

# Regulatory Impact Statement: Online Casino Gambling Bill 2025 regulations for advertising, harm minimisation and consumer protection

Decision sought	Analysis produced for the purpose of informing: final Cabinet policy decisions on online casino gambling regulations relating to advertising, harm minimisation and consumer protection
Agency responsible	Department of Internal Affairs Te Tari Taiwhenua
Proposing Ministers	Minister of Internal Affairs
Date finalised	17 September 2025

This Regulatory Impact Statement (RIS) assesses the options for establishing regulations on advertising, harm minimisation and consumer protection for online casino gambling, guided by regulatory good practice principles.

Regulations are required to give effect to key provisions within the Online Casino Gambling Bill (the Bill). The Bill is currently before the House. The Bill is due to commence the day after Royal Assent, which is anticipated to be in December, with some provisions coming into force on 1 July 2026. The Bill establishes regulation-making powers, including for harm prevention and minimisation, consumer protection and record keeping, advertising and marketing.

The purpose of the Bill is to establish a licensed regulatory system for online casino gambling in New Zealand. It prohibits the conduct and advertisement of unlicensed online casino gambling, prevents and minimises harm from online casino gambling, limits opportunities for crime and dishonesty, and provides protections for consumers, within the regulated online casino gambling market. If regulations are not established, these objectives would not be effectively realised.

The Bill also includes provisions for recovering the costs of regulating the system from licensed operators (operators). The cost recovery regulations are not assessed in this RIS because an exemption has been separately sought and granted by the Ministry for Regulation.

## Summary: Problem definition and options

<p><b>What is the policy problem?</b></p> <p>Evidence indicates that online gambling is growing in popularity and carries a high risk of gambling harm as it is readily accessible, anonymous, and can be a continuous form of gambling where winnings can be immediately reinvested into further gambling. According a recent Health New Zealand survey, approximately 156,000 people in New Zealand (3.6% of the population) participated in overseas online gambling activities in the last 12 months<sup>1</sup>. The Bill includes regulation-making powers on matters relating to advertising, prevention and minimisation of harm, and consumer protection. Secondary legislation made under these provisions seeks to address these matters.</p> <p>Stakeholders across the spectrum (gambling operators, gambling harm service providers and researchers) consider that there is a need for regulation to provide sufficient protection to consumers and clarity for operators on how to comply with obligations set out in the Bill. Where stakeholders differ is on the relative importance that should be placed on the prevention and minimisation of harm; consumer choice; licence attractiveness; and the need to effectively channel consumers from the unregulated market to the regulated one once the regulatory system is established.</p> <p>As this RIS is assessing options for regulations, non-regulatory options have not been explored in depth. However, we note that there are existing non-regulatory measures currently used in New Zealand that will complement the regulatory system. This includes education campaigns on preventing and minimising</p>
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<sup>1</sup> The New Zealand Gambling Survey 2023/24 was conducted between late 2023 to early 2024.

gambling harm, and readily available applications that restrict user access to online gambling sites like GamBan and BetBlocker.

#### **What is the policy objective?**

- The objectives for the regulations are the same as those set by Cabinet for the online gambling regulatory system, namely to:
  - facilitate a safer and compliant regulated online gambling market;
  - support tax collection;
  - prevent and minimise online gambling harm; and
  - limit opportunities for crime and dishonesty, and provide protections for consumers, within the regulated online gambling market.
- All options outlined in this RIS have been assessed against these objectives. As the market matures and the Department of Internal Affairs (the Department) improves its knowledge of the online gambling industry, the Department will monitor and evaluate how effectively the preferred option is meeting these objectives.
- This is expected to include metrics such as the number of people presenting to gambling harm service providers who cite regulated online casinos as one of their modes of problem gambling, and complaints raised to the Secretary about operator conduct.

#### **What policy options have been considered, including any alternatives to regulation?**

- As this RIS considers options for regulating advertising, harm minimisation and consumer protection under the Online Casino Gambling Bill, all options are by default regulatory ones.
- We have assessed options against a counterfactual where the Bill is passed into law without any accompanying regulations.
- Option 1 (Minister's preferred option), which has emerged as the preferred option for the market establishment phase, would introduce flexible regulations, that restrict operators from engaging in behaviours highly likely to cause harm, while enabling voluntary restrictions consumers could choose to opt out of.
- Option 2 would introduce regulations that impose mandatory restrictions that apply universally across consumers. This would provide strong protections, but also significantly limit consumer choice and autonomy. This is likely to create higher compliance costs for operators.
- Option 3 would introduce very prescriptive regulations, that prohibit operators from engaging in behaviours likely to cause harm, and restrict consumer choice to protect people who may be vulnerable to gambling harm.
- A glossary of terms used in this RIS is attached at **Appendix 1**. Further detail on what each option entails is at **Appendix 2**. A detailed description of Option 1, which has emerged as our preferred option, is attached at **Appendix 3**.

#### **What consultation has been undertaken?**

- The Department undertook two rounds of targeted stakeholder engagement. Public consultation and consultation with iwi was not undertaken due to time constraints, this is discussed below under 'limitations and constraints on analysis.' Public consultation was undertaken in 2019 and while much of this is out of date, consultation indicated strong support for regulating online gambling, particularly ensuring harm is minimised.
- The first round focused on advertising and harm minimisation. Consultation was run as dedicated stakeholder workshops over February - March 2025 which posed high-level questions to stakeholders. These workshops informed initial advice to the Minister for Internal Affairs who is the lead Minister for the online casino gambling regulatory system.
- After the Minister identified the preferred approach, we sent out a consultation paper to stakeholders outlining the options the Minister had considered, including the preferred approach. Consultation ran for 20 working days and invited written feedback.
- Overall stakeholders supported the Minister's preferred approach but identified some areas where further clarity was needed to improve overall effectiveness and implementation. Key themes that emerged during consultation were:
  - For the advertising regulations, stakeholders preferred a principles-based approach to regulation, rather than a prescriptive approach as prescriptive regulations would be inflexible and could become quickly outdated.

<ul style="list-style-type: none"> <li>○ There was a clear divide between gambling operators and other stakeholders, where gambling operators sought to maximise channelisation to the regulated market, whereas gambling harm treatment service providers and researchers were primarily concerned with preventing and minimising harm. The most controversial issues were: <ul style="list-style-type: none"> <li>▪ The proposal for harm minimisation tools such as limit-setting or breaks in play to be voluntary and opt-out for players. Some stakeholders considered that voluntary measures are less effective for those who are not ready to seek help or support for their gambling.</li> <li>▪ The proposal to permit operators to accept any form of payment method they choose. The majority of stakeholders opposed the use of borrowed money (e.g. credit cards or buy now pay later) to pay for gambling.</li> </ul> </li> <li>○ Overall stakeholders supported proposals that enable frictionless consumer choice such as implementing a centralised self-exclusion register to make self-exclusion across multiple branded online casino platforms as easy for consumers as possible.</li> <li>• Further detail on the consultation process is attached at <b>Appendix 4</b>. A list of submitters is attached at <b>Appendix 5</b>.</li> </ul>
<p><b>Is the preferred option in the Cabinet paper the same as preferred option in the RIS?</b></p> <p>Yes.</p>

## Summary: Minister's preferred option in the Cabinet paper

Costs
<p><b>Outline the key monetised and non-monetised costs, where those costs fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)</b></p> <ul style="list-style-type: none"> <li>• Only the licence fee cost to licensed operators and the regulator have been monetised at this stage. Monetised costs have been calculated for the whole regulatory system.</li> <li>• All licensed operators will face the same compliance costs. While these costs are a level playing field within the regulated market, we have sought to balance compliance costs against the need for the regulated market to remain attractive to operators and consumers in comparison to the unregulated black market to ensure the regulated market remains competitive.</li> <li>• Licensed operators will incur compliance costs associated with meeting regulations. We have not quantified these as a \$ amount, but we expect that costs will not be dissimilar to those that operators incur in other jurisdictions we have benchmarked.</li> <li>• The regulator (the Secretary for Internal Affairs) will incur fiscal costs associated with enforcing the regulations. We have calculated these costs as 9(2)(f)(iv) annually during the market establishment phase, we note this will be fully cost recovered from licensed operators.</li> <li>• People in New Zealand who gamble on the regulated sites may incur indirect costs that are passed on by operators (e.g. service fees), as a result of the regulations, though we anticipate these would be low. Players would also incur some of the cost of gambling harm, however we anticipate that this cost would be lower than the counterfactual, where no harm minimisation measures are introduced.</li> <li>• Gambling harm treatment providers may experience an increase in direct costs due to increased resourcing requirements. We assume this cost will be offset by collection of the Problem Gambling Levy from licensed operators.</li> <li>• The wider public will still experience some indirect costs, namely the cost of gambling harm (which we assume will be partially offset by the Problem Gambling Levy and would be lower than the counterfactual). There may also be a social cost associated with frustration or irritation with gambling advertisements if advertising increases.</li> </ul>
Benefits
<p><b>Outline the key monetised and non-monetised benefits, where those benefits fall (e.g. what people or organisations, or environments), and the nature of those impacts (e.g. direct or indirect)</b></p> <ul style="list-style-type: none"> <li>• The benefit for licensed operators is greater certainty of how to comply with obligations as set out in the Bill. Clear regulatory requirements provide market certainty.</li> </ul>



- We do not note any significant benefits for market competitiveness.
- The benefit for the regulator is increased enforceability. The regulations will make it clear what operators' obligations are, which makes it easier for the regulator to use enforcement actions (as set out in primary legislation) to enforce the primary legislation, regulations and conditions of licences. For example, the primary legislation currently requires operators to exclude problem gamblers, but delegates how problem gamblers should be identified to secondary legislation.
- Regulations provide stronger consumer protections and improved prevention and minimisation of gambling harm. Consumers will have greater confidence in the safety of a regulated market.
- We also anticipate that there will be less risk/cost of gambling harm compared to the counterfactual.

