



World Lottery Association



The year 2018 in review

Maximizing our impact on the industry



It is an honor to have been elected President of the WLA. After serving as Senior Vice-President since 2012, I look forward to building on Jean-Luc Moner-Banet's remarkable legacy. Like my predecessor, I believe a strong WLA organization is a priority for the industry, and I thank him on behalf of all our members for his unflagging dedication and steadfast leadership of our association during his unprecedented six-year term as President.

Going on the offensive

Our industry is committed to defend and protect our brand from illegal and suspect lottery operators. As a result, one of the WLA's major roles today is defensive. In 2018, the WLA continued to use its resources to support its members in their quest to effect political and regulatory actions that protect the interests of its stakeholders.

But defending our values in this challenging new world is clearly not enough. We need to actively promote our successes around the world and publicize the remarkable contributions to society that this very unique public/private partnership business model delivers. In 2017, globally, the WLA lotteries contributed a record USD 82.3 billion to beneficiaries, out of total sales of USD 283 billion, and the figure will continue to rise in 2019. This has a huge impact on society. Going forward, we can and must play a more active role in reminding our stakeholders, and our players in particular, of the fundamental economic and societal significance of our industry.

Supporting innovation

The world we live in is changing at such a radical pace. Digitization will be crucial to our success, and we will need to embrace alternate payment technologies, for example, and explore other new ways to engage our players.

In this quest for innovation, we need to look to our European colleagues, who for so long have been unafraid to navigate uncharted waters. As we continue to reinvent ourselves to drive

sustained, consistent growth, we will need to be willing to learn what works and what doesn't. This is one area in which the global dimension of our membership can really make a difference.

Creating an outstanding experience

We need to be where our customers are and offer products and experiences that are aligned with their contemporary experiences. We must make certain our brand continues to be relevant, convenient, accessible, and available through as many channels as the market and the consumer desire – traditional retail, digital, mobile, etc. We need to make it easy for consumers to participate and simple for retailers to sell as part of a holistic, seamless experience.

Enabling engagement

One important step taken at the WLA in 2018 called for the active participation of key committee chairs in future Executive Committee meetings. Two new committees were formed – Sports Betting Integrity and Illegal Gaming – alongside the existing Security & Risk Management, Audit, and Corporate Social Responsibility committees. I believe this representation makes our organization stronger and more capable of supporting the operational goals of our members, and I want to thank all five committee chairs for their engagement.

The World Lottery Summit was an exceptional experience. It proved once again that our strength lies not only in numbers, but in diversity. Likewise, it was encouraging to see growing numbers of women in leadership roles in our industry.

Broad representation is key to the continued success of the WLA, and as President of the Association I will do everything in my power to enable the highest possible levels of engagement and inclusion.

We want our Association to be as proactive as possible in its efforts to help its members. We want to materially impact the industry and deliver concrete value to WLA members in every region of the world. But this is your Association. And that is why we need input and guidance from all of you to help us formulate action plans and ensure we stay on course and consistent with your needs and priorities.

Thank you again for your confidence.

A handwritten signature in blue ink that reads "Rebecca Hargrove". The signature is fluid and cursive.

Rebecca Hargrove
WLA President

Protecting and promoting the WLA brand



After 10 years working for a major lottery supplier, I understand that this industry has very high expectations. I have seen for myself that lottery operators have zero tolerance for low quality, and I am acutely aware that security and player protection are vital to the reputation of our lotteries and their ability to win trust in the communities they serve.

The WLA plays an important role in helping lotteries to promote those values; indeed the WLA is all about trust and developing a globally trusted brand.

It is an honor to begin a new chapter in my lottery career as Executive Director of this prestigious association. Being part of the WLA not only provides you with global membership, but it sets out your key business principles. It creates the framework that we all end up having to work within. Right from the organizational structure, to processes and principles. Based on that belief, I will endeavor to protect and promote the WLA's role as the standard bearer of a global industry unlike any other.

The world of lottery is changing. Player dynamics, demographics and the changing retail environment are forcing lotteries to embrace technologies, experiences, and new methods of gaming in order to continue to raise revenues for good causes. All without compromising the integrity and security of

lottery brands across the world. It is one of the most challenging transitions that the industry has faced since inception.

For lotteries to survive in today's environment, allowing dreams to become true (winning big) is no longer enough, as the world is changing and consumers require much more. Lotteries need to stay ahead of what people want in fun by staying committed in modernizing play and delivering more emotionally rich interactions with players.

Also, the digital gaming habits of millennials and Gen Z are likely to get stronger as they age, and failing to appeal to them today risks losing this group for the long term.

WLA provides practical support to member lotteries on all these questions, and I am delighted to have been asked to assume an executive role in that endeavor. Above all, WLA membership is an endorsement of a set of values that are unique to the regulated lottery industry. Lotteries need to marry innovation and promotion with a sound approach to social responsibility and problem gambling prevention if they are to preserve their hard-won trust in the communities they serve.

My vision is for the WLA to be recognized as the global authority able to inspire the industry and promote innovation while endorsing security, integrity and responsible gaming principles. Attracting new members in regulated markets worldwide can only help to consolidate our role on the global stage – and protecting and promoting the WLA brand is therefore of paramount importance.

A handwritten signature in blue ink that reads "Luca Esposito Poleo". The signature is fluid and cursive, written in a professional style.

