

ONLINE BETTING AND THE RISKS OF MONEY LAUNDERING: A CASE STUDY ON THE BRAZILIAN NEW LEGISLATION¹

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Abstract

Brazil has recently put into force a piece of legislation that regularizes online betting activities after many years of gambling prohibition. The Finance Ministry has also issued administrative regulations describing the requirements and procedures for companies interested in exploring this market, as well as mandatory AML compliance measures that must be adopted. Online betting is already regulated in many other countries, which has led to several studies and statistical data on the typical “red flags” of money laundering in this activity. The main objective of this study is to explore the relations between online betting/gambling and money laundering, mainly within international law doctrine. Subsequently, examine new Brazilian legislation and regulations on the topic.

Keywords: Online betting; Gambling; Money Laundering; Compliance measures; Brazilian legislation; Economic crimes.

Resumo

O Brasil recentemente promulgou uma legislação que regulariza as atividades de apostas online após muitos anos de proibição de jogos de azar. O Ministério da Fazenda também emitiu normas administrativas que descrevem os requisitos e procedimentos para as empresas interessadas em explorar este mercado, bem como as medidas obrigatórias de compliance preventivo à lavagem de dinheiro (AML) que devem ser adotadas. As apostas online já estão regulamentadas em muitos outros países, o que deu origem a vários estudos e dados estatísticos sobre as “red flags” típicas de branqueamento de capitais nesta atividade. O principal objetivo deste estudo é explorar as relações entre as apostas/jogos de azar online e a lavagem de dinheiro, principalmente no âmbito da doutrina do direito internacional. Posteriormente, examinar a nova legislação e regulamentação brasileira sobre o tema.

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Palavras-chave: Apostas online; Jogos de azar; Lavagem de dinheiro; Compliance; Legislação brasileira; Crimes económicos.

Summary

Introduction. 1. Online Betting and Money Laundering. 2. The Brazilian legislation and regulation on the topic. 3. ML Typologies and most adequate prevention measures. Conclusions. References.

INTRODUCTION

Brazil has recently put into force a piece of legislation about betting, Law n. 14,790 from December 2023. This piece of legislation also regulates online betting, in which bets can be offered by electronic means, such as websites and applications, according to Articles 2 and 14 of the Law.

There was a gray zone in the Brazilian juridical system regarding betting and gambling. The new piece of legislation represents the next step after Law 13,756 from 2018, which had already created some rules authorizing the so-called fixed-odds bets in sports betting. A thorough regulation of the field was a demand made by the companies themselves after some scandals involving fraud in the results.²

The Finance Ministry is the authority responsible for creating administrative regulation and issuing authorization for companies that intend to explore this market according to Article 4 and others from Law 14,790. The Ministry has also created the Prizes and Betting Secretariat (Decree number 11,907 from January 2024), which will be responsible for authorizing, granting, regulating, standardizing, monitoring, supervising, inspecting and sanctioning.³ Additionally, it published some important regulatory norms, like Ordinance number 827 from May 2024.

² <https://www.cnnbrasil.com.br/esportes/futebol/santos/o-que-pode-acontecer-com-jogadores-envolvidos-no-escandalo-de-apostas-advogados-respondem/>
<https://ge.globo.com/negocios-do-esporte/noticia/2023/05/11/apos-descoberta-de-esquemas-casas-de-apostas-defendem-regulamentacao-do-setor.ghtml>
<https://www.gamesbras.com/apostas-online/2023/4/19/casas-de-apostas-so-as-maiores-prejudicadas-nos-escandalos-de-fraudes-da-operao-penalidade-maxima-36795.html>. Accessed on 28.06.2024.

³ <https://www.gov.br/fazenda/pt-br/composicao/orgaos/secretaria-de-premios-e-apostas>. Accessed on 24.06.2024.

The regulation of fixed-odds bets does not automatically authorize gambling, which consists of “games” in which the result depends exclusively on luck and machine operations, without any transparency about how much the bettor will win or lose. These activities are still prohibited in Brazil by Article 50 of the Criminal Misdemeanor Law (Decree 3,688 from 1941) and by Decree 9,215 from 1946.⁴

However, this panorama must change soon, as Bill number 2,234 from 2022 intends to revoke all these prohibitions. It was approved by the Constitution and Justice Commission of the Brazilian Senate on June 19th, 2024. The expedited legislative processing suggests a relevant political interest in legalization.