## Balance of benefits and costs

### Does the RIS indicate that the benefits of the Minister's preferred option are likely to outweigh the costs?

- We are of the view that the regulatory costs associated with the development and implementation of the regulations will be outweighed by the benefits provided to both public and private sectors.
- Monetised costs and benefits have not been fully quantified in this RIS.
- We anticipate that benefits will improve over time, as more consumers are channelled to a maturing regulated market and the capability of operators and the regulator improve. Evidence indicates that a regulated market can bring economic benefits and reduce the social and economic costs of gambling harm, however it is difficult to quantify the benefits of the regulations specifically.

## Implementation

### How will the proposal be implemented, who will implement it, and what are the risks?

- The Secretary for Internal Affairs will be responsible for the implementation of the regulatory system, which includes these regulations. To support effective implementation, the Department has established an Online Gambling Implementation Team to develop operational policies and processes and undertake stakeholder engagement on the implementation of the system, including the implementation of regulations.
- Funding has already been made available for implementation. A \$20m tagged contingency will fund the establishment costs of the system. This money will be cost-recovered from licensed operators.
- The key implementation risks are as follows:
  - Changes during the Parliamentary process may amend the regulation-making powers currently in the Bill. If the scope of the empowering provisions changes, this may mean that the regulations need to be revised to align with the new scope.
  - Drafted regulations cannot be considered by Cabinet LEG and agreed by Executive Council until the Bill has passed into law.
  - Time and resource constraints may affect development and delivery of the regulations.
- The steps the Department has taken to mitigate these risks are as follows:
  - The Cabinet paper seeking approval of final policy decisions will be 'agreed in principle' and will include a recommendation allowing the Minister to change regulations in response to any changes made to the Bill by the House. Any necessary changes to the regulations would be agreed by Cabinet when the Minister seeks approval of the draft regulations in early 2026.
  - We are working to the assumption that the Bill will be passed in December 2025, however if the Bill does not pass in December 2025, we will seek Cabinet's approval of the draft regulations as soon as possible after Royal Assent in early 2026.
  - The timeframe limitation has been identified in this RIS. The Department consulted with a wide range of stakeholders during targeted engagement on the proposals in this RIS to provide transparency and awareness to affected stakeholders, and stakeholders are aware of the time constraints for this work.
  - These risks have been a significant consideration during the development and assessment of the options. Where limitations in the advice exist, these have been clearly identified. Our assessment of the options has taken account of these risks.
- The regulations will come into effect after the Bill is passed. The regulations cannot be promulgated before Royal Assent.

## Limitations and Constraints on Analysis

- The proposals outlined in this RIS are limited by the regulation-making powers as set out in the Online Casino Gambling Bill.
- The pace of policy development has been driven by Ministerial direction that the regulatory system should be in place in 2026.
- Public consultation on these proposals has not been possible due to time and resource constraints; officials have undertaken targeted consultation with key stakeholders. The targeted nature of consultation means some groups that are impacted (e.g. gambling consumers) have not provided direct feedback on the proposals. We have however, engaged with stakeholders that represent interests of consumers adversely affected by gambling harm as a proxy for these consumers.
- While we have canvassed community views (including Māori) views through consulting with the health sector and gambling harm treatment service providers, we have not able to consult iwi on these proposals.
- There is limited data on the size and value of the online casino gambling industry in New Zealand. We have used Inland Revenue data as a baseline; however not all online gambling operators pay GST and the offshore gaming duty. In light of this, the Department has taken a conservative approach to estimating the size of the market as well as potential benefits of regulation.
- Despite these limitations, we are confident that Cabinet can make informed decisions on these regulations. We are confident that the options in this paper are informed by the best and most up-to-date evidence available. We have also looked to other jurisdictions that regulate online casino gambling to ensure that options are based on international best practice and have been successfully implemented elsewhere.

I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature:

Kelly Miller  
Manager Gambling Policy  
17 September 2025

## Quality Assurance Statement

**Reviewing Agency:** The Department of Internal Affairs

**QA rating:** Meets the Quality Assurance criteria.

### Panel Comment:

The panel considers that the information and analysis summarised in the RIS 'meets' the Quality Assurance criteria. The Department of Internal Affairs has reviewed the Regulatory Impact Statement (RIS) prepared by the Department of Internal Affairs and associated supporting material on 16 September 2025.

The panel noted the authors have worked to truncated analytical timeframes. We consider that the 'Complete' and 'Clear and Concise' criteria of this assessment achieved the 'meets' rating, having assessed these in the context of the authors' restricted operating environment. Consultation on the potential policy problem was done in a shortened timeframe as well, and some groups (the public and iwi) were not engaged with due to time constraints. Instead, targeted consultation was undertaken. This limitation is stated in the RIS, and the RIS notes that earlier views expressed by the public on gambling regulation issues (as a proxy for public engagement in this case) were factored in the analysis. Māori gambling harm treatment service providers were consulted as a proxy for broader iwi engagement. Stakeholder feedback from targeted engagement, and the impact on options development, was incorporated appropriately into the analysis of the issues. For these reasons, despite the lack of wider consultation in this case, we consider the consulted section meets criteria. We consider that the 'Convincing' criteria of this assessment achieve the 'meets' rating. While there is still some outcome and evidential uncertainty about the proposed interventions, we consider that these have been set out sufficiently clearly in the RIS to provide decision makers with clarity on the evidence that was available to base the analysis on.



## Section 1: Diagnosing the policy problem

### What is the context behind the policy problem and how is the status quo expected to develop?

1. The case for change has been made in two previous Regulatory Impact Statements (RISs). The first was considered by Cabinet in July 2024, and the second was considered by Cabinet in November 2024. For further information on the wider policy problem and its context, please refer to the July 2024 Cabinet paper and associated RIS.<sup>2</sup>
2. The Online Casino Gambling Bill (the Bill) that is currently before the House would establish a regulated market for online casino gambling by licensing up to 15 online casino gambling platforms to operate in New Zealand. The Bill requires licensed operators to comply with various duties, including taking all reasonable steps to ensure that: people who use their gambling platform are at least 18 years old; that the risk of harm from gambling is minimised; and that problem gamblers are excluded.
3. A licensing system for online casino gambling will provide the Government with tools to ensure that licensed operators adhere to tax, consumer protection and gambling harm minimisation requirements that will be set in primary legislation and regulations.
4. If secondary legislation is not made, the regulatory system is likely to experience significant uncertainty in the market establishment phase, as operators and the regulator will not have sufficient clarity on what is required to meet primary legislative obligations. For example, clause 40 of the Bill prescribes that operators must exclude people that have been identified as problem gamblers but does not specify how problem gamblers should be identified. Over time, without regulations, the system would evolve on an ad hoc basis. This is likely to cause significant cost and confusion to both operators and the regulator. Furthermore, inconsistent interpretations may result in consumers receiving inconsistent levels of protection across various licensed operators. This may undermine consumer confidence in the system and could lead to an increase in gambling harm.
5. A licensing system approach is also how gambling is regulated in most other jurisdictions internationally, including Ontario (Canada) and the United Kingdom (UK). Under this model, domestic advertising of online casino games would be legalised, within limits. This would enable licensed operators to attract or 'channel' customers, through controlled/limited advertising, away from unregulated operators towards their regulated platforms.
6. The Bill establishes regulation-making powers, including for harm prevention and minimisation, consumer protection and record keeping, advertising and marketing, and fees, levies, or charges to enable cost recovery.<sup>3</sup> The Bill also empowers the Secretary to make minimum standards relating to online casino gambling technology. This RIS will address the proposals for regulations on harm prevention and minimisation ('harm minimisation'), consumer protection and record keeping ('consumer protection') and advertising and marketing ('advertising').
7. The regulations on fees, levies or charges to enable cost recovery is out of scope of this RIS. The Ministry for Regulation has determined that proposals relating to those regulations are exempt from the requirement to provide a RIS on the grounds that it has been addressed by existing impact analysis. The minimum standards that may be prescribed by the Secretary are also out of scope.
8. A glossary of terms used in this RIS is attached at **Appendix 1**.

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<sup>2</sup> [Proactive release of Cabinet material on online casino gambling phase 2 decisions](#)

<sup>3</sup> The cost recovery regulations have been granted a separate exemption by the Ministry for Regulation, so they are outside the scope of this RIS.