Luca Esposito Poleo
WLA Executive Director

Profile: Luca Esposito Poleo

Luca Esposito Poleo received a master's degree in Computer Science and Telecommunications from the University of Calabria in Italy in 2003 and then worked as a consultant for Accenture and Atos. In 2009 he

joined IGT Switzerland as Technology Director for the Central European region. In this capacity he served the technological needs of gaming-industry clients in Switzerland, Germany, Belgium, and Luxembourg. From 2013

until 2018, Luca served as Country Manager for IGT, working closely with the lotteries of Switzerland, Belgium, and Luxembourg. He was appointed Executive Director of the WLA, based in Basel, in November 2018.

The WLA Executive Committee

The WLA Executive Committee met three times in 2018, in Skhirat Plage, Morocco (March), Isle of Wight, UK (June) and Buenos Aires, Argentina (November).

Inmaculada García stepped down as Chairman and CEO of Sociedad Estatal Loterías y Apuestas del Estado (SELAE), Spain, in August 2018 and consequently left the WLA Executive Committee. *David Loeb* stepped down as President of Western Canada Lottery Corporation and consequently left the WLA Executive Committee. He was replaced as representative of the North American Association of State and Provincial Lotteries (NASPL) by *Lynne Roiter*, President and CEO of Loto-Québec, Canada.

The WLA thanks *Inmaculada García* and *David Loeb* for their commitment to the Association and the worldwide lottery community.

WLA President



Rebecca Hargrove
President and CEO
Tennessee Education Lottery Corporation
United States

New Executive Committee

At the 13th General Meeting in November in Buenos Aires, Argentina, *Rebecca Hargrove*, President and CEO of the Tennessee Education Lottery Corporation, United States, was unanimously elected President of the WLA. She succeeds outgoing WLA President *Jean-Luc Moner-Banet*, Director General of Switzerland's Société de la Loterie de la Suisse Romande. At the General Meeting, delegates also unanimously elected seven members of the new WLA Executive Committee.

At its first meeting, the Committee appointed *Nigel Railton* of Camelot UK Lotteries, United Kingdom, as Senior Vice President. *Gilson César Braga* of Caixa Econômica Federal, Brazil, and *Richard Cheung* of The Hong Kong Jockey Club, Hong Kong, were both appointed co-Vice Presidents. It was also decided that the chairs of the five key WLA Committees – Security & Risk Management, Audit, Corporate Social Responsibility, and the new Sports Betting Integrity and Illegal Gaming Committees – would actively participate in the WLA Executive Committee meetings going forward.

WLA Senior Vice President



Nigel Railton
CEO
Camelot UK Lotteries Limited
The National Lottery
United Kingdom

WLA Co-Vice President



Richard Cheung
Executive Director
Customer and Marketing
HKJC Lotteries Limited
Hong Kong

WLA Co-Vice President



Gilson César Braga
National Superintendent of
Lotteries
Caixa Econômica Federal
Brazil

Elected members of the WLA Executive Committee



Fabio Cairoli
Chairman and CEO
Lottomatica
Italy



Jannie Haek
Chief Executive Officer
Nationale Loterij
Belgium



Andreas Kötter
CEO
Westdeutsche Lotterie
GmbH & Co. OHG
(WestLotto)
Germany



Stéphane Pallez
President and CEO
La Française des Jeux
(FDJ)
France

Members of the WLA Executive Committee appointed by the regional associations



**Jesús Huerta
Almendro**
President and CEO
Sociedad Estatal
Loterías y Apuestas del
Estado (SELAE)
Spain
*(representing the
European Lotteries)*



Luis Gama
Director
Dirección Nacional
de Loterías y Quinielas
(D.N.L.Q.)
Uruguay
*(representing the
Corporación
Iberoamericana de
Loterías y Apuestas
del Estado)*



Lynne Roiter
President and CEO
Loto-Québec
Canada
*(representing the
North American
Association of
State and Provincial
Lotteries)*



Younes El Mechrafi
General Director
La Marocaine des Jeux
et des Sports (MDJS)
Morocco
*(representing
the African Lottery
Association)*



Seah Chin Siong
CEO
Singapore Pools
(Private) Limited
Singapore
*(representing the
Asia Pacific Lottery
Association)*

Chairs of other key WLA committees



Jean-Luc Moner-Banet

CEO
Société de la Loterie de la Suisse Romande
Switzerland

Chair of the Sports Betting Integrity Committee



Andreas Kötter

CEO
Westdeutsche Lotterie GmbH & Co. OHG (WestLotto)
Germany

Chair of the Illegal Gaming Committee



Dato Lawrence Lim Swee Lin

CEO
Magnum Corporation Sdn Bhd (MCSB)
Malaysia

Chair of the Security and Risk Management Committee



Lynne Roiter

President and CEO
Loto-Québec
Canada

Chair of the Corporate Social Responsibility Committee



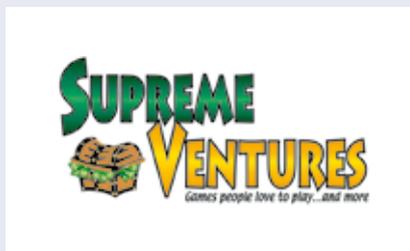
Younes El Mechrafi

General Director
La Marocaine des Jeux et des Sports (MDJS)
Morocco

Chair of the Audit Committee

New Lottery Members

The General Meeting in Buenos Aires in November 2018 approved the membership of two new *Lottery Members*:



Prime Sports Jamaica Limited, d.b.a. Supreme Ventures Limited (SVL)
Jamaica



Summit Online Trade Solutions Pvt. Ltd.
India

New Associate Members

The Executive Committee also approved applications for *associate membership* from the following lottery suppliers:



Pacific Online Systems Corporation
Philippines



Genlot Game Technology Co., Ltd.
China

The WLA at a glance

Profile

The WLA was formed in August 1999 through the union of AILE (International State Lotteries Association) and Intertoto (International Association of Toto and Lotto Organizations).

