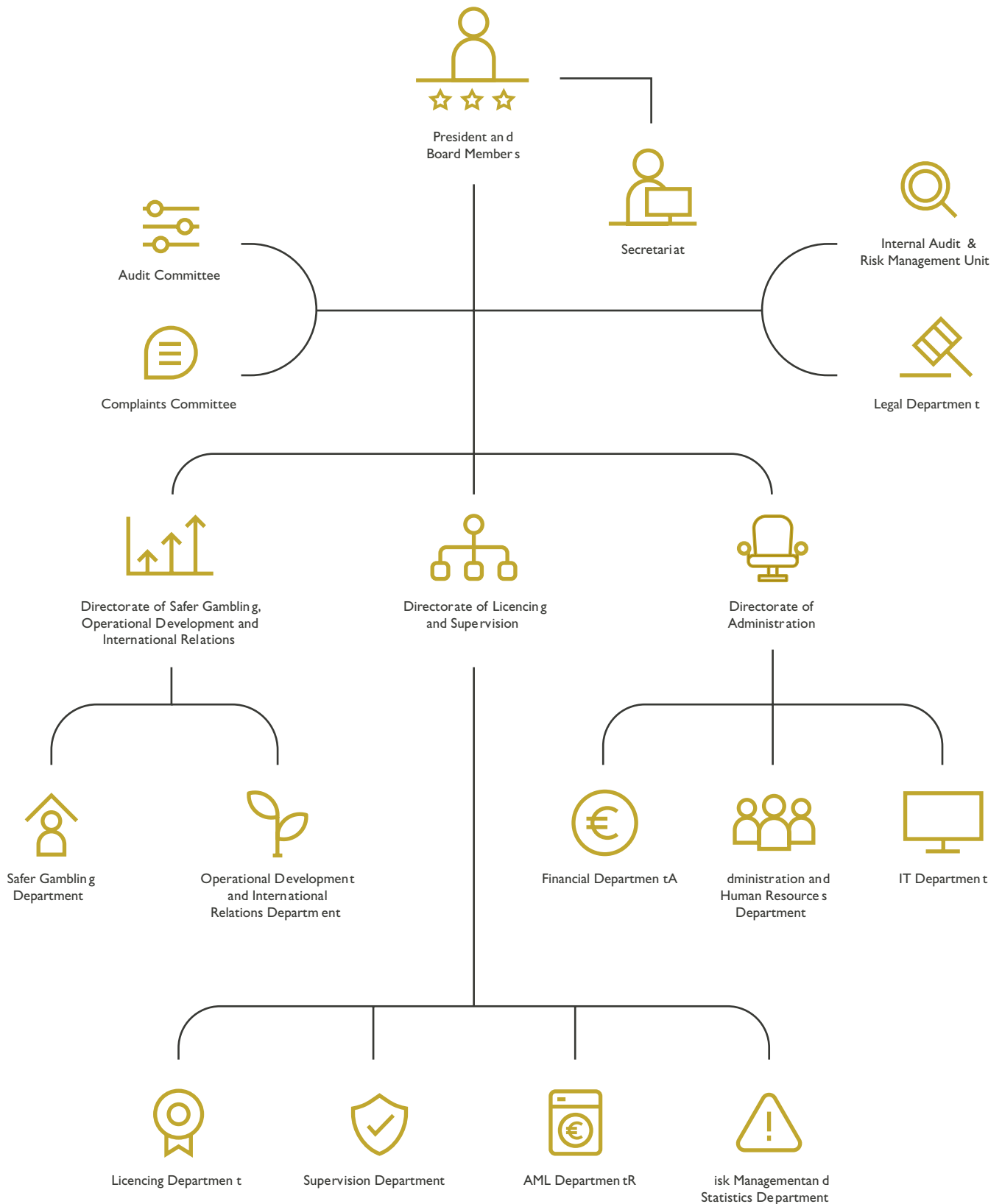
Additionally, the Authority is responsible for the cooperation and discussion with various bodies, governmental departments and international institutions on topics related to gambling, such as its participation at the Gaming Regulators European Forum (GREF).