## What is the policy problem or opportunity?

9. Overseas online gambling is not captured by New Zealand's existing gambling legislation and regulatory system. There are no mechanisms to prevent and minimise gambling harm associated with online casino gambling, protect consumers of overseas online gambling, or recover the costs of such regulatory mechanisms. The Bill addresses these issues by introducing a licensing system for online casinos, while the detailed approach to managing them is delegated to secondary legislation.
10. The problem to be addressed is how to best design and implement regulations on advertising, harm minimisation and consumer protection for online casino gambling that facilitate a safer regulated market that are proportionate.
11. The key stakeholders for this policy issue are:
  - Players who gamble on online casinos
  - Gambling Treatment Providers who provide support and advocacy for players experiencing harm resulting from online casino gambling;
  - Offshore gambling providers who provide online casino services;
  - Gambling technology companies who supply offshore gambling providers;
  - Gambling operators currently operating onshore in New Zealand, who are in a similar market that may compete with a regulated online market, or who may wish to join the regulated online casino market;
  - Media companies who would run online casino gambling advertisements;
  - Advertising regulatory bodies who provide industry self-regulation to advertisements promoted within New Zealand.
12. Overall stakeholders support that there is a need to introduce regulations for advertising and marketing, preventing and minimising harm, and consumer protection. Where stakeholders differ is the amount of emphasis that should be placed on harm minimisation compared to other considerations such as consumer choice and licence attractiveness.
13. Regulating online gambling also presents opportunities to:
  - ensure New Zealand consumers who use online casino products have the confidence they can do so on platforms that are regulated and required to meet minimum requirements;
  - implement restrictions that balance the need to provide robust protections while also ensuring an attractive market of regulated platforms for consumers;
  - channel consumers to the regulated market through advertising, while also ensuring children and people who have self-excluded themselves are not exposed to online gambling advertising; and
  - bring New Zealand in line with the rest of the OECD (excluding Japan) who regulate online gambling in some way.

## Online casino gambling is a high-risk form of gambling which is popular with individuals at risk of experiencing gambling harm

14. Gambling is a legal form of entertainment, and most people gamble without experiencing any harm. However, for some no amount of gambling is safe. Online casino gambling is more popular with individuals at risk of gambling harm than the general population. The 2023/24 New Zealand Gambling Survey indicates that 33.1% of moderate to high-risk gamblers and 13% of low-risk gamblers participated in overseas online gambling activity, compared to 3.8% of non-problem gamblers.
15. Online casino gambling is considered a high-risk form of gambling for several reasons:
  - **Many online casino games are a continuous form of gambling.** This means that a gambler can quickly 'reinvest' their winnings in further gambling. Other common forms of continuous gambling include gaming machines ('pokies') and scratchies (Instant Kiwi).

- **There is a lack of regulatory safeguards to protect players in New Zealand.** Currently online gambling operators provide varying levels of harm prevention and consumer protection and there is no New Zealand regulatory oversight. The Bill will address this to an extent, however the detail of the Government's regulatory approach to online casino gambling will be addressed in the regulatory options considered and assessed in this RIS.
- **Online gambling is freely available and accessible 24/7.** Unlike land-based gambling which has limited opening hours, online sites can be accessed on devices at any time where there is access to internet. Research shows that people with online gambling problems are more likely to be gambling late at night.<sup>4</sup> Sleep deprivation has been shown to make people pursue bigger risks and give less consideration to negative consequences.
- **Online gambling is anonymous and asocial.** Online gambling allows consumers to gamble from anywhere. This can make it easier for individuals experiencing harm to hide their gambling from others. Staff in land-based gambling venues are also required under the Gambling Act 2003 to identify and interact with individuals showing strong signs of harm which can provide a 'reality check' to gamblers about their time and spend. There are no current equivalent regulatory safeguards for online casino gambling.

16. The Ministry of Health and Health New Zealand collect and publish data on the number of people receiving help from Health New Zealand gambling harm intervention services.<sup>5</sup> In 2019/20, there were 551 people who cited overseas online gambling as the primary form of gambling they were seeking help with. This figure has increased to 1426 people in 2024/25 stating that overseas gambling was at least one of their problem gambling modes.

17. Previous Ministry of Health reporting shows that only a small proportion people experiencing harm actually access or present to services, therefore, client data is an underrepresentation of harm.<sup>6</sup> Low service use is also observed for other forms of addiction treatment. Therefore, help-seeking information only illustrates the tip of the iceberg in terms of the total harms occurring in a population with regard to gambling.

#### *Gambling harm has disproportionate population impacts*

18. Gambling harm has wide-ranging social and economic impacts. About one in five people in New Zealand (22%) experience harm in their lifetime due to their own or someone else's gambling. Harm can be experienced at individual, whānau and community levels. The New Zealand Gambling Survey found that Māori, Pacific, Asian and young people are more likely to be affected by gambling harm.

19. Because of the disproportionate level of harm these population groups experience, the Ministry of Health has, for a number of years, noted them as priority population groups in its Strategy to Prevent and Minimise Gambling Harm. The public policy response to preventing and minimising gambling harm is led by the Ministry of Health.

20. When comparing subgroup participation rates in overseas online gambling in the New Zealand Gambling Survey, the following trends emerged:

- Men (2.4%) are more likely to participate in overseas online gambling than women (0.4%).
- Those aged 15 – 24 appear to be participating more in overseas online gambling than other age groups (4.2%).

<sup>4</sup> GambleAware Remote Gambling Research: Interim report on Phase II. England: GambleAware; 2017.

<sup>5</sup> [Gambling harm intervention services data | Ministry of Health NZ](#)

<sup>6</sup> Ministry of Health. 2025. Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28. Wellington: Ministry of Health. The Ministry also cites an Australian study in their Strategy: "'Around 10% of Australian problem gamblers seek treatment'" (Delfabbro P. 2008. A report prepared for the Independent Gambling Authority of South Australia. Australasian Gambling Review).



- Asian people are less likely to participate in overseas online gambling (0.4%) compared to the general population.
- Māori and Pacific people have higher rates of participation in overseas online gambling than the general population. 2.7% of Māori and 3.6% of Pacific people played an online casino game or online poker with an overseas provider, compared with the general population participation of 1.4%.

21. The Department has consulted with both regional and national gambling harm treatment providers which supply targeted support to these population groups on the proposals in this RIS. Some of these providers include the Problem Gambling Foundation, Asian Family Services, Mapu Maia, Hāpai Te Hauora and Te Rangihaeata Oranga Trust.
22. Dedicated direct engagement with iwi on the proposals in this RIS has not taken place. Targeted consultation has included gambling harm treatment providers who provide dedicated support services by Māori, for Māori. We also reached out to the Ministry of Health's Lived Experience Group but did not receive a response.

### **The number of New Zealanders gambling on overseas gambling sites has increased over time**

23. The New Zealand online gambling market has grown significantly in recent years, with higher participation, higher spend, and greater harm being experienced by New Zealanders. Online gambling is increasing in popularity. The Health and Lifestyles Survey indicates an increase from 8,702 persons using overseas gambling websites in 2010, to 132,340 persons in 2020.<sup>7</sup> The 2023/24 New Zealand Gambling Survey found that 156,000 people in New Zealand (3.6% of the population) participated in overseas online gambling activities in the last 12 months.<sup>8</sup> It also found that:

- approximately 1.4% of New Zealanders participated in online casino games or online poker with an overseas provider in the last 12 months. This amounts to approximately 60,000 people; and
- approximately 1.9% of New Zealanders played online pokies with an overseas provider in the last 12 months. This amounts to approximately 81,000 people.

24. These two surveys are not directly comparable, and do not distinguish between casino gambling and wagering and betting sites but support the Department's assumption that the number of New Zealanders participating in online gambling is continuing to increase over time.

### **GST and offshore gaming duty collection indicates that the online casino gambling market is growing**

25. We have limited knowledge of the size and the scale of the online casino gambling market, and the total amount that New Zealanders spend on online casino gambling is unknown. We have used Inland Revenue (IR) data on the offshore gambling duty (implemented in July 2024) currently collected from online gambling operators and estimates from industry sources when considering the potential size of the overall market.

26. In 2024, IR estimated the total size of the online casino market to be between \$300m to \$800m in 2022/23.<sup>9</sup> This estimate was larger than the market size indicated by GST collection, but at the lower

<sup>7</sup> [Health New Zealand Health and Lifestyle Survey](#)

<sup>8</sup> [2023/24 New Zealand Gambling Survey](#) note that this statistic does not distinguish between overseas online gambling and overseas online wagering/betting. Overseas online wagering and betting is now prohibited in New Zealand, under recent amendments to the Racing Industry Act 2020.

<sup>9</sup> [Regulatory Impact Statement - Online Casino Taxes](#) Inland Revenue, 21 February 2024.

end of the range SkyCity estimated in its 2022/23 annual report.<sup>10</sup> Data at that time showed 36 offshore online gambling operators paid GST and that 15 of them account for over 90% of the total GST from this type of business. The total reported revenue for GST-compliant online gambling operators offered in New Zealand was \$342.5m in the year to June 2023.<sup>11</sup>

27. A 12% offshore gambling duty has applied to online gambling provided by offshore operators to New Zealand residents since July 2024. This duty excludes amounts from betting on sports and racing so it is a more accurate baseline for market size than GST data. For the 12 months to 30 June 2025:

- the gross gambling revenue which was liable for Offshore Gambling Duty was \$520.8m;
- total offshore gambling duty paid was \$62.5m;
- 26 entities are registered for offshore gambling duty (as well as GST);
- the top 15 entities generated 99.8% of the total gross gambling revenue; and
- the top five entities generated 89.6% of the total gross gambling revenue.

