

Legislative Council Panel on Home Affairs

Codes of Practice for the Conduct of Football Betting and Lotteries

Purpose

This paper informs Members of the codes of practice for the conduct of football betting and lotteries (see Annex A and B) which were issued by the Secretary for Home Affairs on 5 February 2004.

Background

2. Under section 6ZC of the Betting Duty Ordinance (Cap. 108) (“the Ordinance”), Secretary for Home Affairs may from time to time issue codes of practice to give guidance on how the conditions of the licence of football betting and licence of lotteries may be complied with. In case it is relevant to decide whether the licence holder has failed to comply with a licensing condition, a failure to comply with a code shall be admissible in evidence. Secretary for Home Affairs could revise the code from time to time.

Codes of Practice

3. The Football Betting and Lotteries Commission (the Commission) set up a sub-committee on codes of practice to study issues relating to codes of practice under licence for football betting and licence for lotteries. Draft codes of practice were drawn up in consultation with the sub-committee, and these were subsequently endorsed by the Commission.

4. The Codes of Practice seek to elaborate on those specific licensing conditions on football betting and lotteries which are intended to minimize the negative impact of authorized football betting and lotteries. The two Codes of Practice have been issued in view of the public concern about the adequacy of measures adopted by the licensees for this purpose.

5. It is a common practice in overseas jurisdictions to promulgate codes of practice for the purpose of providing guidance to gaming operators

on responsible gambling practices, and on measures to prevent excessive gambling. The codes have been drawn up with reference to similar codes in overseas jurisdictions.

Home Affairs Bureau
February 2004

Annex A

Code of Practice for the Conduct of Football Betting

**(Issued under section 6ZC of the
Betting Duty Ordinance, Cap. 108)**

Preamble

The Government's gambling policy is to restrict gambling activities to a limited number of authorized outlets only. The underlying rationale of the policy is not to encourage gambling. The Government's objective of authorizing football betting in Hong Kong is to combat illegal football gambling activities by diverting the demand for football betting into the authorized channel. As part of the regulatory regime, the licensing conditions for authorized football betting and the code of practice seek to strike a balance between the need to ensure the competitiveness of authorized football betting vis-à-vis its illegal counterparts, and the need to minimize the adverse impact of gambling on the community.

Code of Practice for Football Betting

2. In consultation with the Football Betting and Lotteries Commission, Home Affairs Bureau has drawn up a code of practice relating to the licensing conditions under the licence for football betting which seek to assist the licensee to implement the Government's objective of authorizing football betting. The code of practice is issued by the Secretary for Home Affairs pursuant to section 6ZC of the Betting Duty Ordinance. Words and expressions in the code of practice shall have the same meaning given to them in the Betting Duty Ordinance and the licence for football betting unless otherwise stated in the code. The details of the code of practice and the relevant licensing conditions are set out below:

(a) Prevention of underage betting-

Relevant licensing conditions

The licensee shall not accept, or authorize any person to accept bets from juveniles.

The licensee shall not accept bets in any premises to which juveniles are permitted to have access.

The licensee shall not pay dividends to juveniles.

Code of practice relating to the licensing conditions set out in (a) above

- (i) The licensee should display signs of reasonable size and clarity in its Premises and betting website to indicate that juveniles are not allowed to enter such Premises.
- (ii) The licensee should display signs of reasonable size and clarity in its Premises and betting website to indicate that juveniles are not allowed to place bets with the licensee.
- (iii) The licensee should adopt appropriate and practicable measures aiming at preventing juveniles from placing bets with the licensee, including the checking of the identification of any person whom it has reason to believe might be a juvenile.
- (iv) The licensee should not open any Internet or telephone betting accounts for juveniles and should require passwords from account holders to access such accounts and to place bets with the licensee.

(b) Advertising or promotion activities not to target juveniles-

Relevant licensing condition

The licensee shall not in conducting any advertising or promotional activity target juveniles.

Code of practice relating to the licensing condition set out in (b) above

- (i) Without prejudice to the licensee's right to advertise or promote football betting in accordance with the Ordinance and the licence at its Premises or otherwise, the licensee should not advertise the conduct of football betting in, or in close proximity to, educational and training institutions for juveniles.

- (ii) The advertising and promotional activities or materials of the licensee shall not:
- use individuals or cartoon figures who are, or reasonably appear to be, juveniles to promote football betting;
 - show juveniles participating in football betting;
 - be placed by the licensee in the media directed at juveniles;
 - be placed by the licensee at events organized for juveniles; and
 - be placed by the licensee on billboards or other outdoor displays that are directly adjacent to educational and training institutions for juveniles.

(c) General approach to advertising or promotional activities-

Relevant licensing conditions

The licensee shall not in conducting any advertising or promotional activity exaggerate the likelihood of winning.

The licensee shall not in conducting any advertising or promotional activity expressly or impliedly suggest that betting on football matches is a source of income or a viable way to overcome financial difficulties.

Code of practice relating to the licensing conditions set out in (c) above

The advertising and promotional activities or materials of the licensee shall not:

- be false or misleading about the chance of winning;
- suggest that betting on football matches is a form of financial investment;
- present betting on football matches as an alternative to employment;

- suggest that betting on football matches is a reasonable strategy for financial betterment;
- promote reliance on betting on football matches as a means of relieving a person's financial difficulties;
- suggest that chances of winning increase the longer or more one plays; and
- present winning as the most probable outcome.