The causes are not hard to identify. The growth of the Brazilian betting market is a reality, even amid economic crises.⁵ The population size and its interest in sports, mainly soccer, might be some of the reasons why Brazil is one of the largest prospective betting markets in the world. It is also expected that this new market will bring new challenges and risks, particularly in the prevention of money laundering.

The main goals of this article are to analyze data about this problem and propose measures to minimize its future risks and damages in Brazil. The study will focus specifically on companies that are interested in complying with all the Anti-Money Laundering (AML) prevention measures, not on the cases of intentional misconduct and failures.

1. ONLINE BETTING AND MONEY LAUNDERING

Several activities involving quick and international money transactions could be considered a great target for those who want to launder money. A study on online gambling made by the

⁴ There are some controversial aspects because of Article 2, VIII, from Law 14,790, which defines online games as an “electronic channel that enables virtual betting on a game in which the result is determined by the outcome of a random future event, based on a random generator of numbers, symbols, figures or objects defined in the rules system”. The Finance Ministry must soon issue a specific ordinance about this point.

⁵ <https://www.lance.com.br/lancebiz/mercado-de-apostas-esportivas-mira-faturamento-bilionario-no-brasil-em-2023.html>

<https://www.terra.com.br/economia/mercado-de-apostas-esportivas-cresce-135-no-brasil-em-1-ano,9d220778aca83a9a0fdb86155597df768y95tm9g.html>

https://veja.abril.com.br/economia/mercado-de-apostas-no-brasil-avanca-como-funciona-em-diferentes-paises#google_vignette

Accessed on 24.06.2024.

European Parliament suggested that it might not be especially problematic in comparison with other fields, such as online banking. That was applicable, however, only on very regulated sites (GAINSBURY, 2012, p. 84; BUCHANAN, 2018, p. 226).

Attention to the betting and gambling field is increasing especially due to the expansion of this market, which involves more and more people and larger amounts of money every year. The online betting sector in Brazil has grown 734.6% between April 2021 and April 2024. In 2022, the number of companies that explored it as its main activity has grown by 203%. The same number of companies opened in the entire year of 2022 was established in just the first four months of 2024.⁶

Some special aspects may increase the complexity of ML identification, such as differentiating between criminal agents who really use web platforms to launder money and those who use it because of their taste for betting and gambling; in other words, their gambling lifestyle (DUNCAN and LORD, 2023, p. 195). Another challenge is to develop specific measures to fight against different types of crimes or to identify internal and external money laundering. The last one occurs when the precedent crime takes place outside gambling activities, even in another time period or country.

Some additional problems involve the lack of regulation or its unclearness, as well as the fact that money laundering may occur in different jurisdictions from where the criminal network is based (GAINSBURY, 2012, p. 83) – and where the precedent crime probably occurred. Differences between countries' regulations, jurisdictional problems and the need for international authorities' collaboration in the investigation process tend to be complex. This is particularly the case in the white-collar crime sector, in which it is hard to distinguish the roles of companies, entrepreneurs and employees.

Gambling and betting can be a particularly efficient way to launder money, and good reasons for that are the anonymity of bettors, the existence of illegal online betting and offshore sports betting regulation. Although criminals can create their own illegal websites or infiltrate a regular one, in most cases, sports betting is used to launder money without operators' complicity. However, if operators manage not to report it just to see their business grow, they can become passive partners (ANDREFF, 2019, p. 16).

For stakeholders, the risk of liability involves an ever-growing number of situations. The non-adoption of measures to prevent money laundering can itself generate sanctions, although

⁶ <https://www.cnnbrasil.com.br/economia/negocios/setor-de-apostas-online-cresceu-734-desde-2021-aponta-pesquisa/> Accessed on 27.06.2024.

administrative ones. In other words, there is no need for the crime to occur. That is the case in the UK (DUNCAN and LORD, 2023, p. 196) and Brazil, for instance.

In the UK there have been cases of heavy fines and other sanctions such as license suspension imposed on companies that failed in some AML compliance measures. Some of these cases included know your client (KYC), customer risk ranking, AML policies updating and the establishment of procedures to be followed in cases of money laundering suspicion (DUNCAN and LORD, 2023, p. 198-199). The Gambling Commission is the body able to “license, regulate, advise and provide guidance to the individuals and businesses that offer gambling” in the country.⁷ However, companies and their websites are on the front line, rather than the institutions, to defend against money laundering (BROOKS, 2012, p. 307). The involvement of private actors in a collaborative model is vital for fighting money laundering in the sector (TROPINA, 2014, p.80). How to get them involved, whether through sanctions or incentives, remains a challenge, especially in the long run.