WLA Lottery Members are organizations licensed or otherwise authorized to conduct lotteries or sports betting operations in a jurisdiction domiciled in a state recognized by the United Nations. The majority of their net revenues must be dedicated to funding education, sports, culture, social programs, community projects, and other good causes in their respective jurisdictions.

WLA Associate Members are suppliers of goods and services to lottery or sports betting organizations whose business practices conform to the aims and objectives of the WLA. Associate Members include suppliers of online and offline systems, terminals, printers, video lottery terminals, special papers, vending machines, dispensers and drawing machines, telecommunication organizations, ticket printers, game designers, marketing and advertising specialists, consultants, auditors, trade magazines, and interactive gaming specialists.

The annual budget of the World Lottery Association is approximately CHF 3 million (USD 3.03 million), financed by membership subscriptions, the Contributor program, and any surpluses from seminars and the biennial convention.

Key figures

The number of WLA Lottery Members and Associate Members has varied very little over the years. As recorded in the 2018 edition of the Global Lottery Data Compendium, the membership stood at 149 Lottery Members and 75 Associate Members, compared with 146 Lottery Members and 60 Associate Members when the WLA was founded in 1999.

Of the WLA's 75 Associate Members, seven currently participate in the WLA Contributor program. As of the end of 2018, there were three Platinum Contributors and four Gold Contributors. The WLA Platinum Contributors are *IGT*, *INTRALOT*, and *Scientific Games*. The WLA Gold Contributors are *AGTech*, *Jumbo Interactive*, *Pollard Banknote*, and *Skilrock Technologies*.

149

Lottery Members

75

Associate Members

\$283bn

WLA Lottery Members generated revenues of USD 283 billion in 2017*.

\$82bn

WLA Lottery Members returned USD 82 billion to good causes in 2017*.

* Based on figures provided by 98% of the WLA membership as published in the 2018 edition of the WLA Global Lottery Data Compendium. The sales figures for 2017 are 3.2% higher than for 2016; money to good causes rose by 2.5% over the same period.

The Platinum Contributors



The Gold Contributors



Continuing education

Throughout 2018, the WLA supported the professional development efforts of member lotteries and supplier organization, working with the regional lottery associations to offer a varied program of seminars aimed at lottery professionals at middle management level.

Seminar program 2018

The seminars run by the WLA Academy continued to attract lottery professionals from all over the world. Around 650 people took part in the 2018 seminar program (see table opposite), with attendance ranging from around 180 participants for the marketing seminar in London to around 80 participants for the Security and Integrity seminar in Budapest, Hungary.

WLA seminars are organized in cooperation with the regional lottery associations. In 2018, these joint seminars included the traditional marketing seminar in London with EL at the start of the year and a seminar in New Delhi with APLA – the first APLA seminar held in India. Seminars on security and integrity were organized in North Africa and Europe.

The annual EL/WLA marketing seminar in London focused on the need for lotteries to “think small” (in contrast to the 2017 seminar which was themed on big data, big jackpots and big communities). The logic behind the “think small” concept is that small clusters of niches, competitors and individuals contradict every business model ever created “in a world where the small have become mighty”. The APLA/WLA Lotteries Beyond Fortunes seminar in New Delhi included a full line-up of sessions on topics ranging from new technology to good causes and responsible gaming, and featured a keynote address by Sugalchand Jain, a philanthropist and businessman widely considered to be the “father of the Indian lottery industry”. The ALA/WLA semi-

WLA seminars are organized all over the world in cooperation with the regional lottery associations. A total of around 650 lottery professionals took part in 2018.



nar on sports integrity held in Casablanca, Morocco, in April, was targeted at decision-makers, sports betting managers, staff in charge of security, risk management and experts in marketing and communication. It included papers by law enforcement officials and researchers about cases of manipulation of sports competitions and sports betting, as well as an overview of concrete measures to protect sports integrity, and a presentation of the Global Lottery Monitoring System (GLMS). The last seminar of the year hosted in Budapest, Hungary, by Szerencsejáték Zrt., focused on some of the technical aspects of cybersecurity, with topics including cognitive security, endpoint protection, cloud security, biometric identification of users, and blockchain technology.

Further details of past WLA Academy events are available to members on the WLA website at www.world-lotteries.org. There you will also find selected speaker presentations.

Seminar program 2019

The detailed program of seminars and training opportunities for staff from WLA member organizations in 2019 was nearing completion as this publication went to press.

The first seminar of the year will be the joint EL/WLA Marketing Seminar in London from February 5–8, 2019. The 2019 seminar will focus on new marketing trends, with the latest and most interesting case studies from the lottery sector as well as a valuable selection of case studies from other businesses facing similar challenges.

The 2019 seminar program will cover all the key issues and opportunities facing the sector, from marketing and cybersecurity to sports integrity and responsible gaming. The complete line-up of seminars and workshops can be consulted on the WLA website at www.world-lotteries.org.



The full 2018 line-up of seminars and workshops

Date	Topic	Location	Organizers
February 7–9	Marketing	London, UK	EL/WLA
April 8–11	Lotteries beyond fortunes	New Delhi, India	APLA/WLA
April 17–18	Sports integrity	Casablanca, Morocco	APLA/WLA
May 15–17	Sports betting	Lyon, France	EL/WLA
June 18–22	English for lottery professionals	York, UK	WLA/PinT
September 5–7	CSR/Responsible gaming	Lisbon, Portugal	EL/WLA
October 2–4	Security and Integrity	Budapest, Hungary	EL/WLA

The WLA Scholarship Program

The scholarship program was launched in 2013 to encourage lottery professionals around the world to participate as speakers and delegates at WLA seminars, offering them the chance to take part in educational events that they would probably not be able to attend otherwise. It also allows the other delegates to benefit from their experiences.