Finally, the Authority is responsible for the implementation of preventive measures on the protection of young people and vulnerable groups from gambling addiction.

The Strategic Plan 2023-2025 sets the framework of priorities and activities which are considered essential for the Authority’s aims and objectives for the next three years. Furthermore, the Strategic Plan aims to have a constructive and contributory role to the achievement of the Government’s strategic goals in the gambling sector, and to support the sustainable development of the sector.

The current Strategic Plan is dynamic, as it has been drafted in a way that provides flexibility to the Authority, allowing it to respond effectively to the constantly changing and evolving gambling sector.

Organisational Structure



Current situation

Governed by the strategic objectives of the Strategic Plan 2022-2024 and the 2022 Action Plan, the National Betting Authority has implemented various initiatives and actions that have contributed to the achievement of its vision based on its four strategic goals.

After a period of two years and the effect of the Covid-19 pandemic bringing a negative impact worldwide, the economy and, in that case, the gambling sector has recovered and has entered a growth rate. According to the financial results and quantitative data of the betting activity issued by the Authority, the percentage of the total Pay In in 2016 amounted to 0.99% of the GDP, in 2019 it recorded a substantial increase of 3.33% and in 2020 despite the contraction of the GDP due to the global health crisis by 6.5%, the percentage of Pay In in terms of GDP reached 2.87%. In 2021, the percentage reached 3.34%, thus returning to pre-pandemic levels. At the same time, appropriate measures are being taken to deal with the consequences caused by the ongoing war and the energy crisis, so that the market is not adversely affected.

The Authority has implemented and continues to implement actions to digitize the organization, as it is in the process of completing the implementation of its software system and has already substantially upgraded the infrastructure of its information systems. In addition, it has established teleworking procedures for its staff and is focusing on the implementation of its digital policy action plan.

The Authority has revised its AML Directive in the second half of 2022, to strengthen its regulatory framework and to achieve a more effective implementation of the provisions to limit incidents of exploitation and manipulation in the betting sector. In addition, the Authority revised its Code of Advertising, to enhance, among other things, the protection of the public and the minimization of the exposure of minors to gambling advertisements. In May 2022, it has issued a Practical Guide for the implementation of the Advertising Code, with the aim of more effective regulation and systematic application of the provisions of the Code. With the aim of strengthening player protection and the sustainable development of the industry, the Authority has drafted the Regulations for the Protection of Players, Minors and Pathological Players, which codify emerging best practice and new ideas surrounding safer gambling. The Regulations will be applied by all Class A and B licensed bookmakers.

CURRENT SITUATION

As part of its continuous upgrade of its internal operation, the Authority proceeded with implementing ISO31000, ISO27001 and ISO37001 standards, thus adopting methods for identifying, recording, and evaluating risks which may have negative effects on the efficient operation of the Authority and in the implementation of the objectives that have been determined. Furthermore, the Authority has strengthened the framework of procedures and tools concerning information security, as well as implementing procedures for reducing the possibility of bribery. Following the relevant process, the Authority was certified with the ISO27001 and ISO37001 standards. With the aim of maintaining and developing its human resources, the Authority was certified with the Great Place to Work® certifications and hired new personnel for the efficient implementation of its responsibilities.

At the same time, the Authority actively participated in GREF's (Gaming Regulators European Forum) working groups on issues related to the exchange of information and statistical data, online gambling and safer gambling. In addition, the Authority participated in GREF's annual meeting in Germany, where representatives of the Authority had the opportunity to exchange views and best practices on issues related to the regulatory framework and player protection.

An important goal for the Authority is to enhance local expertise and research in matters related to gambling. To that end, it has conducted a survey on women's participation in gambling activities in the second half of 2022. The Authority also plans to announce the results of the second National Prevalence Study on the characteristics and profile of players and pathological players beginning of 2023. In addition, with the aim of upgrading the gambling industry and further specializing local human resources, the Authority proceeded to announce a tender for the creation of a Gambling Academy, which is expected to start its operations within the first quarter of 2023.