In the US, a giant in the market has also been investigated for being used as a means to launder money, which ended up in a millionaire non-prosecution agreement plus the obligation of enhancing its KYC and Suspicious Activity Report (SAR) Program (KELLY, 2017, p. 304).

As the sector itself is controversial,⁸ regulation and compliance measures are essential to distinguish companies that genuinely want to explore the sector by the book from those that effectively act as partners of criminals. Scandals involving casino managers, organized crime and money laundering have already been identified worldwide (LANGDALE, 2023; SMITH, 2019). Also, there is growing evidence that clear, detailed rules within the sector minimize money laundering and its associated damages (KELLY, 2017, p. 299; SPARROW, 2009, p. 72).

2. THE BRAZILIAN LEGISLATION AND REGULATION ON THE TOPIC

⁷ <https://www.gamblingcommission.gov.uk/> Accessed on 27.06.2024.

⁸ “Seen as a 'different' type of business to other businesses, e.g. insurance and banking, those tasked with protecting the integrity of a gambling company were fully aware of the negative view held, particularly by sections of the media, on the 'service' they provided.” (BROOKS, 2012, p. 307).

Based on what was established at the beginning of the article, it is important to take a closer look at the Brazilian normative system. The following analysis will be limited to the content of dispositions that address money laundering prevention. Other topics are beyond the scope of this paper.⁹

2.1. INTERNATIONAL AGREEMENTS

Brazil signed and internalized many international Conventions against money laundering, such as the Vienna (Decree n. 154, from 1991), Palermo (Decree n. 5,015 from 2004) and Mérida (Decree 5,687 from 2006). The country is also one of the founding members of GAFILAT (Grupo de Acción Financiera de Latinoamérica), one of the regional branches of FATF (Financial Action Task Force). This intergovernmental organization supports its members in implementing the 40 Recommendations of FATF against money laundering and terrorism financing. Recommendations 22¹⁰ and 28 make express reference to casinos as part of what they consider Designated Non-Financial Businesses and Professions (DNFBP), to which some preventive measures typical of financial institutions apply, such as customer due diligence and record-keeping requirements. Casinos should also “be subject to a comprehensive regulatory and supervisory regime that ensures that they have effectively implemented the necessary AML/CFT measures”.¹¹ This determination was added in the former Recommendation 22, current 28, in October 2004 (SENIA, 2014, p. 561).

⁹ Future research agenda topics include describing the legislative process that led to the enactment of Law 14,790 and mapping all the illegal conduct typical of the betting market that might lead to criminal prosecution according to the Brazilian legal system.

¹⁰ In the interpretative note of Recommendation 22, there is also the following explanation: casinos should implement Recommendation 10, including identifying and verifying the identity of customers when they engage in financial transactions equal to or above USD/EUR 3,000. Conducting customer identification at the entry to a casino could be, but is not necessarily, sufficient. Countries must require casinos to ensure that they are able to link customer due diligence information for a particular customer to the transactions that the customer conducts in the casino. (<https://cfatf-gafic.org/documents/fatf-40r/388-fatf-recommendation-22-dnfbps-customer-due-diligence>) Accessed on 02.07.2024.

¹¹ <https://cfatf-gafic.org/documents/fatf-40r/394-fatf-recommendation-28-regulation-and-supervision-of-dnfbps>. Accessed on 02.07.24.

FATF also elaborated some special documents, such as the RBA (Risk-Based Approach) for casinos, in 2008,¹² and the Report “Vulnerabilities of Casinos and Gaming Sector”, in 2009.¹³ The last one is a study about typologies, but only for casinos with a physical presence. Although most of FATF's documentation refers only to the term “casinos”, some reports from its associate branches classify the online gaming sector and pool betting business as the same kind of activity.¹⁴

2.2. INTERNAL LEGISLATION

Examining domestic legislation, Law 13,756 from 2018 was the first to establish some regulation about the so-called fixed-odds bets. Later, it was modified by a provisional measure, number 1.182. However, it was Law 14,790 that consolidated the current phase of the norms, authorizing private companies to explore this market and establishing detailed rules.