Since the program began in 2013, more than 120 people have taken part, with

23 benefitting in 2018 alone. The overall breakdown of scholars by regional association for 2018 is as follows:

Overall breakdown of scholars

NASPL	10
APLA	5
EL	2
ALA	1
CIBELAE	5
Total	23

The WLA will continue to support the scholarship program in 2019 as an addi-

tional opportunity to fulfill the Association's mandate as an inclusive, global organization and to bring the membership the broadest possible range of insights and lottery experiences.

Lotteries should contact the WLA business office in Basel (e-mail: info@world-lotteries.org Telephone: +41 61 544 1100) if they wish to propose candidates for the WLA Scholarship Program in 2019.

WLA business activities and

One of the aims of the WLA is to help the global lottery industry speak with a united voice and act in a coordinated fashion on lottery-related issues that have a global dimension. In pursuit of this goal, the Association took a number of initiatives in 2018.

Combating unauthorized lottery operations

All state-licensed lotteries around the world face a threat from operators that are not authorized by local regulators to offer gaming products or services in their respective jurisdictions. Territorial integrity is therefore a core principle of the global lottery industry. As a result, the WLA periodically reviews the tools and resources available to help members uphold that principle with stakeholders in every region.

Since the beginning of 2017, the *WLA Position Paper on Illegal Gaming* has been freely accessible on the WLA website. The paper characterizes the threat in terms of the potential damage to fiscal revenues and community fundraising, player safety and security, the intellectual property of state-authorized operators, and the risk of organized crime and money laundering.

Lottery betting, in which illegal operators offer players a chance to bet on the outcomes of state lotteries without actually taking part in those games, continued to be a concern in 2018. The dedicated WLA task force chaired by *Rebecca Hargrove* started to implement its action plan for effective and rapid global stakeholder advocacy on the subject of illegal gaming. This included measures to raise public awareness and elicit the support of the playing public, retailers, and beneficiaries of lottery funding. It also provided a framework for coordinating efforts to influence policymakers and pursue legal actions when appropriate.

The WLA also sent a statement on illegal gaming to the Organization for



After publishing a position paper on the issue in 2017 (left), the WLA started to implement an action plan for global stakeholder advocacy on illegal gaming in 2018.

Economic Co-operation and Development (OECD). The document appealed to the OECD to use its mandate to call for the prohibition of betting on lotteries and to put pressure on countries that license private online operators offering any form of lottery betting.

In line with the WLA's efforts to mobilize against this threat, countries around the globe took measures to curb the expansion of unauthorized and illegal lotteries. Legislative moves were made in several jurisdictions: In Australia, successful action was taken to protect the intellectual property and domain names of a WLA member lottery. Also in 2018, the Australian Federal Government moved to ban the betting on the outcome of lotteries and keno.

In other countries, regulators took action within the existing legislative frame-

work. In Canada, for example, the criminal code strictly prohibits gambling of any kind unless specifically authorized by one of its provisions. It is also already a criminal offense in Canada to print, advertise, or publicize any proposal, scheme, or plan involving lottery tickets or any games of chance.

In the summer of 2018, a comprehensive article on unauthorized and illegal lotteries was published in the *WLA Magazine*, outlining the main forms of unauthorized lotteries, and providing an overview of some of the legislative measures taken by governments around the world to curb the activities of such lotteries.

At the end of 2018, the Executive Committee created a dedicated committee on Illegal Gaming, which is chaired by *Andreas Kötter* of Westdeutsche Lotterie.

achievements 2018

Sports integrity

The lottery industry is a key stakeholder in the fight to keep sports fair and honest. Sports integrity is a core value of the lottery community, not least because more than half of the world's state-licensed lotteries offer sports betting products to their customers. Efforts to support the fight against match fixing therefore cannot be dissociated from the WLA's dedication to gaming responsibility, and this fight continued to mobilize industry leaders in 2018.

Global Lottery Monitoring System



The Global Lottery Monitoring System (GLMS) went live in 2015 and has gone from strength to strength, signing agreements with sports federations and partners and consolidating the system's global reach. It is now capable of monitoring 1 million odds every 5 minutes on football alone.

GLMS currently has two operational hubs – one in Hong Kong and one in Denmark – which ensure a wide monitoring coverage. As of December, 2018, 32 Lotteries from four different continents had become GLMS members. Four members were added in 2018 and two associate members – Scientific Games International and INTRALOT – joined in the final months of 2018. The associate membership category was introduced after the modifications of the Statutes of the GLMS at its General Meeting in May 2018.

The GLMS is an independent association. It has its own Executive Committee comprising professionals from member lotteries which offer sports betting, and a

Changes to WLA by-laws

The General Meeting in Buenos Aires on November 21, 2018 approved a number of changes to the Association's by-laws. Under the updated by-laws, all operators who comply with criteria and conditions – but only those who comply with all of them – are eligible for WLA membership. New members with different business models can join as long as they meet all the membership criteria.

All current WLA members meet the eligibility criteria as modified. Members who no longer comply cumulatively with all the criteria and conditions may be suspended by the Executive Committee or recommended for expul-

sion after having been given the opportunity to present their arguments. Operators who are licensed in one jurisdiction, but have clients in another jurisdiction where their operations are not authorized, are not eligible to be considered for membership.

The updated by-laws include stronger wording on transparency, integrity and responsible gaming, and, since the gaming activities enumerated in the by-laws include lottery and betting games, the designation eligible games has been modified by replacing "Lottery Games" by "Lottery and Betting Games".