(d) Display of notices-

Relevant licensing condition

The licensee shall conspicuously display notices in any premises where it accepts bets and on any website through which it accepts bets which contain warning of the seriousness of the problems caused by excessive gambling; and provide information on the services and facilities available in Hong Kong to problem and pathological gamblers.

Code of practice relating to the licensing conditions set out in (d) above

- (i) The licensee should display in its Premises and betting website in a manner clearly visible by its patrons in the Premises or its account holders who place bets through such website:
 - a warning of the seriousness of the adverse consequences caused by excessive gambling; and
 - information on the remedial services available in Hong Kong for problem and pathological gamblers including those financed by the Ping Wo Fund.
- (ii) The licensee should, upon request by its patron, provide contact information about the remedial services available in Hong Kong for problem and pathological gamblers.

Issued by the Secretary for Home Affairs on 5th February 2004

Annex B

Code of Practice for the Conduct of Lotteries

**(Issued under section 6ZC of the
Betting Duty Ordinance, Cap. 108)**

Preamble

The Government's gambling policy is to restrict gambling activities to a limited number of authorized outlets only. The underlying rationale of the policy is not to encourage gambling. As part of the regulatory regime, the licensing conditions for authorized lotteries and the code of practice seek to strike a balance between the need to ensure the competitiveness of authorized lotteries vis-à-vis its illegal counterparts, and the need to minimize the adverse impact of gambling on the community.

Code of Practice for Lotteries

2. In consultation with the Football Betting and Lotteries Commission, Home Affairs Bureau has drawn up a code of practice relating to the licensing conditions under the licence for lotteries which seek to assist the licensee to implement the Government's objective of authorizing lotteries. The code of practice is issued by the Secretary for Home Affairs pursuant to section 6ZC of the Betting Duty Ordinance. Words and expressions in the code of practice shall have the same meaning given to them in the Betting Duty Ordinance and the licence for lotteries unless otherwise stated in the code. The details of the code of practice and the relevant licensing conditions are set out below:

(a) Prevention of underage betting-

Relevant licensing conditions

The licensee shall not accept, or authorize any person to accept bets from juveniles.

The licensee shall not accept bets in any premises to which juveniles are permitted to have access.

The licensee shall not pay dividends to juveniles.

Code of practice relating to the licensing conditions set out in (a) above

- (v) The licensee should display signs of reasonable size and clarity in its Premises and betting website to indicate that juveniles are not allowed to enter such Premises.
- (vi) The licensee should display signs of reasonable size and clarity in its Premises and betting website to indicate that juveniles are not allowed to place bets with the licensee.
- (vii) The licensee should adopt appropriate and practicable measures aiming at preventing juveniles from placing bets with the licensee, including the checking of the identification of any person whom it has reason to believe might be a juvenile.
- (viii) The licensee should not open any Internet or telephone betting accounts for juveniles and should require passwords from account holders to access such accounts and to place bets with the licensee.

(b) Advertising or promotion activities not to target juveniles-

Relevant licensing condition

The licensee shall not in conducting any advertising or promotional activity target juveniles.

Code of practice relating to the licensing conditions set out in (b) above

- (iii) Without prejudice to the licensee's right to advertise or promote lotteries in accordance with the Ordinance and the licence at its Premises or otherwise, the licensee should not advertise the conduct of lotteries in, or in close proximity to, educational and training institutions for juveniles.
- (iv) The advertising and promotional activities or materials of the licensee shall not:
 - use individuals or cartoon figures who are, or reasonably appear to be, juveniles to promote lotteries;

- show juveniles participating in lotteries;
- be placed by the licensee in the media directed at juveniles;
- be placed by the licensee at events organized for juveniles; and
- be placed by the licensee on billboards or other outdoor displays that are directly adjacent to educational and training institutions for juveniles.

(c) General approach to advertising or promotional activities-

Relevant licensing conditions

The licensee shall not in conducting any advertising or promotional activity exaggerate the likelihood of winning.

The licensee shall not in conducting any advertising or promotional activity expressly or impliedly suggest that betting on lotteries is a source of income or a viable way to overcome financial difficulties.

Code of practice relating to the licensing conditions set out in (c) above

The advertising and promotional activities or materials of the licensee shall not:

- be false or misleading about the chance of winning;
- suggest that betting on lotteries is a form of financial investment;
- present betting on lotteries as an alternative to employment;
- suggest that betting on lotteries is a reasonable strategy for financial betterment;
- promote reliance on betting on lotteries as a means of relieving a person's financial difficulties;

- suggest that chances of winning increase the longer or more one plays; and
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The licensee shall conspicuously display notices in any premises where it accepts bets and on any website through which it accepts bets which contain warning of the seriousness of the problems caused by excessive gambling; and provide information on the services and facilities available in Hong Kong to problem and pathological gamblers.

Codes of practice relating to the licensing condition set out in (d) above

- (i) The licensee should display in its Premises and betting website in a manner clearly visible by its patrons in the Premises or its account holders who place bets through such a website:
 - a warning on the seriousness of the adverse consequences caused by excessive gambling; and
 - information on the remedial services available in Hong Kong for problem and pathological gamblers including those financed by the Ping Wo Fund.
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