This piece of legislation conceptualizes online games and online betting in Article 2. Article 6 establishes the necessity of previous authorization for companies to explore the field. According to Article 7, it is mandatory to apply for authorization that the company obeys Brazilian rules in its constitution act and holds headquarters and management in Brazilian territory. This obligation is important because of jurisdictional issues in the case of administrative and civil liability. In Brazil, companies cannot be prosecuted for money laundering in the criminal sphere.

Article 8, II, includes the implementation of AML compliance measures as a requirement for issuing and maintaining the authorization given by the Finance Ministry. The same Article mentions the necessity to fulfill in these measures the duties expressed in Articles 10 and 11 of the Brazilian Anti-Money Laundering Law, number 9,613.

Law 9,613 establishes, in its Article 10, duties such as identifying the client (if it is a company, its owners and representatives), updating client registration (and keeping it up to 5 years after

¹² <https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/RBA%20for%20Casinos.pdf.coredownload.inline.pdf>. Accessed on 02.07.24.

¹³ <https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/Vulnerabilities%20of%20Casinos%20and%20Gaming%20Sector.pdf.coredownload.pdf> Accessed on 03.07.2024.

¹⁴ https://fiu.gov.gy/wp-content/uploads/2023/02/AML-CFT_Measures_for_Gaming_Sector_Jan23.pdf. www.gafilat.org/index.php/es/biblioteca-virtual/gafilat/documentos-de-interes-17/publicaciones-web/4692-recomendaciones-metodologia-actdic2023/file p. 130. Accessed on 03.07.24.

its closure), keeping transactions registration¹⁵ (up to 5 years after its conclusion), adopting intern controls policy, registering and updating their register in the controlling body, attending to all requests made by the Brazilian Financial Intelligence Unit (FIU)¹⁶ and keeping the information given secret. Article 11 establishes report duties about transactions mentioned in Article 10 and suspicious money laundering transactions. Periodically, the absence of these two kinds of transactions must also be reported to the supervisory body. Article 12 establishes administrative sanctions for non-compliance cases.

Going back to Law 14,790, Chapter VI, Article 21 and the following articles regulate payment transactions. In this chapter, it is established that all bank accounts must be offered by Brazilian institutions, authorized by the Brazilian Central Bank. Article 23 provides for identifying procedures, including mandatory facial identification technology. The Finance Ministry must issue norms regarding spending patterns, time spent playing, bettor's spending and other information. Article 25 also mentions that the "operating agent" – which is defined in Article 1, X, as "a company authorized by the Finance Ministry to explore fixed-odds betting" – must implement measures to analyze bets as suspicious or not of money laundering and procedures to communicate the Brazilian FIU in the first case, according to administrative regulation. Article 39 determines infractions and 41 the administrative sanctions.

2.3. ADMINISTRATIVE NORMS

In terms of administrative norms issued by the Prizes and Betting Secretariat, Ordinance 561, from May 2024, set the regulatory agenda. Some other important regulations are Ordinances 1.330, 615 and 827. The first one is prior to Law 14,790 and establishes general conditions for exploring the market according to Law 13,756. Implementing AML compliance measures was already a requirement for the authorization to be issued (Article 6, XI). Report duties to the Brazilian FIU are required by Article 12. AML compliance program must fulfill some conditions established in Article 13, such as risk evaluation,¹⁷ KYC, register keeping, SAR and continuous training.

¹⁵ Transactions that exceed the administratively set value.

¹⁶ It is called COAF: <https://www.gov.br/coaf/pt-br>. Accessed on 04.07.2024.

¹⁷ This risk assessment must be done in a lot of different situations, such as underwriting transactions, hiring third parties, developing products, doing private negotiation, and operating with assets.

Ordinance 615 regulates payment transactions. Although there is no express reference to money laundering prevention, there are some important rules, such as the prohibition of payments in cash and crypto assets (Article 3). Ordinance 827, in turn, establishes technical qualification as a requirement to obtain authorization. An element of this criterion is a declaration on AML compliance implementation (Article 12).

The most important one, however, is number 1,143, from July 2024. This regulation governs AML prevention measures in detail on the betting field (including bet exchange)¹⁸, and provides a lot of relevant and mandatory rules. Because of the limits of this paper, just some of them will be highlighted.