Finally, the Authority during the first half of 2022 has drafted and put into effect its Safer Gambling Strategy based on the public health model, thus adopting the framework of approaching the negative consequences related to gambling as issues of public health. This approach emphasizes that in addition to individual responsibility, there is a clear responsibility of all stakeholders (state, gambling service providers, family environment, etc.) for strengthening a safe environment, preventing any negative consequences, as well as dealing with any pathological behaviours.

Strategic Plan



Mission

The Authority's Mission is the effective regulation and supervision of betting activity in the Republic of Cyprus, the protection of public interest, the development of the country's economy, the fight against illegal betting and gambling and the contribution in social health, safety and social cohesion.



Vision

The National Betting Authority's vision is to establish Cyprus as a fair and safe environment of development and innovation in the gambling sector, while focusing on the protection of players, and social welfare.



Values

The National Betting Authority is governed by Values that dictate its operation and actions, goals and objectives. The Authority's philosophy is reflected on the following values.

STRATEGIC
PLAN
→ VALUES

◆ **Transparency**

The Authority acts based on the principles of transparency and good administration, in order to ensure the sense of security of the supervised entities and citizens and to eliminate any phenomena of corruption and bribery.

◆ **Commitment**

Personal and collective commitment of the Chairwoman, Board Members, and the personnel of the Authority to accomplishing the objectives and goals set in the Authority's mission and role.

◆ **Compliance**

A non-negotiable value is the compliance with every legal (national and European) and moral obligation associated with the operation and the capacity of the Authority.

◆ **Respect and Integrity**

Transparency, equality, sincerity, and honesty apply on all levels of decision-making, administrative and regulatory operation of the Authority, based on the Values of respect and integrity.

◆ **Reliability**

Reliable services based on accurate, prompt information, ensure efficient operation

◆ **Professionalism and Responsibility**

Through continuous professional training and development, the Authority's team demonstrates high levels of professionalism and responsibility serving the State, citizens and stakeholders. The Authority aims at the increase of its workforce for higher efficiency.

STRATEGIC
PLAN
→ VALUES

◆ **Cooperation and Initiative**

The promotion of cooperation and team-spirit within the Authority, along with the initiative for development and improvement, contributes to the achievement of the goals set by the Authority.

◆ **Social Responsibility and “Safer Gambling”**

The Authority maintains continuous direct contact with the public, ensuring open communication channels with young people and vulnerable social groups. Its aim is to have an active and substantial contribution towards the protection of society from the negative consequences of problematic gambling. Thus, it promotes the necessity of “Safer Gambling”, paying particular attention to the positive social impact of such a concept.

Strategic Goals 2023 – 2025

The Authority's Strategic Goals reflect its vision and mission and contribute to a sustainable development in the betting and gambling sector.

The Strategic Goals for the period 2023-2025 are the following:

- ◆ Enhancement of the Authority's regulatory and supervisory roles
 - ◆ Protection of the players and the public
 - ◆ Development and modernisation of the sector
 - ◆ Improvement of the Authority's internal operation
-

Strategic Framework

The Authority, since its establishment in 2012, has been constantly evolving to meet the ever-changing conditions of the gambling industry, as well as to fulfill its mission and vision. To achieve its vision, the Authority aims at the development of the organization as a modern, flexible and human-centered organization, with a risk-based approach for all its functions, which will ensure the protection of society and will effectively meet the expectations of all stakeholders.

In order to achieve the strategic goals, the Authority has set the following strategic framework as a guideline to its internal operations, procedures and human resources, as well as to its relationship with external factors and the general development of the gambling sector.

Human Resources and Capacity

The core of every organisation is its human capital; this is why the Authority's strategy has been designed in a way that offers its employees opportunities for professional development and advancement, skills and knowledge enhancement and productivity improvement, through innovative employment schemes and lifelong learning. As a consequence, the employees can develop their knowledge on the Authority's regulatory and supervisory roles. Great emphasis is placed on the open-mindedness, high level thinking and academic training of the employees, their team spirit and cooperation skills, which aid towards the accomplishment of the Authority's strategic goals.