28. These figures indicate that the market is growing, and that just a few entities generate the majority of revenue.

### **Our assumptions are based on limited available evidence and there is significant market uncertainty**

29. We have made the following assumptions in our analysis. While they are based on the available evidence, there is uncertainty around the online gambling market, particularly its size and the level of unreported harm it may be causing. Our main assumptions are:

- **The number of New Zealanders participating in online gambling will continue to increase over time, as will the size of the market.** Global and domestic trends support this assumption;
- **An increase in participation in online gambling will have a corresponding increase in harm.** Both increasing participation and higher spends on online gambling are likely to lead to a greater proportion of harm as gambling online is an inherently risky activity, for some;
- **Government regulation is an effective mechanism for reducing harm from gambling,** as enforced evidence-based approaches to harm minimisation provide a safer overall market;
- **A controlled but competitive regulated market can encourage players to gamble in safer online settings.** A range of choice of operators and platforms, with a competitive market of odds on offer can encourage people to stay within regulated markets (and enable channelling) compared to restrictive markets which may drive customers to unregulated operators;
- **A black market will remain in New Zealand.** Many operators will leave the New Zealand market rather than operate illegally due to the risk of losing their license in other jurisdictions. Enforcement tools will assist in driving unlicensed operators out of the market. However, it is likely a black market will remain. As many of these unlicensed operators will already have a well-established New Zealand customer base, it is possible that customers may choose to continue to gamble with them;
- **Advertising will support channelling without unduly increasing gambling harm.** Allowing some advertising by operators will support channelling to regulated markets, keeping players in safer online settings. The higher standards of a regulated market (including rules on advertising and harm reduction on online gambling platforms) will reduce the overall burden of harm.

<sup>10</sup> Other industry sources have also indicated that the market is larger than IR data indicates. A domestic industry source has estimated the market generated \$700m - \$800m in annual consumer losses (turn-over less prizes). Another industry analysis has suggested the market could be as large as \$1.6b with ongoing growth likely.

<sup>11</sup> This figure included all forms of overseas online gambling, including sports and race betting, many of these providers were one-stop shops. Recent amendments to the Racing Industry Act 2020 mean that TAB New Zealand now operate a monopoly on online sports and race betting so overseas sites cannot offer these services anymore.

## What objectives are sought in relation to the policy problem?

30. In March 2024, Cabinet agreed in principle to regulate online casino gambling to support tax collection, minimise harm, and provide consumer protections to New Zealanders.<sup>12</sup> In November 2024, Cabinet agreed that the purpose of the new legislation will be to regulate online casino gambling to:

- facilitate a safer and compliant regulated online gambling market;
- prevent and minimise online gambling harm; and
- limit opportunities for crime and dishonesty, and provide protections for consumers, within the regulated online casino gambling market.

31. The options presented in this RIS seek to meet Cabinet's objectives stated in previous Cabinet papers. We have outlined these in further detail at **Appendix 2**. In addition, we are also seeking to make licences attractive to prospective operators; to maximise channelling of consumers to the regulated market through advertising; and ensure proposals can be effectively implemented at reasonable cost to the regulator and operators. These are secondary objectives that the options are also assessed against.

32. There are trade-offs to be made between these objectives and the options presented in this RIS offer a different balance between them. Consumer protection, harm minimisation objectives and achieving market channelling requirements are a delicate balancing act. For example, some harm minimisation features may detract from licence attractiveness and therefore channelling. Conversely, focusing on achieving a high channelling rate may result in diluted harm minimisation settings and less harm reduction.

33. If channelling measures are not successful and a larger black market remains than currently anticipated, harm minimisation measures in the regulated market may not be as successful as intended in reducing the overall harm from online gambling. Unsuccessful channelling would also adversely impact the total tax collected. However, the most important factor for licence attractiveness and effective channelling is enforcement action the regulator takes against unlicensed operators.

34. Enabling a market that is appealing to consumers, promotes consumer choice, and allows advertising that effectively notifies the public of the availability of regulated online casino gambling is key to effective channelling. We note that while enforcement action is a deterrent for operators, it is not a strong deterrent for consumers, as it would not be illegal under the Bill for consumers to gamble with a unlicensed operator.

## What consultation has been undertaken?

35. The pace of policy development required to establish a regulatory regime by July 2026 has constrained the consultation the Department has undertaken on the options in this RIS. Officials have undertaken a targeted engagement process with relevant stakeholders rather than wider public consultation.

36. Public consultation on regulating online gambling was undertaken in 2019 and indicated wide-spread support for the regulation of online gambling, but the focus and detail of the proposed regulatory system has changed over that time. It captured the views of 2,997 individuals and organisations that submitted on the discussion document. We have used this as a proxy for public engagement. Some key themes that emerged during the 2019 consultation were:

- it was important for the gambling industry to take responsibility for the harm caused by their products;

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<sup>12</sup> [CAB-24-SUB-0072 Online Casino Gaming Duty and Regulation Cabinet paper](#)



- while advertising is necessary for operators to run their business, it is concerning when advertising is aimed at vulnerable people and youth;
- the Government should have a role in regulating the gambling industry as individual or industry self-regulation would not work;
- submitters suggested implementation measures to minimise harm associated with online gambling, such as the ability to set deposit, wager and loss limits; set time-out limits; and easily access play information including net wins and losses;
- 75% of submitters supported restricting credit card use on gambling sites, either by blocking or banning their use on unauthorised websites.

37. The options assessed in this statement align with these themes. For example, Option 1, which has emerged as our preferred option, sets clear restrictions that limits who advertising may target, requires operators to offer players the ability to set limits; and prohibits the use of credit contracts (e.g. credit cards, buy now pay later facilities) to pay for online casino gambling.

38. Officials undertook two rounds of consultation which informed options development and assessment. At a high level, the stakeholder groups consulted were:

- Overseas online gambling operators and suppliers
- Land-based gambling operators currently operating in New Zealand
- Gambling harm service providers
- Researchers and academics that specialise in gambling behaviour and/or gambling harm
- Media companies
- Advertising industry bodies (e.g. the Advertising Standards Authority)
- Gambling industry bodies (e.g. the United Kingdom Betting and Gaming Council)

39. The first round was preliminary consultation on online gambling advertising and harm minimisation which was run over February – March 2025. These two areas were chosen as they are the most complex, and of strong interest to key stakeholder groups. This consultation was undertaken with key stakeholders with initial direction from the Minister on the high-level policy proposals. Following consultation policy advice was further developed and provided to the Minister. Consultation comprised of a series of workshops with stakeholder groups to discuss their views on the key issues a regulatory system for online casino gambling should address.

40. The second round of targeted consultation was more formal and went to a broader group of stakeholders. A consultation paper outlining the Minister's proposed approach for advertising, harm minimisation and consumer protection was provided to key stakeholders. Providing key stakeholders with an indication of travel for all three sets of regulations allowed stakeholders to consider the regulations holistically.

41. Targeted consultation ran for 20 working days from Monday 30 June to Friday 25 July 2025. Consultation encouraged written submissions, however where stakeholders requested a meeting with officials to clarify proposals and/or discuss their feedback this was arranged. We received 36 submissions.

42. Further information on the stakeholders consulted and the feedback the Department received is available at **Appendix 4**. A list of stakeholders who submitted feedback on the consultation paper is listed at **Appendix 5**.

## Section 2: Assessing options to address the policy problem

### What criteria will be used to compare options to the status quo?

43. Our assessment of the options has been based on the following weighted criteria, set out in Table 1 below. We have given greater weight to the ‘effectiveness’ and ‘development risk and cost’ criteria. The remaining criteria have been assigned a 15% weighting as this means effectiveness and development risk and cost are double weighted.
44. A 30% weighting for the ‘effectiveness’ criterion reflects the importance that the regulations deliver the intended outcomes.
45. A 25% weighting for ‘development risk and cost’ acknowledges that the Bill is establishing a new regulated market and a new regulator, which has uncertain costs. There is also limited time and resource available to establish these regulations.

**Table 1 – Assessment Criteria**

<b>Effectiveness</b> (30%)	How effective is the option in achieving the system’s regulatory objectives and intended outcomes? In particular, will it: <ul style="list-style-type: none"><li>• facilitate a safer and compliant regulated online gambling market;</li><li>• prevent and minimise online gambling harm;</li><li>• limit opportunities for crime and dishonesty, and provide protections for consumers, within the regulated online gambling market;</li><li>• make licences attractive to prospective online gambling operators;</li><li>• maximise channelling of consumers to the regulated market;</li><li>• support tax and gambling duty collection; and</li><li>• be consistent with legal obligations (e.g. international trade obligations, anti-money laundering and countering of financing of terrorism, Bill of Rights Act 1990).</li></ul>
<b>Proportionality</b> (15%)	Any regulatory requirements should have benefits that outweigh the cost of their introduction. Are the compliance requirements and costs proportionate to the expected benefits.?
<b>Certainty</b> (15%)	Will regulatory requirements, processes and decisions be transparent, predictable and consistent, providing certainty to regulated parties and the regulator?
<b>Flexibility and durability</b> (15%)	Will regulated parties have the scope to adopt the least cost and innovative approaches to meeting their legal obligations? Will the regulations enable the regulatory system to evolve in response to new information and changing circumstances?
<b>Development risk and cost</b> (25%)	Are development and implementation risks, timeframes and costs acceptable? Can the regulations be developed and implemented in the time available? Are the options based on established and proven regulatory features or do they include untested or novel solutions? How certain are the development and implementation timeframes and costs? Are they within acceptable bounds?