Article 7 fixes minimum guidelines that must be adopted in the compliance program, such as: a) role definition about who will be responsible for adopting the mandatory measures; b) risk assessment of new products, services and technologies; c) development, implementation and enforcement of a compliance program including employees, outsourced and service providers and d) continuous training. Maintenance and updating of registration are regulated by Article 9. Once a year, a best practices report must be sent to the Prizes and Betting Secretariat (Article 11), which must include an annual internal evaluation report (Article 14). The bettors must be qualified based on their risk profile (Article 16 and following).

Articles 24 and 25 establish “red flags” such as people residing in jurisdictions considered by FATF as high-risk on AML matters, resistance to giving information, out-of-pattern bettor's behavior, withdrawal of money without betting, suspicion of middleman action, politically exposed persons' bank accounts, etc. The last item establishes a general situation: “any characteristics that indicate, notably because of their unusual or atypical nature, possible evidence of money laundering”.

Article 27 and the following articles describe the duties of reporting to the Brazilian FIU, with an express prohibition on tipping off. According to Article 36, the regulations regarding inspection, monitoring, and sanctioning of all duties set out in the Ordinance will be implemented by the body starting in January 2025.

¹⁸ Article 3, IV: A category in which bettors bet against each other, and the multiplier value of the bet (odd) is set between them and not by the operator, who can charge a commission on the net profit of the winning bet.

Although there are a lot of administrative sanctions in all these norms, criminal liability for non-compliance would be more difficult. Brazilian criminal legislation charges money laundering only as intentional conduct and, as mentioned, just individuals, not companies.¹⁹

3. ML TYPOLOGIES AND MOST ADEQUATE PREVENTION MEASURES

After reviewing Brazilian legislation and regulations on the topic, it is important to analyze whether they align with what the doctrine identifies as the main "red flags" and risks of money laundering in the online betting sector. There is no "hard and fast rule" and most cases are grounded on evidence that must be checked. It is also common to uncover fraud too late or not to be able to indicate with certainty in which stage of money laundering the criminals really are on the discovered fraud (BROOKS, 2012, p. 309).

Operational practices against money laundering must include: doing a complete customer due diligence (including place of residence and forms of payment), monitoring substantial initial deposits or withdrawals without any bet, employee scrutiny and training, payment controlling (monitoring if they are using always the same means, prohibiting players from making direct transfers to other customers, etc.), keeping records of all transactions, requiring due diligence for new products and reporting suspicious activities (GAINSBURY, 2012, p. 83). Betting exchanges must be monitored, because it may be an easy way to transfer money between "fake players".

Customer due diligence and SAR are the main challenges for gambling operators. Increasing the number of SARs and keeping them well-targeted is the hard part, considering that companies will manage a lot of different situations that might or not represent money laundering, such as unusual patterns, new products, different means of payment, etc. Just as not reporting can generate liability, overreporting, on the other hand, can reduce the chances of real money launderers being noticed. That is the reason why all regulations leave great subjectivity to the companies in developing their own compliance policy (SLOBODAN, 2022, p. 52-53), adapted to the reality of each operator (as per Article 13 from Brazilian Ordinance 1,143).

¹⁹ Criminal liability for money laundering of the compliance officer due to deliberate omissions is possible, and occurred in the so-called "Mensalao" case, in Penal Case No. 470. It is beyond the scope of this paper to delve into this point.

Regarding “red flags”,²⁰ there are some common typologies highlighted by doctrine. Transferring a large amount of money to a betting account and moving it with almost no betting activities can be a way to withdraw or remove such money as if it was “clean”. Doing a lot of small transfers - endless multiple microelectronic transactions - in an attempt to split operations (BUCHANAN, 2018, p. 225), or breaking down these sums of money into different accounts can be a way of hiding its origin or losing track of it. Also, depositing a lot of money and starting gambling immediately and recklessly may be considered a way to circulate dirty money (BROOKS, 2012, p. 309).

The British Gambling Commission has also published several documents with important tips for risk assessment against money laundering,²¹ including specific ones for casinos and betting, remotely or not.²²

In payment issues, virtual credit cards from scammed bank accounts with instant transactions can be a problem, as well as electronic money, with all its well-known identification problems (BUCHANAN, 2018, p. 226). Identifying individuals active in remote gambling who are either strongly winning or losing heavily can be done by monitoring their betting patterns. Besides KYC policies for new clients, fixing “betting habits” as clients start using the platform regularly (such as favorite sports and wasting average) can also be an important tool.