The strategy aims at increasing the personnel's efficiency and their leadership skills that will assist towards the realisation of the Authority's vision, mission, and strategic priorities, based on its values. Regardless of their hierarchy level, the Authority's employees are expected to deliver high quality professional services, assisting towards the Authority's efficient operation.

**STRATEGIC
FRAMEWORK****Digital Transformation and E-Governance**

This strategy has been designed so as to adapt to innovation, rapid technological development and simplification of processes. In this context, a Digital Policy was drafted, which is based on the seven following pillars:

- ◆ Digitalisation of internal operations
- ◆ Digitalisation of activities and services offered to supervised entities and the public
- ◆ Employees' digital skills development
- ◆ Cybersecurity
- ◆ Upgrade of current technologies and infrastructure
- ◆ Development and modernisation of the sector
- ◆ Capitalisation on the synergies and exchange of best practices

The digital strategy aims at providing suitable, safe and adjustable applications and systems that will support the Authority's current and long-term operation.

**STRATEGIC
FRAMEWORK****Regulation and Supervision**

The strategy on regulation and supervision aims at promoting self-compliance of the authorised licensees through explicit guidelines, encouragement and positive reinforcement reward schemes, regular trainings, constructive dialogue and law enforcement where necessary. This approach aims to minimize the costs of regulation and supervision and the imposition of measures and fines in order to bring about long-term culture change.

Synergies

The strategy of establishing and enhancing cooperation, exchanging ideas and adopting best practices is vital to the implementation of the Authority's strategic goals. The strengthening of synergies on a national, European and international levels facilitate the modernisation and sustainability of the betting sector, safeguarding of the public interest and public health.

Sustainable Development

The strategy on sustainable development is reflected on the operational model of the Authority, which is based on the trifold People-Society-National Economy. The strategic goals of the Authority are fully aligned with the sustainable development goals and targets through a series of investments, reforms and actions.

Strategic Goals 2023-2025

1

Enhancement of the Authority's Regulatory and Supervisory Role

The National Betting Authority has set the following objectives in order to enhance its regulatory and supervisory role:

① Simplification and modernisation of licensing procedure

- ◆ Reduction of application's assessment period and operational costs
- ◆ Efficiency improvement in processing requests
- ◆ Increase of transparency in licensing procedures
- ◆ Proper and smooth functioning of the sector

② Development of a framework on data submission, analysis and management and risk assessment

- ◆ Improvement of regulatory framework efficiency
- ◆ Efficient risk prediction and classification
- ◆ Market risk reduction
- ◆ Reduction of fraud and illegal activities

③ Implementation of preventive supervision, on-site and remote inspections

- ◆ Reduction of administrative and compliance costs
 - ◆ Enhancement of targeted supervision
 - ◆ Ensuring compliance with the regulatory framework
 - ◆ Efficient enforcement of sanctions
 - ◆ Elimination of major offences
-

STRATEGIC GOALS 2023-2025

ENHANCEMENT OF THE AUTHORITY'S REGULATORY AND SUPERVISORY ROLE

- 4 Improvement of procedures for countering money laundering and terrorism financing**
 - ◆ Successful Implementation of directives
 - ◆ Efficient attention on potential risks
 - ◆ Reporting on suspicious transactions

- 5 Education and training of stakeholders and licensees**
 - ◆ Comprehension of the regulatory framework
 - ◆ Encouragement of self-compliance
 - ◆ Establishment of corporate governance
 - ◆ Enhancement of professional code of conduct

2

Protection of the Players and the Public

The National Betting Authority has set the following objectives in order to protect the players and public; these objectives are outlined more thoroughly in the Safer Gambling Action Plan:

- 1 Create the conditions for stakeholders to protect society from potential harms related to gambling**
 - ◆ Implementation of suitable protective measures and policies
 - ◆ Efficient application of protective methods
 - ◆ Provision of training and incentives to stakeholders
 - ◆ Enhancement of synergies among stakeholders
-

STRATEGIC GOALS 2023-2025

PROTECTION OF THE PLAYERS AND THE PUBLIC

- 2 Increase awareness on safer gambling strategies, resources and support**
 - ◆ Awareness raising among players and society
 - ◆ Development of targeted messages and campaigns addressed to different risk groups
 - ◆ Provision of tools and resources for the detection of problem gambling

 - 3 Provide support to individuals who are affected by gambling related harm to safeguard public health**
 - ◆ Facilitation of access to treatment
 - ◆ Enhancement of counselling and treatment
 - ◆ Development of intervention practices for vulnerable and high-risk groups
 - ◆ Reduction on public healthcare costs

 - 4 Develop effective programs, policies and initiatives that ensure safer gambling**
 - ◆ Acknowledgement of the interaction of various factors on gambling related harm
 - ◆ Comprehension of safer gambling framework
 - ◆ Development of targeted strategies for specific target groups
 - ◆ Development of evaluation capacity on safer gambling
-

STRATEGIC GOALS 2023-2025

3

Development and Modernisation of the Sector

The National Betting Authority has set the following objectives for the development and modernisation of the sector:

1 Improvement of legal and regulatory framework

- ◆ Market development based on international standards
- ◆ Promotion of healthy competition
- ◆ Improvement of business operation conditions
- ◆ Ensuring players' protection
- ◆ Elimination of illegal gambling

2 Enhancement of research and innovation

- ◆ Improvement of market knowledge
- ◆ Improvement of regulatory framework
- ◆ Market development
- ◆ Incentives for start-ups and innovative businesses

3 Development of national and international cooperation

- ◆ Expertise enhancement
- ◆ Improvement of information exchange
- ◆ Increase of active participation at national and international bodies
- ◆ Development of bilateral cooperation agreements with local institutions and relevant authorities in other EU countries

4 Promotion of the Republic's regulatory framework

- ◆ Promotion of Cyprus' competitive advantages as an investment destination
 - ◆ Increase of investment incentives
 - ◆ Promotion of Cyprus potential to become an international gambling hub
-

STRATEGIC GOALS 2023-2025

4

Improvement of the Authority's Internal Operation

The National Betting Authority has set the following objectives to improve its internal operation:

1 Implementation of efficient governance

- ◆ Transparency increase in all procedures
- ◆ Reliable and independent decision making
- ◆ Reduction of operational risk and ensuring the organisation's viability
- ◆ Enhancement of stakeholders' confidence towards the Authority

2 Human Resources Development and Retention

- ◆ Skill development and skill mismatch reduction
- ◆ Productivity and efficiency boosting
- ◆ Provision of high-quality services to stakeholders
- ◆ Development of personnel's expertise

3 Optimisation of operation and procedures

- ◆ Simplification of procedures and automation
 - ◆ Reduction of bureaucracy and operational costs
 - ◆ Efficient time management and task prioritising
 - ◆ Increase of operational development and transparency
-

Risk Management

The process of identifying and managing risks is considered of utmost importance for the successful implementation of the Authority's Strategic Planning. If any risks that arise are not recognized and dealt with in time, they may cause negative consequences for the completion of both the Authority's short-term and long-term strategic goals. Risks vary in their importance and intensity due to changes in the economic, technological, social, political and legal environment, as well as unpredictable factors.

Internal and external risks which are recognized as possible factors of non-implementation of the Authority's strategic planning, were evaluated during the implementation and certification of the organization with ISO27001 and ISO37001, and the implementation of ISO31000 as a model for risk assessment. Risks are categorized into reputational risk, operational risk, regulatory and legal risk and financial risk.

Risk factors are analysed in the next page.

**RISK
MANAGEMENT****Reputational risk**

Includes the uncertainties and risks faced by the Authority regarding its reputation and image, and may arise from poor management of the Authority's resources, the increase in illegal betting activity, bribery, etc.