General Secretary, *Giancarlo Sergi*, responsible for public relations, marketing, stakeholder relations, and administrative matters. The current line-up of the GLMS Executive Committee is as follows:

- *Ludovico Calvi*, Italy (President)
- *Rupert Bolingbroke*, Hong Kong (Vice President)
- *Younes El Mechrafi*, Morocco (Secretary)
- *Sami Kauhanen*, Finland (Treasurer)
- *Edmundo Dupre Echevarria*, Chile
- *How Sheng Lee*, Singapore
- *Niels Erik Folmann*, Denmark
- *Gilles Maillet*, France

The operational headquarters of the GLMS are located at Danske Spil's facility in Copenhagen, where the Danish lottery was already hosting the original system created by EL in 2005. The first in a series of regional GLMS hubs went live in Hong Kong on January 1, 2018. The new Asian hub hosted by the Hong Kong Jockey Club further establishes GLMS as a credible and effective solution for

stakeholders, including sports federations, the Olympic movement, the Council of Europe, and law enforcement authorities around the world.

GLMS has an ongoing agreement with FIFA and an agreement with the IOC to help monitor the 2018 winter Olympics in Pyeongchang, Korea. The organization has also formed partnerships with the Tennis Integrity Unit (TIU) and Spain's La Liga, and continued to work closely with UEFA based on a previous agreement between UEFA and the EL. Further progress was made in 2018 towards a new agreement with UEFA. GLMS also has an agreement with the Group of Copenhagen, a network of national platforms established by the Council of Europe in 2016 to centralize the fight against the manipulation of sports competitions in their respective countries as per the Convention on the Manipulation of Sports Competitions (Macolin Convention). The Group of Copenhagen currently comprises 22 national platforms.

GLMS also has established partnerships with national regulatory authorities such



Both issues of the WLA Magazine published in 2018 included updates on efforts to curb lottery betting in various jurisdictions. Also featured was a 10-page step-by-step guide to the WLA security and responsible gaming standards, and news from recent regional lottery association conferences.

as the UK Gambling Commission, the Norwegian Gaming Authority, France's ARJEL, and the Lithuanian Gaming Authority. In the area of law enforcement, GLMS recently forged an agreement with Australia's Victoria Police. GLMS also maintains strong ties with both Interpol and Europol.

And finally, in the fast-growing world of eSports, GLMS signed a Memorandum of Understanding with the eSports Integrity Coalition (ESIC) in May 2018.

GLMS has expanded its services by offering tools for education and prevention activities for its members. GLMS

also circulates key information among its members on a regular basis, not only on its monitoring activities, but also on sports policy and integrity developments.

Further information is available on the GLMS website <http://glms-sport.org/>

To contact the organization, email info@glms-sport.org

WLA sports integrity awareness initiatives

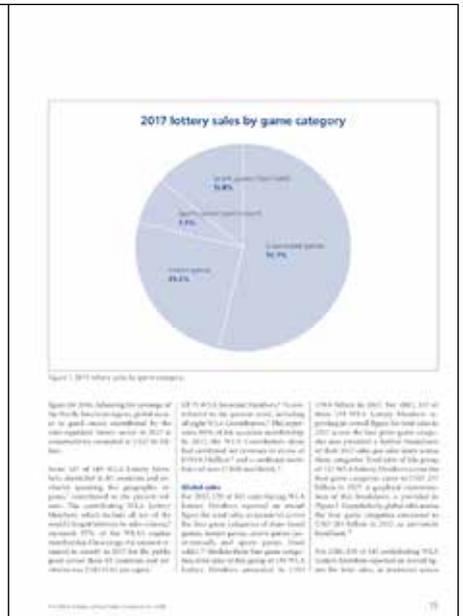
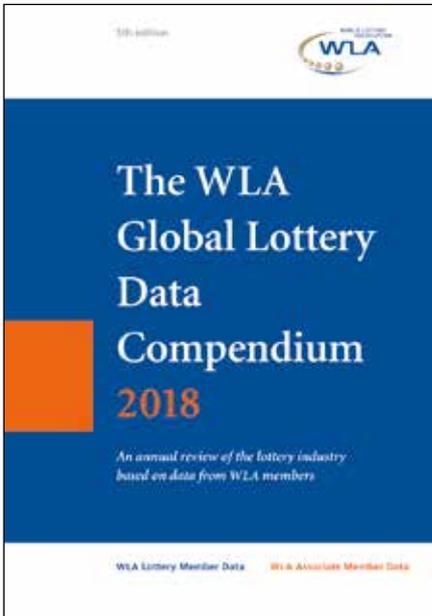
The WLA continued to work with the regional lottery associations and the GLMS to share best practice on sports integrity monitoring. In September 2018, after moves to open up sports betting in the United States, WLA President *Jean-Luc Moner-Banet*, together with GLMS President *Ludovico Calvi* and EL Secretary General *Arjan van't Veer*, took part in a panel session at NASPL 2018, in Cleveland, Ohio, on sports integrity and the need for proper oversight and monitoring of sports betting. The WLA also helped to organize a joint seminar on sports integrity with the African Lottery Association in Casablanca, Morocco, in April 2018.

Information and communication

Online presence

The WLA website at www.world-lotteries.org continues to be one of the most valuable sources of information on global lottery industry issues for members and non-members alike. The website is constantly updated with lottery news, details about WLA events and member services, links, and discussion papers. It is also a central repository for application forms and informational documents about the *WLA Security Control Standard* and the *WLA Responsible Gaming Framework*.

Content is in English, with key documents also available in the WLA's other official languages (French, German, and Spanish).