LEVI AND SOUDJIN, researching money laundering and organized crime, distinguished four important factors that can influence the level of an operation’s complexity: type of crime, revenue, goals and AML regime (2020, p. 620). Applying this framework to the online gambling sector, DUNCAN and LORD, through the analysis of the Gambling Commission

²⁰ A Research report by Council of Europe from 2013 has pointed some red-flags indicators of possible money laundering through online gambling: Information provided by the player contains a number of mismatches (e.g. email domain, telephone or postcode details do not correspond to the country); The registered credit card or bank account details do not match the player’s registration details; The player is situated in a higher-risk jurisdiction or is identified as being listed on an international sanctions list; The player is identified as a politically exposed person; The player seeks to open multiple accounts under the same name; The player opens several accounts under different names using the same IP address; The withdrawals from the account are not commensurate with the conduct of the account, such as for instance where the player makes numerous withdrawals without engaging in significant gambling activity; The player deposits large amounts of funds into his online gambling account; The source of funds being deposited into the account appears to be suspicious and it is not possible to verify the origin of the funds; The customer logs on to the account from multiple countries; A deposit of substantial funds followed by very limited activity; The player has links to previously investigated accounts; Different players are identified as sharing bank accounts from which deposits or withdrawals are made. (CoE, 2013, p.11).

²¹ <https://www.gamblingcommission.gov.uk/guidance/duties-and-responsibilities-under-the-proceeds-of-crime-act-2002/poca-part-2-4-risk-based-approach>. Accessed on 23.07.2024.

²² <https://www.gamblingcommission.gov.uk/guidance/the-2023-money-laundering-and-terrorist-financing-risks-within-the-british> and <https://www.gamblingcommission.gov.uk/guidance/the-prevention-of-money-laundering-and-combating-the-financing-of-terrorism/prevention-of-ml-and-combating-the-financing-of-terrorism-part-8-4-What-constitutes-suspicious-activity> Accessed on 23.07.2024.

regulation, concluded: “As AML controls become (or are perceived to be) more effective – such as in cases where detection and confiscation become more likely, or the costs of laundering via online gambling websites increases – the more likely flows of criminal finances will be reduced as risk-averse launderers find alternative laundering mechanisms” (2022, p. 206).

In this sense, the participation of gambling service providers in the enforcement of prevention policies is essential (TROPINA, 2014, p.81). One good example to be followed is initiatives that include public bodies acting together with companies, such as the Gambling Anti Money-Laundering Group in the UK (DUNCAN and LORD, 2022, p. 206; SLOBODAN, 2022, p.57). The group's purpose is “to provide a forum to facilitate collaboration, sharing of best practice, drive and champion standards, and create a single voice for the industry”.²³ The group maintains a dialogue with the public sector, providing evidence and information that help improve prevention policies.

CONCLUSION

The legalization of betting activities is very recent in Brazil, as well as all the legislation and regulations on the topic examined in this article. It is also early to explore judicial review and cases, which can be included in future research developments.

Initially, Brazil seems to follow a good way in its regulation, covering the main points of AML prevention already described by international doctrine. On the other hand, it is also relevant that the Prizes and Betting Secretariat (as any other regulator) evaluate from time to time its regulatory framework (SLOBODAN, 2022, p. 59), adjusting its approach to the Brazilian reality. Factors such as regulated behavior and culture, institutional environment, interaction within other national and international norms, new products and new technologies, etc., can raise new risks or generate gaps in control policy.

Although Brazilian norms describe lots of conduct that should result in an internal investigation or even a SAR, they also give room to a company's discretion in creating and developing its compliance program. And it seems to be the most adequate decision in the sector. Doctrine and regulation from other countries are united in the perspective that there is no fast rule that could

²³ <https://bettingandgamingcouncil.com/about-us/our-purpose>. Accessed on 22.07.2024.

cover all situations that may arise. Keeping internal policies and training updated to national and international norms and doing an annual internal complete evaluation is highly recommended, as well as constantly reviewing all internal procedures and registrations (mainly customers' identification, payment means and patterns).

As a result of this research, it is important to emphasize that motivating the private sector to engage in AML compliance policy enforcement is essential for maintaining sustainable protection in the long run. Whether to achieve this through fines and sanctions, heavy regulation, cost and profit balances, or collaborative working groups and workshops is something to constantly reflect upon.

Exchanges between bodies within the same country and across different jurisdictions, as well as the harmonization of regulations at the international level (TROPINA, 2014, p.82), might be necessary as a next step when official investigations are required due to internal reports.

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