Operational risk

Includes the uncertainties and risks faced by the Authority in its daily operations, including the regulation and monitoring of the sector, the implementation of its strategic planning, the management of human resources, etc.

Regulatory and Legal Risk

Includes the uncertainties and risks faced by the Authority resulting from conflicts with stakeholders and its obligation to comply with National, European and International legislation, Directives and tenders. Such examples are legal appeals and claims.

Financial Risk

Includes the uncertainties and risks faced by the Authority and may arise from threats that materialize and can cause financial losses.

Action Plan 2023



**ACTION
PLAN 2023**

In this section the detailed actions for each strategic goal are outlined

1**Enhancement of the Authority's regulatory and supervisory role****ACTIONS**

- ◆ Development of standards and practice guidelines for gambling operators
 - ◆ Intensification of measures on the prevention of money laundering and terrorist financing in the gambling sector
 - ◆ Improvement of the licensed bookmakers' supervision with enhanced methods
 - ◆ Improvement of data analysis tools and procedures, and effective data assessment for informed decisions
 - ◆ Stakeholders' training on the regulatory framework through the gambling academy and e-learning platform
 - ◆ Implementation of new illegal website blocking tools
 - ◆ Research and survey on illegal gambling
 - ◆ Application of international practices against match-fixing
 - ◆ Cooperation with relevant institutions for combating illegal gambling
-

**ACTION
PLAN 2023**

2**Protection of the players and the public****ACTIONS**

- ◆ Cooperation with stakeholders for the implementation of the Safer Gambling Strategy
 - ◆ Safer Gambling awareness raising campaigns
 - ◆ Operation of the National Self-exclusion Platform and expansion of its operation on land-based betting services
 - ◆ Implementation of the Safer Gambling Virtual Center and a 24/7 call center for prevention
 - ◆ Continuation of the consultation on the implementation of a Safer Gambling Standard
 - ◆ Completion of the National Prevalence study on the player's profile and problem gambling prevalence rates
 - ◆ Safer Gambling Week – October 2023
 - ◆ Establishment of a research hub on safer gambling and problem gambling
 - ◆ Cooperation with stakeholders for the support of treatment centres and facilities
-

**ACTION
PLAN 2023**

3**Development and modernisation of the Sector****ACTIONS**

- ◆ Operation of the Gambling Academy
 - ◆ Review of licensing procedure and payable fees
 - ◆ Development of practical guides on the efficient implementation of the law
 - ◆ Revision of the legal and regulatory framework
 - ◆ Drafting laws and regulations to fully regulate the gambling industry
 - ◆ Research and implementation of projects that foster innovation and promote start-ups in the gambling sector
 - ◆ Development of appropriate mechanisms for the identification and exploitation of emerging technologies
 - ◆ Participation in CEN committees for drafting standards
 - ◆ Cooperation and exchange of information and expertise with other European regulatory betting authorities
-

ACTION PLAN 2023

4

Improvement of the Authority's internal operation

ACTIONS

- ◆ Maintaining and improving ISO:31000 Risk Management, ISO:37001 - Anti-Bribery Management Systems and ISO:27001 - Information Management Systems
 - ◆ Training and development of personnel based on individual learning targets
 - ◆ Adequate staffing based on the organization's needs
 - ◆ Improving and simplifying processes and implementing data analysis tools
 - ◆ Further development of IT systems and further implementation of the Digital Policy Action Plan Improvement of Internal Audit and of internal procedures efficiency assessment
 - ◆ Further implementation of Sustainable Development Goals 2030 and ESG framework
-



www.nba.gov.cy

www.safergambling.gov.cy

83 Digeni Akrita Avenue, 1070, Nicosia
Call Centre: 2288 18 00
Email: info@nba.gov.cy

83 Digeni Akrita Avenue, 1070, Nicosia
Call Centre: 2288 18 00
Email: info@responsiblegaming.gov.cy