The fifth edition of the WLA Global Lottery Data Compendium includes key performance indicators provided by 97% of WLA Lottery Members, statistics from 99% of Associate Members, and a profile of the lottery industry in each of the five major regions. It continues to be recognized as the most authoritative and accurate dataset on the global lottery industry.

Traffic to the site is relatively stable and is expected to increase over the long term. As more reliable web monitoring and analytics tools become available, meaningful indicators of visitor numbers, page hits, etc. will help the website team to monitor usage, adapt site content and structure, and optimize the user experience for members and other stakeholders.

Late in 2018, the WLA initiated a new online journal to provide members with more content in a more timely manner. The new blog complements the WLA's existing publications, the *WLA Magazine*, the *WLA Global Lottery Data Compendium*, and the *WLA Year in Review*. Industry themes, such as responsible gaming, sports integrity, IT security, and combating illegal gaming will be covered in the blog.

A dedicated website was developed for the biennial World Lottery Summit at www.worldlotterysummit.org. The same URL will also be used for future World Lottery Summits.

Print magazine

The *WLA Magazine* is published in English two to three times yearly with a print run of 2,500. Copies are mailed to all Lottery Members and Associate Members and are distributed at all major WLA events. Advertising by WLA Associate Members continued to attract strong interest and helped to cover production and distribution costs.

Two issues were published in 2018, including features on the fight against illegal lottery betting, promotional articles about the WLA standards, updates on the WLA Academy program, with recent seminar reports and news of upcoming professional development events. The regular Corporate News section continued to offer associate members an opportunity to share industry insights and in-depth analysis of strategic issues.

Data compendium and sales indicator

WLA information services include the *WLA Quarterly Lottery Sales Indicator* and the *WLA Global Lottery Data Compendium*. The *Quarterly Lottery Sales In-*

dicator can be accessed freely on the WLA website. Registered members can also access and download the *Global Lottery Data Compendium* in PDF format from the website.

Global Lottery Data Compendium

WLA Lottery Members and external stakeholders continue to demand accurate, reliable data on the worldwide lottery industry. First published in 2014, the *WLA Global Lottery Data Compendium* provides statistics on sales and support for good causes by the vast majority of state lottery operators.

The fifth edition, published in October 2018, includes key performance indicators provided by 97% of WLA Lottery Members as well as statistics from 99% of Associate Members. This virtually exhaustive coverage is one of the major strengths of the publication, making it the most authoritative and accurate dataset compiled on the global lottery industry to date.

For each of the five regions of the world, the Data Compendium also includes a

brief history of the lottery industry, its current status and regulatory environment, and an introduction to the corresponding regional lottery association. Other regional-level data includes the most prominent and popular products in the region and the main priorities of the region's State lottery operators in terms of distribution of funds to good causes. The overall status of corporate social responsibility and responsible gaming initiatives in the region is described and the most recent trends in each region are briefly highlighted.

All of the information reported in the Data Compendium is sourced directly from WLA members and checked for accuracy and completeness. The indicators are carefully selected to assure compliance with competition laws.

As well as providing valuable business intelligence for WLA Associate Members, the Data Compendium further consolidates the WLA's unifying role within the global lottery industry and helps to promote the core societal objectives of member lotteries.

WLA Quarterly Lottery Sales Indicator

Every quarter, the WLA collects and compiles lottery sales data from WLA members around the world. Currently around 35 lotteries, representing approximately 60% of global lottery sales by volume, provide these figures to the WLA on a quarterly basis. The data is aggregated and published as the *WLA Quarterly Lottery Sales Indicator* to provide lotteries, suppliers, and the general public with a snapshot of shorter-term global and regional sales trends.

Now in its eighth year, the *WLA Quarterly Lottery Sales Indicator* is regularly quoted as a source in the trade press and is consulted frequently on the WLA website.



As of December 31, 2018, a total of 70 WLA Lottery Members from around the world were certified to the latest version of the WLA Security Control Standard (WLA-SCS:2016).

Global standards

WLA Security Control Standard

The *WLA Security Control Standard* was first developed in 2003 and is currently in its fourth iteration (WLA-SCS:2016).

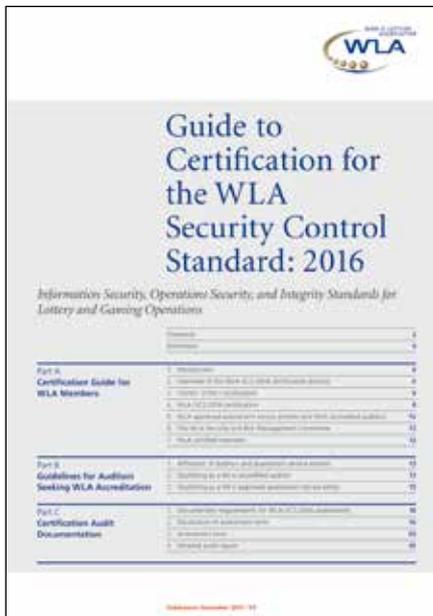
As of December 31, 2018, a total of 70 WLA Lottery Members from around the world were certified to the WLA-SCS, the same number as in 2017. Of these, 48 are based in Europe, 12 in Asia-Pacific, 4 in Africa, 3 in Latin America and 3 in North America. A complete list of WLA-SCS certified lotteries is available on the WLA website at www.world-lotteries.org.

Certification has also been open to WLA Associate Members since 2008. As of December 31, 2018, a total of 22 Associate Members were certified to WLA-SCS, compared with 17 in 2017.

As interest in WLA-SCS certification has increased, the number of WLA-approved assessment service entities and auditors has grown to ensure that certification is readily accessible to lotteries and suppliers in every region. There are currently 23 assessment service entities and more than 60 approved auditors around the world.