### What scope will options be considered within?

Some decisions have already been taken by Cabinet and are out of scope for this assessment

46. Cabinet has considered aspects of the online casino gambling regulatory system on three occasions (July 2024, November 2024 and June 2025). Some of Cabinet’s previous decisions have guided the development of regulations for advertising, harm minimisation and consumer protection. These decisions are that:

- Sponsorship by online casinos is prohibited;
- Advertising must not appeal to, or target children or young people;
- Under the primary legislation, licence holders will be required to use an age and identity verification system acceptable to the Secretary for Internal Affairs;
- There will be a seven-year statute of limitations period for this regulatory system;
- Licensed operators will be reporting entities under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009; and
- There will be a civil penalty of up to \$300,000 for an individual and \$5m for a body corporate or partnership if a licence holder fails to keep or retain adequate records.

### **Legislative parameters are guided by the Online Casino Gambling Bill and the existing legislative system**

47. The Bill establishes the purpose of the legislation and makes provision for the regulations that are the subject of this RIS. The development of the options outlined in this RIS are in line with the regulation-making powers in the Bill. For example, we have not considered a complete ban on online gambling advertising as this would be inconsistent with the Bill. Clause 77(3) of the Bill requires the Minister to have regard to the need to protect children from being harmed by advertising when recommending regulations.
48. Licensed online casino gambling operators will be reporting entities under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT).
49. The consumer protection regulations will supplement the existing legislative framework which is already in place to protect New Zealand consumers (e.g. the Fair Trading Act 1986) and are underpinned by provisions in the Privacy Act 2020.

### **Options have been informed by targeted stakeholder engagement**

50. The options considered and assessed have been informed by feedback from targeted stakeholder engagement. Further detail on the targeted stakeholder consultation process and the feedback received during consultation is available at Appendix 3.

### **Non-regulatory options have not been considered in detail**

51. All options outlined in this paper, apart from the counterfactual are, by definition, regulatory ones. In developing the options, we have carefully considered, within the discretion that the Bill provides, whether regulations are necessary.
52. In some instances, we have not included regulatory requirements where there is insufficient evidence that they would be necessary. For example, we are not proposing to introduce regulations relating to data protection, as these are already covered by existing legislation such as the Privacy Act 2020.
53. We note that there are non-regulatory measures currently in place that could complement the regulatory system but we have not included a non-regulatory option in this RIS. These are:
  - The Ministry of Health and gambling harm service providers currently undertakes education campaigns about safer gambling, and on the prevention and minimisation of gambling harm. An example is Gambling Harm Awareness Week, that raises awareness of gambling harms and destigmatises conversations about what harm is, and how to avoid or minimise it.
  - Some New Zealand banks currently offer their customers the ability to block transactions on online gambling sites. Where customers request a block, it can be applied to all their credit and debit cards and any online gambling transactions will be declined.



- There are also free applications such as Betblocker and GamBan which offer consumers the ability to block (permanently, or for set amounts of time) from accessing gambling websites.

54. These measures can be effective for consumers seeking to reduce, limit or stop their gambling, and they can be used by New Zealand gamblers right now.

### **Policy development has been guided by international experience and established good practice**

55. New Zealand is a relatively late actor to regulating online casino gambling. This means we have been able to look to a range of jurisdictions to inform our options development and assessment.

56. It would not be optimal for New Zealand to replicate another country's online gambling system. Adopting another country's approach would not account for New Zealand's unique legal and social context. New Zealand is unique because of the lack of an existing online gambling industry body that can support the industry and support restrictions (the Gambling Commission is set up to support the domestic gambling market only).

57. The two jurisdictions we have looked to the most are the UK and Ontario. We have chosen these jurisdictions based on their similarity to New Zealand's legal system. Both jurisdictions restrict advertising and have harm minimisation and consumer protection regulations in place.

### **All options layer restrictions, to ensure a mix of interventions would exist**

58. Evidence from other jurisdictions indicates that gambling operators will shift their spend based on the regulatory environment.<sup>13</sup> Regulations therefore need to encompass a wide range of activities and use a mix of strategies to be effective. Tougher controls on one issue could encourage gambling operators to shift their behaviour to whatever remains more available.

### **What options are being considered?**

59. We have considered three regulatory options alongside the counterfactual.

#### **Counterfactual (do nothing)**

60. Under the counterfactual the Bill would come into force (establishing a regulated online casino gambling market in New Zealand) but regulations would not be established. In these circumstances, the Government would not be able to regulate matters relating to advertising, harm minimisation or consumer protection when the online casino gambling system is established.

61. This would mean that there would be no restrictions on online gambling advertising by licensed operators, and very little protection for consumers in the regulated market. The harm from online casino gambling would most likely substantially increase as unregulated advertising would lead to a significant growth in online gambling. The risks associated with establishing a regulated online casino market that does not regulate advertising, harm minimisation or consumer protection would not be effectively mitigated and the purpose of the Bill would not be fully realised.

#### **Regulatory options**

62. **Option 1** (Minister's preferred option) would introduce regulations which would restrict operators from engaging in behaviours highly likely to cause harm, while enabling voluntary restrictions consumers could choose to opt out of, promoting consumer choice. Requirements are designed at the operator-

<sup>13</sup> For example, in the Netherlands, gambling advertising in the form of TV commercials was banned for online gambling providers from 1 July 2023, but program sponsorship was still allowed until 1 July 2024. In response to the ban, the Netherlands saw an increase in the use of program sponsorship by online gambling operators.

level rather than a centralised industry-level approach.<sup>14</sup> This option is designed to reduce friction that can put consumers off transitioning from the unregulated market to the regulated market (e.g. onerous sign-up requirements). Key elements of Option 1 are:

- Limiting the exposure of those under 18, those who have self-excluded and people who have been identified as problem gamblers to online casino gambling advertising.
- Setting universal restrictions for advertising that apply across all advertising mediums.
- Operators must provide consumers with harm minimisation tools (such as limit setting and breaks in play) but consumers can opt-out of these tools if they wish.
- The use of credit contracts (e.g. credit cards, buy now pay later) to pay for online gambling is prohibited. Operators are permitted to accept any other form of payment they choose to offer (e.g., can choose to accept cryptocurrencies)

63. **Option 2** would introduce regulations that provide less choice to consumers by applying mandatory universal restrictions on the amount of time and or money consumers could spend. This is a strong harm minimisation control, but it removes autonomy from consumers and is a blunt one-size-fits-all approach. Option 2 also takes a more centralised, less operator-specific approach. Key elements of Option 2 are:

- Requiring mandatory, hard per-site harm minimisation measures that apply universally across all players (e.g. setting maximum limits for all players that restrict hours of operation, or setting maximum account balances) that consumers cannot opt out of.
- Requiring the industry to set up an industry-led national self-exclusion register so consumers who wish to self-exclude across multiple operators can do so in one interaction.
- Operators are permitted to accept any form of payment except cryptocurrency.

64. **Option 3** would introduce more prescriptive regulations, that prohibit operators from engaging in behaviours likely to cause harm, and restricting consumer choice to protect people who may be vulnerable to gambling harm. The key elements of Option 3 are:

- Tight restrictions on advertising that minimise unconsented exposure to online gambling advertising to the wider population.
- Implementing a centralised account system that enables players to set harm minimisation controls that then apply across all operators, i.e. a centralised, not per-site approach.
- Prescriptive requirements on what payment methods operators can accept, as well as requiring operators to use Digital Trust Framework (Trust Framework) providers to reliably verify a consumer's identity.

65. These options are not mutually exclusive, but they seek to meet the objectives in different ways. Option 1 seeks to promote consumer choice by offering consumers a wide range of harm minimisation tools to manage their gambling. Options 2 and 3 take a more centralised approach, where mandatory harm minimisation measures are applied universally across consumers and operators. We have assessed each option as a 'package' in options analysis. Further consideration of how elements of different options could be incorporated in the future is considered below at paragraphs 79 – 81. All three options are outlined in detail at **Appendix 2**. Further detail on the policy rationale for the proposals outline in Option 1, which has emerged as our preferred option, is at **Appendix 3**.

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<sup>14</sup> This means that the requirements apply per-operator independently, rather than applying across the whole system. For example, Option 1 includes a requirement that operators must offer players the ability to set limits on time, deposit, spend and stakes. An operator-level approach means the limit applied by the player (say a deposit limit of \$150 a week) only applies on that operator's platform. The player may play on multiple platforms, and set different limit amounts on each one. In contrast, a centralised approach would be that the player sets a limit that applies to every operator. If a player set a deposit limit of \$150, the player could not deposit more than \$150 a week across the entire market.