The standard is developed and maintained by the *WLA Security and Risk Management Committee* (SRMC), an international group of 20 top security professionals from WLA member lotteries around the globe.

Work began in 2018 to restructure the Committee into a policy group comprising 3 to 5 lottery CEOs, and two technical groups. The first SRMC technical group will be charged with reviewing and



A full set of support documents for the WLA's Security Control Standard and Responsible Gaming Framework are available on the WLA website.

redrafting the WLA-SCS standard to expand its global reach. The second technical group will be charged with reviewing the methodology and approach used by the SRMC to review member certification and assess potential auditors.

WLA Responsible Gaming Framework

Twelve years after the *WLA Responsible Gaming Framework* (WLA-RGF) was ratified by the delegates of the 2006 General Meeting in Singapore, the number of certified lotteries continues to rise. At the end of 2018, a total of 83 member lotteries were certified to the WLA-RGF at levels 2 through 4, including 64 at the highest level (compared with 58 at end-2017).

WLA-RGF certification is valid for three years. To retain certified status after three

Members of the Security and Risk Management Committee at December 31, 2018

Chair

Dato Lawrence Lim Swee Lin
Magnum Corporation Sdn Bhd (MCSB)
Malaysia

Security and Risk Management Working Group Lead

Dr. Carlos Bachmaier Johanning
Sociedad Estatal Loterías y Apuestas del Estado (SELAE)
Spain
carlos.bachmaier.wla@selae.es

Security and Risk Management Working Group Deputy Lead

Driss Hamdoune
La Marocaine des Jeux et des Sports (MDJS), Morocco
d.hamdoune@mdjs.ma

Security and Risk Management Working Group Members

Gunnar Ewald
LOTTO Hamburg GmbH, Hamburg
Germany
ewald@lotto-hh.de

Jean-Jacques Riera
La Française des Jeux (FDJ)
France
jjriera@lfdj.com

Erich Schuster
Österreichische Lotterien GmbH
Austria
erich.schuster@lotterien.at

Evangelos Cosmidis
OPAP S.A., Greece
cosmidis@opap.gr

Trond Laupstad
Norsk Tipping AS, Norway
trond.laupstad@norsk-tipping.no

Dawid Muller

Gidani International (Pty) Ltd
South Africa
dbmuller007@gmail.com

Dong Hong Fang

China Sports Lottery, China
dhf@lottery.gov.cn

Jan Seuri

Veikkaus Oy, Finland
jan.seuri@veikkaus.fi

Anton Stiglic

Loto-Québec, Canada
anton.stiglic@loto-quebec.com

Roberto Zavala

California State Lottery, United States
rzavala@calottery.com

Itamar de Carvalho Pereira

Ministério da Fazenda, Brazil
itamar.c.pereira@fazenda.gov.br

Don Wharton

Lotterywest, Australia
don.wharton@lotterywest.wa.gov.au

David Boda

Camelot UK Lotteries Limited
United Kingdom
david.boda@camelotgroup.co.uk

Beh Swan Swan

Magnum Corporation Sdn Bhd (MCSB)
Malaysia
ssbeh@magnum.my

Pascal Gervaix

Société de la Loterie de la Suisse Romande, Switzerland
pascal.gervaix@loro.ch

Diego González Quinteros

Banca de Cubierta Colectiva de Quinielas de Montevideo
Uruguay
diego.gonzalez@labanca.com.uy



As of December 31, 2018, a total of 83 member lotteries were certified to the WLA's Responsible Gaming Framework, including 64 at the highest level, compared with 58 at year's end 2017.

who continued to bring an important Asian perspective on responsible gaming issues.

Coordinated by *Mélissa Azam*, WLA Senior CSR Manager working out of the WLA Montreal Office, the WLA Responsible Gaming Working Group includes members from every region of the world and has helped to produce various responsible gaming guides, case studies, and other relevant documents, many of which are available on the WLA website. The Working Group is currently chaired by *Alison Gardner* from Camelot, with *Tay Boon Khai* from Singapore Pools representing Asia-Pacific; *Sanaa Kabbaj* from La Marocaine des Jeux et des Sports representing Africa; *Raymond Bovero* from La Française des Jeux and *Stefania Colombo* from Lottomatica representing Europe; *Sandra Conde Gomez de Freitas* from Banca de Cubierta Colectiva de Quinielas de Montevideo representing Central and Latin America; and *Chip Polston* from Kentucky Lottery Corporation representing North America.

years, organizations need to provide material evidence of continued compliance with the criteria for the same level or a higher level of certification.

The *WLA Responsible Gaming Framework* is administered by three international groups of professionals dedicated to the development and maintenance of global standards of responsible gaming practice, namely the WLA Corporate Social Responsibility Committee, the WLA Responsible Gaming Independent Assessment Panel (IAP), and the WLA Responsible Gaming Working Group. Each of these groups individually performs a distinct function; together they form the backbone of the WLA's responsible gaming program.

The WLA Corporate Social Responsibility Committee manages the continu-

ous development of the WLA-RGF, overseeing member accreditation in accordance with the recommendations of the IAP and lending guidance to the WLA Responsible Gaming Working Group. *Lynne Roiter*, President and CEO of Loto-Québec, took over as Chair of the Corporate Social Responsibility Committee when *Rebecca Hargrove* was elected President of the WLA in November 2018.

The Independent Assessment Panel (IAP) evaluates individual certification submissions by Lottery Members. The sustainability expert *Anne Pattberg* continued to serve as Chair of the panel in 2018, alongside *Robert Ladouceur* of Canada, an acclaimed researcher into problem gaming prevention and treatment, and lottery veteran *Henry Chan*, formerly of the Hong Kong Jockey Club,

Certification of Associate Members is a natural extension of the WLA-RGF program. To achieve this certification, WLA Associate Members must score at least 75% on eight key criteria, and are required to undergo a full assessment every three years to maintain the status of WLA-certified supplier.

Currently the following four WLA Associate Members have achieved WLA-RGF certification:

- International Game Technology, Lottery Operations
- INTRALOT
- NOVOMATIC Lottery Solutions
- Scientific Games International Leeds.

Organization and governance



The WLA Executive Team (left to right):

Luis Gama

Director
Dirección Nacional de Loterías y Quinielas (D.N.L.Q.) Uruguay

Gilson César Braga

National Superintendent of Lotteries, Caixa Econômica Federal, Brazil

Younes El Mechrafi

General Director
La Marocaine des Jeux et des Sports (MDJS), Morocco

Lynne Roiter

WLA Secretary General;
President and CEO
Loto-Québec Canada

Fabio Cairolì

Chairman and CEO
Lottomatica, Italy

Stéphane Pallez

President and CEO
La Française des Jeux (FDJ), France

Jean-Luc Moner-Banet

WLA Immediate Past President;
General Director
Société de la Loterie de la Suisse Romande, Switzerland

Rebecca Hargrove, WLA President

President and CEO
Tennessee Education Lottery Corporation, United States

Luca Esposito Poleo

WLA Executive Director, Switzerland

Richard Cheung

Executive Director,
Customer and Marketing
HKJC Lotteries Limited, Hong Kong

Seah Chin Siong

CEO, Singapore Pools (Private) Limited, Singapore

Andreas Kötter

CEO, Westdeutsche Lotterie GmbH & Co. OHG (WestLotto), Germany

Dato Lawrence Lim Swee Lin

CEO, Magnum Corporation Sdn Bhd (MCSB), Malaysia

Not shown in photo:

Nigel Railton

CEO
Camelot UK Lotteries Limited,
The National Lottery
United Kingdom

Jannie Haek

CEO
Nationale Loterij
Belgium

Jesús Huerta Almendro

President and CEO
Sociedad Estatal Loterías y Apuestas del Estado (SELAE)
Spain

The WLA is an international, non-governmental, non-profit organization, incorporated under Swiss law and headquartered in Basel, Switzerland.

The WLA Executive Committee, which oversees the association, has 13 members. Eight of the members, including the President, are elected by the delegates of the WLA's biennial General Meeting. The other five members are appointed by the five regional lottery associations:

- ALA (Africa),
- APLA (Asia Pacific),
- CIBELAE (Latin America),
- EL (Europe), and
- NASPL (North America).

The Senior Vice President and the two Co-Vice Presidents of the Association are appointed by the WLA Executive Committee.

The Executive Director of the Association reports to the WLA Executive Committee and is based in Basel with six staff members. The WLA also has an office in Montreal, Canada consisting of a General Secretary with one staff member.

Mission and objectives

The mission of the World Lottery Association is to advance the interests of its

members as the recognized global authority on the state-authorized lottery sector, uphold the highest ethical principles, and support members in achieving their vision for their own communities.

The WLA's core objectives are to create opportunities for learning and information sharing among members, establish global standards of best practice and ethical conduct, and provide a united voice, together with the regional associations, so that members can convey consistent messages to their stakeholders.

Buenos Aires 2018: Gaining the edge in the new world

Over 1,000 international lottery delegates attended the biennial World Lottery Summit (WLS) at the Hotel Hilton Buenos Aires in November 2018.



Themed *Gaining the Edge in the New World: It Takes You to Tango* and hosted by the Argentinian lottery association ALEA (Asociación de Loterías, Quinielas y Casinos Estatales), WLS 2018 included a full business program of keynotes and parallel sessions addressing all the critical issues facing lotteries today.

The lottery industry's largest trade show was held to coincide with the event, with over 40 international exhibitors from the lottery and gaming industry presenting their latest ideas and innovations.

The eight keynote presenters included globally recognized speakers and industry experts and spoke about themes ranging from survival in the Andes to betting integrity and artificial intelligence. Nine parallel sessions covered topic such as attracting millennials, blockchain technology, cybersecurity and predicting the future. Panel sessions included the Platinum Contributors' Session, with presentations about product innovation by all four Platinum Contributors, and the traditional Lotteries Summit and Pep Talk, which covered many of the themes covered in the WLS 2018 business program, with in-depth discussion from the perspective of lottery operators.





World Lottery Summit in Canada



Jim Lightbody, Chief Executive Officer of British Columbia Lottery Corporation (BCLC), Canada, which will host WLS 2020.



During the WLS 2018 closing dinner, it was announced that the next World Lottery Summit, WLS 2020, will be held in Vancouver, Canada, and will be hosted by the British Columbia Lottery Corporation (BCLC). Chief Executive Officer of BCLC, *Jim Lightbody*, extended a welcoming invitation to WLS 2018 delegates. This time, the WLA will be teaming up with NASPL in organizing this mega event. Vancouver, with its mountain backdrop and urban beaches, has rightly earned the reputation of being one of the most beautiful cities in the world. As such, WLS 2020 is destined to be an event to remember.



Hosted by Argentinian lottery association ALEA (Asociación de Loterías, Quinielas y Casinos Estatales) in November 2018, the World Lottery Summit in Buenos Aires, Argentina, was a resounding success.



WLS 2018 BUENOS AIRES



As well as keynote sessions and parallel sessions, the WLA's flagship biennial event featured the world's largest dedicated trade show and the ever-popular series of panel discussions between lottery leaders and major technology providers.