66. **Appendix 2** is a comparison table that sets out how each option proposes to regulate each issue under advertising, harm minimisation and consumer protection. Some key differences that highlight the differences between the options are as follows:

- **Limits on forms of advertising:** Limits on forms of advertising means imposing limits on how operators may advertise through a certain medium – a common example is ‘watersheds’ in broadcast advertising where an advertiser can only advertise within a certain time period during the day.
  - Option 1 is proposing universal restrictions that apply equally across all forms of advertising, e.g. requiring advertisements to be clearly labelled. This was an amendment in response to stakeholder feedback, where stakeholders noted that restrictions that apply universally would be easier for operators to understand and implement, and more equitable across different advertising bodies.
  - Option 2 goes into prescriptive detail by setting form-specific restrictions for advertising, e.g. requiring advertisements to be overtly disclosed as advertisements in social media, not just disclosed in hashtags. This provides clear guidance to operators, but the trade-off is that Option 2 is less flexible, and may create risk where operators flow towards advertising forms that have lower restrictions.
  - Option 3 goes further than Option 2 and is more protective, e.g. specifying that paid-for social media advertising aimed at those not subscribed/following is prohibited. This is a strong protection that limits the general public’s exposure to gambling advertising, however it restricts operators from reaching prospective customers.
- **Limit setting as a harm minimisation tool:** Limit-setting is a harm minimisation tool where caps are imposed on a person’s gambling – for example, capping the amount of money a player may deposit each week.
  - Option 1 proposes that operators must offer players the ability to set limits on their gambling (i.e. daily, weekly or monthly limits on their time, deposit or spend). This enables consumer choice, however consumers may choose to opt-out of setting limits which affects their effectiveness as a harm minimisation tool.
  - Option 2 would set mandatory, universal limits that apply across all players, for example setting a universal deposit limit that no player can exceed, or restricting an operator’s hours of operation. This removes consumer choice, however it can be very difficult to find limits that are a one-size-fits-all – for example, imposing a \$150 a week deposit limit may still be much too high to protect some players, and far too low for wealthier players.
  - Option 3 would require players to set a limit on a centralised account that applies across all operators. This provides choice to the player, however is practically complex to implement.



## How do the options compare to the status quo/counterfactual?

Table 2: Options analysis – advertising proposals

	Counterfactual	Option 1	Option 2	Option 3
<b>Effectiveness</b> (30%)	0	++ This option provides a higher level of protection compared to the counterfactual and it has low compliance costs for operators which supports tax collection and effective channelisation. The proposed requirements limit children's exposure to advertising and prohibit affiliate marketing, which can be a predatory form of advertising.	+ This option provides moderate harm minimisation and consumer protection controls while only introducing some additional costs for operators. Increased restrictions on advertising may slightly reduce channelisation, however, operators can still utilise a range of advertising tools.	0 This option provides the strongest protections and would be the most effective for harm minimisation. However, tougher restrictions on advertising would adversely affect licence attractiveness, channelling and tax collection which 'net out' these benefits.
<b>Proportionality</b> (15%)	0	+ The key benefit of this option is maximised channelling which is likely to lead to higher tax revenue. The largest potential cost is the social cost of oversaturation of gambling advertising which may lead to an erosion of social licence.	+ This option provides moderate harm minimisation and consumer protection benefits. The economic benefit may be less than option 1 as restrictions may impact channelisation and tax collection. However, the social cost of oversaturation is reduced compared to Option 1 and the counterfactual.	+ Option 3 provides the strongest harm minimisation and consumer protection benefits. Prohibitions on higher-risk advertising is simpler for the regulator to enforce. The significant costs of this option are the opportunity costs from decreased tax revenue & operators being unable to use their preferred ad tools.
<b>Certainty</b> (15%)	0	+ As the Bill is silent on advertising restrictions, regulations provide market certainty.	+ As the Bill is silent on advertising restrictions, regulations provide market certainty.	++ As the Bill is silent on advertising restrictions, regulations provide market certainty. Prohibitions are very clear for operators and simple for the regulator to enforce.
<b>Flexibility &amp; Durability</b> (15%)	0	- Operators would only be permitted to use the forms of advertising listed in regulation, which would limit innovation.	- Operators would only be permitted to use the forms of advertising listed in regulation, which would limit innovation.	-- This option further restricts what advertising tactics operators can employ compared to Option 1 and Option 2, which further limits opportunities for innovation.
<b>Development risk &amp; cost</b> (25%)	0	+ While implementation risks exist they are acceptable compared to the counterfactual. Novelty risk is low, as the restrictions have been adopted from other jurisdictions.	- Affiliate registration would be administratively complex and costly for the regulator to implement.	- Affiliate registration would be administratively complex and costly for the regulator to implement.
<b>Overall assessment</b>	0	+ This option provides stronger protections while maintaining licence attractiveness and costs are low. This option is the simplest to implement in the time available and focusses on restricting or prohibiting the highest-risk elements of online gambling advertising.	0/+ Provides stronger protections to players and consumers but may be administratively complex and costly to implement. Some elements from this option could be considered during the review of the regulations in three years' time.	0 While this option provides the strongest protections to players and consumers, the costs do not outweigh the expected benefits, and this option is unlikely to be ready in time for market establishment.

**key for qualitative judgements:**

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

Table 3: Options analysis – prevention and minimisation of risk of gambling harm proposals

	Counterfactual	Option 1	Option 2	Option 3
<b>Effectiveness</b> (30%)	0	<div>+</div> Harm minimisation requirements are predominantly voluntary, meaning consumers can opt-out. As the proposals promote consumer choice they are unlikely to affect channelisation or tax collection as consumers can decide whether they implement tools.	<div>+</div> Mandatory requirements will mean more effective harm minimisation and consumers will have higher levels of protection. We anticipate that mandatory restrictions will negatively affect channelling and tax collection as some consumers or operators will be put off by mandatory requirements.	<div>+</div> This option provides the strongest protections and would be the most effective for harm minimisation. However, tougher restrictions will adversely impact licence attractiveness, channelisation and tax collection due to increased compliance costs. Some consumers will be put off by mandatory requirements that restrict consumer choice.
<b>Proportionality</b> (15%)	0	<div>+</div> Improved consumer protection and greater prevention and minimisation compared to the counterfactual. We anticipate proposals will be low-cost to implement and enforce as measures are predominately giving choices to consumers and tools are used by operators elsewhere.	<div>+</div> Option 2 presents stronger benefits (improved consumer protection & harm minimisation) than Option 1 and the counterfactual, however we anticipate that increased requirements would mean slightly higher compliance costs for operators.	<div>+</div> Option 3 presents the strongest benefits (improved consumer protection & harm minimisation) however we anticipate that increased requirements would mean higher compliance costs for operators.
<b>Certainty</b> (15%)	0	<div>+</div> As the Bill is silent on how operators should minimise risk of gambling harm & exclude problem gamblers, regulations provide market certainty.	<div>++</div> As the Bill is silent on how operators should minimise risk of gambling harm & exclude problem gamblers, regulations provide market certainty. Mandatory requirements mean that consumers are treated consistently across different operators.	<div>++</div> As the Bill is silent on how operators should minimise risk of gambling harm & exclude problem gamblers, regulations provide market certainty. This option is the most prescriptive which provides clear direction to operators and the regulator. Mandatory requirements mean that consumers are treated consistently across different operators.
<b>Flexibility &amp; Durability</b> (15%)	0	<div>++</div> Option 1 enables operators to develop their policies for identifying and assisting those at risk of experiencing harm and enables the Secretary to prescribe minimum requirements for what information operators must monitor and collect which enables quicker uptake as player monitoring tools become more sophisticated over time.	<div>-</div> One size fits all mandatory restrictions may not be flexible enough to work for all players, and setting \$ amounts for limits in regulation would mean those amounts are eroded by inflation over time.	<div>--</div> A centralised account system limits operator-led innovation and may become outdated or inefficient over the life of the system.
<b>Development risk &amp; cost</b> (25%)	0	<div>+</div> Better than the counterfactual, no novelty risk for offshore-based operators as these are similar requirements in other jurisdictions.	<div>-</div> A one-size-fits-all approach may not be flexible enough for an emerging market, and the industry may not be able to implement a centralised self-exclusion register before market opening.	<div>--</div> The costs associated with establishing a government-led centralised account system are unquantified and may be significant. It is unlikely this could be done in time for the launch of licensed operators. Cost or time overruns could undermine the integrity of the system.
<b>Overall assessment</b>	0	<div>+</div> An improvement on the counterfactual. A relatively simple but effective framework that enables consumer choice and places an onus on operators to effectively identify and assist those who are potentially experiencing gambling harm.	<div>0/+</div> This option provides stronger harm minimisation and prevention potential than option 1 but may not be implementable in time for market opening. This option provides a vision of how the regulations might evolve over time as the market matures.	<div>0</div> While this option provides the strongest protections it would have greater development and implementation risks in the short term and is unlikely to be completed in time for market opening in late 2026.



Table 4: Options analysis – consumer protection proposals

	Counterfactual	Option 1	Option 2	Option 3
<b>Effectiveness</b> (30%)	0	++ Option 1 promotes a safer and compliant market & limits opportunities for crime and dishonesty. Prohibiting the use of credit cards will significantly reduce the harms associated with gambling with borrowed funds. As proposals provide a degree of discretion to operators we do not think there will be any adverse impacts on licence attractiveness or channelisation.	+ Option 2 prioritises consumer protection and further limits opportunities for crime & dishonesty as it prohibits operators from accepting cryptocurrency as a payment method. As few operators and consumers use cryptocurrency as a payment method anyway, we anticipate no significant impacts on channelisation or licence attractiveness.	+ Option 3 provides the strongest consumer protection measures but the least discretion to operators. Strictly limiting allowable payment methods may have an adverse impact on channelling and licence attractiveness
<b>Proportionality</b> (15%)	0	++ Benefits are expected to outweigh costs, as we anticipate compliance costs will be low-medium (as requirements are consistent with AML/CFT obligations) and benefits are likely to be significantly better than the counterfactual.	+ Benefits are likely to outweigh costs.	- While option 3 provides the strongest consumer protection measures, the opportunity costs for operators will be high, as operators may be unduly limited from using their preferred identity verification tools and/or accepting preferred payment methods.
<b>Certainty</b> (15%)	0	+ As the Bill is silent on consumer protection restrictions, regulations provide market certainty. The requirements are clear and align with other relevant legislation.	+ As the Bill is silent on consumer protection restrictions, regulations provide market certainty. The requirements are clear and align with other relevant legislation.	++ As the Bill is silent on consumer protection restrictions, regulations provide market certainty. The requirements are clear and align with other relevant legislation and provide further specification on how operators must comply.
<b>Flexibility &amp; Durability</b> (15%)	0	++ Maximises operator discretion, allowing for the market to innovate.	+ Allows for a high degree of flexibility, however restrictions on cryptocurrency may limit operators and consumers from adopting this payment method in future.	-- Option 3 is prescriptive and limits which third party verification tools operators can use and prevents operators from accepting new payment methods that may emerge over time.
<b>Development risk &amp; cost</b> (25%)		+ Development risk and cost is low. Proposals are not novel as they align with AML/CFT requirements and have been implemented successfully in other jurisdictions.	+ Development risk and cost is low. Proposals are not novel as they align with AML/CFT requirements.	- Lack of certainty that a sufficient number of Trust framework providers will be available in late 2026 may create timeline risk, however this option does streamline requirements on the operator.
<b>Overall assessment</b>	0	++ A significant improvement on the status quo. The proposals are aligned with relevant legislation and are realistic in light of time and resource constraints.	+ An improvement on the status quo. The proposals are aligned with relevant legislation and are realistic in light of time and resource constraints.	- While Option 3 would provide strong protection to consumers, there are greater development and implementation risks in the short-term as this option is dependent on the development of a network of Trust Framework providers by late 2026.



**What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?**

67. Both option 1 and option 2 have emerged as strong options through options analysis, however Option 1 has emerged as the option that delivers the highest benefit compared to the counterfactual. Option 1 prioritises consumer choice and effectively channelling consumers from the existing unregulated market to the regulated market. Option 2 provides mandatory controls that consumers cannot opt-out of, some consumers and operators may be put off by these controls.
68. On balance, the Department considers that option 1 is the preferred option at this point in time. This is because the regulatory system is in the market establishment phase, where consumer and operator buy-in is crucial to ensuring the regulatory system is successful.

**Option 1 – Optimal for the market establishment phase**

69. Option 1 is expected to deliver a net positive benefit. This option is optimal for the market establishment phase. It is relatively simple to implement while limiting operators from engaging in practices that are highly likely to increase risk of gambling harm such as affiliate marketing or paying for online casino gambling with borrowed funds (credit contracts).
70. Compared to other options, option 1 promotes consumer choice, which promotes effective channelisation from the existing unregulated market to the new regulated market. We anticipate that option 1 will be more effective at protecting consumers and preventing and minimising harm compared to the counterfactual.
71. Compliance costs across the advertising, harm minimisation and consumer protection proposals are anticipated to be proportionate as the majority of the proposals are already imposed on operators in other jurisdictions. The key cost considerations officials have weighed in the options analysis are opportunity costs and social costs, e.g. the risk of oversaturation of gambling advertising.
72. In addition, option 1 has lower development and implementation risks and lower administrative costs compared to other options, as the proposals within option 1 have been successfully implemented in other jurisdictions that regulate online gambling. This would enable the regulations to be developed and gazetted in a shorter timeframe, which aligns with government priorities. Option 1 provides a foundation for the regulations which can be built on overtime as the online gambling market matures, and the Department improves its understanding of the market.

*Option 1, which has emerged as our preferred option, will promote consumer choice while providing targeted protections that restrict or prohibit practices likely to cause or exacerbate gambling harm*

73. In developing this option, we have sought to strike a balance between effectively preventing and minimising harm, and ensuring proposals are not so restrictive that they disincentivise operators and consumers from engaging with the regulated market. We have also sought to preserve and promote informed consumer choice.

74. Currently, consumers have a wide range of grey market providers that they may choose to gamble with. However, the harm minimisation measures offered to consumers (such as the ability to set limits on their gambling) and the information provided to consumers (e.g. transparent odds of winning) vary significantly between operators. Option 1 seeks to provide players with the autonomy to manage their gambling, while providing sufficient guardrails that restrict or prohibit practices likely to cause or encourage high-risk gambling behaviours.

75. As noted in this RIS, online casino gambling has high potential to cause or exacerbate gambling harm. Including a suite of harm minimisation measures in the regulation is more likely to effectively prevent and minimise harm. This enables a layered approach to the regulation (so that if harm minimisation tool A fails, tool B can seek to address harm in a different way) and promotes consumer choice to choose what tools they wish to use to manage their own gambling. There are several ways Option 1 employs a layered approach to regulation:

- The advertising restrictions seek to limit children from being exposed to online casino advertising by placing restrictions on advertising content; limiting where advertisements may be shown; and where reasonably practicable requiring operators to use targeted age-gating.
- Consumers are provided with multiple voluntary tools to manage their gambling as they see fit (setting limits on time, deposit and spend; setting the frequency of breaks in play and pop-up alerts; restricting their access to games based on that game's minimum or maximum stake limit).
- Regardless of whether consumers choose to use harm minimisation tools, operators will be required to monitor, identify and assist people who may be experiencing harm. This will capture consumers who opt-out of using the available voluntary tools.

76. Option 1 also includes measures designed to address and alleviate the disproportionate impacts of gambling harm on Māori, Pacific and Asian communities. These measures are:

- Requiring operators to work with gambling harm treatment service providers and researchers when developing and operationalising their harm minimisation policies. This would encourage licensed operators to develop policies that are informed by providers' community knowledge and experience.
- The Secretary will develop harm minimisation messaging for online gambling advertisements with input from New Zealand experts and stakeholders. This would support messaging that is culturally appropriate that effectively reaches a range of consumers and their whānau.
- Advertisements must not use cultural symbols, names or imagery likely to cause serious or widespread offense. This will mitigate the risk of operators misappropriating cultural icons, which can strongly appeal to these groups.
- Advertisements must not target people by playing on fear, their beliefs or their superstitions (e.g. use of beliefs in certain numbers being lucky or unlucky, and the use of red and gold colours which can be considered lucky in some cultures)
- Operators must provide information and services in languages commonly spoken in New Zealand and must communicate in a form, language and manner

that enables the consumer to understand the information provided. This will ensure that consumers who may not be fluent in English are still provided with sufficient information and support.

77. The Department consulted with stakeholders on a range of options, and Option 1 has been amended to reflect stakeholder feedback. The key amendments made in response to stakeholder feedback are:

- setting universal restrictions across forms of advertising instead of form-specific ones;
- prohibiting the use of affiliate marketing;
- requiring operators to sign up to a centralised exclusion register, if an appropriate one is developed;
- setting requirements for monitoring, identifying and responding to people who experience gambling harm;
- prohibiting the use of credit contracts (e.g. credit cards, buy now pay later) for online casino gambling, while allowing operators to choose to accept any other form of payment; and
- delegating more technical specifications on harm minimisation messaging to the Secretary, in consultation with the Minister of Internal Affairs.

#### **Option 2 and 3 – elements worthy of consideration as the market matures**

78. Option 2 provides universalised, mandatory protections for all players, regardless of whether players choose to use voluntary harm minimisation tools. Option 2 also includes more stringent volume and frequency restrictions on online gambling advertising. It presents greater development and implementation risks in the short term and it would be more complex to develop and gazette regulations, exacerbating timeframe risk. This is because option 2 includes novel proposals (such as registering affiliates) that may be complex to implement.

79. Option 2 provides an alternative way to protect consumers, if a review of the system found that voluntary harm minimisation measures weren't achieving desired objectives. The Department notes that Cabinet has previously agreed that the regulatory system will be reviewed within three years of establishment which provides for an opportunity to assess the effectiveness of the regulations and consider amendments. We note however that introducing mandatory limit-setting or breaks in play would come at a trade-off where consumer autonomy is reduced. Mandatory measures are also a blunt tool where it can be difficult to determine an appropriate restriction that suits a wide range of consumers.

80. Option 3 provides the strongest consumer protections and the greatest prevention and minimisation of harm; however, this would come at a substantial cost and would likely alienate some operators and consumers. There are elements within option 3 that could be considered as the market matures.<sup>15</sup> An example could be requiring operators to use accredited Digital Trust Framework Providers to verify an account holder's age and identity. Such a requirement would provide strong protection to consumers however is

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<sup>15</sup> An example of this could be the proposed requirement in option 3 that operators must use Trust Framework providers to reliably verify a consumer's identity.

unlikely to be viable by the regulatory system's go-live date in 2026 because there are currently no accredited providers under the Trust Framework. When the regulatory system is reviewed in three years, the Government could consider whether there are a sufficient number of Trust Framework providers to 'upgrade' the system to include this requirement.

**Is the Minister's preferred option in the Cabinet paper the same as the Department's preferred option in the RIS?**

81. Yes.

**What are the marginal costs and benefits of the preferred option in the Cabinet paper?**

Affected groups	Comment	Impact	Evidence Certainty
<b>Additional costs of the preferred option compared to taking no action</b>			
Regulated parties	<p>Licensed operators will incur two types of cost.</p> <p>The first type is direct costs associated with meeting requirements established in regulations. We estimate compliance costs will be medium as the measures in option 1 are already employed in other jurisdictions where operators may already be licensed.</p> <p>The second type is the fees and charges paid to recover the regulator's costs. These have been monetised.</p> <p>We have medium to high confidence in fees estimates as these figures are based on the cost ceilings outlined for cost recovery outlined in the Cabinet paper. However, true cost can only be established once regulations and ongoing obligations are finalised. The costs of fees/charges is for the full regulatory system, we cannot split out the fee cost of the regulations at this stage.</p>	<p>Compliance costs - medium</p> <p>Up to 5% of Gross Gambling Revenue (GGR) per annum for the regulatory system. Estimates for this in the Cabinet paper range from 9(2)(f)(iv)</p>	Medium to high
Regulator	<p>Ongoing costs associated with administering the regulations. Cabinet has established a \$20m contingency for the establishment and establishment of the regulator. We note that both the tagged contingency amount and ongoing costs of the regulator will be recovered from licensed operators.</p> <p>Ongoing costs have not been finalised, and we note that at this stage we cannot split the cost of</p>	<p>9(2)(f)(iv) for the regulatory system, plus an additional 9(2)(f)(iv) annually to repay the \$20m tagged contingency.</p>	Medium-High

	regulations out from the regulatory system as a whole.		
Industry regulatory bodies (e.g. Advertising Standards Authority)	As the Bill permits licensed operators to advertise, there will be substantially more advertising that is self-regulated via industry bodies, which may increase costs. However, we anticipate that because the regulator will also regulate online casino gambling advertising, costs would be lower than the counterfactual where the regulation of advertising falls entirely on industry regulatory bodies.	Low-medium	Low
Players/ consumers	No direct costs from the regulations. Some of the compliance costs for operators associated with the regulations may be passed on by operators. Some players experiencing harm will experience financial losses and social costs of gambling, but we anticipate costs of gambling harm will be lower than the counterfactual.	Low-medium	Low - medium
Gambling harm service providers	We are proposing that licensed operators must engage with providers when developing their harm minimisation policies, which will increase providers' resource requirements, though we anticipate lower costs than the counterfactual where there are no specific harm minimisation measures in place. These costs will be partially offset as under primary legislation, operators will be required to pay the Problem Gambling Levy which funds these providers.	Low - medium	Low
Wider public	The wider public will experience costs from gambling harm, although these are partially offset by the Problem Gambling Levy. The public may also experience social costs from oversaturation of gambling advertising if advertising increases.	Low	Low - medium
<b>Total monetised costs</b>		9(2)(f)(iv)	Medium to high
<b>Non-monetised costs</b>		Medium	Medium
<b>Additional benefits of the preferred option compared to taking no action</b>			
Regulated parties	The benefit is greater certainty of how to comply with obligations as set out in the Bill. There may also be greater use of their services that under the counterfactual as consumers are channelled away from unlicensed providers to the regulated market.	High	Medium - high
Regulator	Regulations enable effective regulation and clear requirements for both the regulator and regulated parties.	High	High



Industry regulated bodies (e.g. Advertising Standards Authority)	Regulations clarify the role of industry bodies going forward, and the regulator will pick up work that the industry regulated bodies are currently undertaking/would undertake in the counterfactual.	Medium	Medium
Players/consumers	Regulations provide stronger consumer protections and improved prevention and minimisation of gambling harm. Consumers will have greater confidence in the safety of a regulated market.	Medium - High	Medium
Gambling harm service providers	Increased confidence in the safety of the online casino market as well as less risk/cost of gambling harm compared to the counterfactual.	Medium	Medium
Wider public	Increased confidence in the online casino market, as well as less indirect risk/cost of gambling harm compared to the counterfactual.	Medium	Medium
<b>Total monetised benefits</b>		-	-
<b>Non-monetised benefits</b>		<i>High</i>	<i>Medium</i>

82. There are additional costs and benefits from regulating online gambling that were captured in earlier RISs that assessed options for the primary legislation. For example, regulation would mean additional data collected on online casino gambling that would enhance the Department's understanding of the market and/or player behaviour over time. These have not been counted in the table above, as they have been captured and discussed in previous RISs.

83. The Department has adopted a qualitative non-monetised approach as we have not been able to quantify all direct costs and benefits associated with the introduction of the regulations and distinguish them from the costs and benefits associated with the introduction of the primary legislation.

84. We have been able to identify the costs to the Department for establishing and regulating the system but we have not been able to quantify the compliance costs of the regulations alone at this stage.

85. The Department estimates that the annual cost incurred by the regulator in the market establishment phase would be between <sup>9(2)(f)(iv)</sup>, with an additional <sup>9(2)(f)(iv)</sup> per annum (subject to Memorandum account cashflow) required to contribute to the repayment of the \$20m tagged contingency funding. This would be fully cost recovered from licensed operators, so we have not 'double counted' this in the table above.

86. We are also unable to quantify the monetised benefits at this stage. Evidence indicates that there are economic and social benefits to introducing regulation on advertising, preventing and minimising harm and consumer protection. A 2023 report on the

economic contribution of Ontario's regulated online casino gambling market estimated that the total economic contribution in year 1 (April 2022 – April 2023) was \$1.58 billion CAD to Ontario's GDP.<sup>16</sup> However, this is not directly comparable to New Zealand, as Ontario's market is larger (45 operators across 76 gaming sites) and licensed operators would not be required to have New Zealand based operations. We also note that these costs are for Ontario's regulatory system as a whole, not just Ontario's equivalent regulations.

87. As noted in the table above, another benefit of the regulations which could be monetised in future is the reduction in the economic and social costs of gambling harm. Unpublished research from Central Queensland University estimates the monetised cost of gambling harm from overseas online electronic gaming machines (online slot games that simulate pokies) are now the single largest contributor to gambling problems and costs in New Zealand. Their central estimate places annual costs to New Zealand at \$1.58 billion, which indicates that there could be significant economic and social benefits when harm minimisation measures meaningfully reduce gambling harm.
88. We cannot reliably estimate the monetised benefits associated with Option 1 at this stage, but future evaluation of the system will be able to consider this. Despite this, we are of the view that the regulatory costs associated with the development and implementation of the regulations will be outweighed by the benefits provided to impacted parties.

## Section 3: Delivering an option

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### How will the proposal be implemented?

#### Roles and responsibilities

89. The Secretary has responsibility for regulatory stewardship and is also the regulator for the online gambling regulatory system. To enable the Secretary to achieve these functions, the Department has established an Online Gambling Implementation Team (OGI) to develop operational policies and processes and undertake stakeholder engagement on the implementation of the system, including the implementation of regulations.
90. OGI is a multi-disciplinary group established to build the new online gambling regulatory regime. It is responsible for the operational policy and design work, stakeholder engagement and development of technical systems to implement the new regulatory system. This involves the implementation of the legislation and supporting regulations, including the design and implementation of a regulatory operating model that covers licensing, monitoring and enforcement of the new regime.
91. Once the system is established, OGI will transfer day-to-day operations to the Regulatory Services branch within the Department. Day-to-day operations will be determined by primary and secondary legislative obligations and would include:
- Running the licensing process (expressions of interest; running the competitive process; licence applications, and renewals)

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<sup>16</sup> [iGaming Ontario Economic Contribution of Ontario's Regulated iGaming Market April 2023](#)

- Licensee management
- Issuing minimum technical standards and operational guidance
- Compliance management (e.g. enforcing the regulations)

92. We note that the Regulatory Services branch currently regulates land-based gambling under the Gambling Act 2003. While the online regime has differences to the land-based system, there are similarities between them where the regulator will benefit from existing expertise – for example, the Gambling Act 2003 also requires operators to offer customers the ability to self-exclude, and requires operators to initiate an operator-led exclusion where a person is identified as a problem gambler. Further detail on where the preferred option aligns with the approach taken under the Gambling Act 2003 is outlined in **Appendix 3**.

### Funding

93. Cabinet has agreed to a \$20m tagged contingency to fund the establishment and initial implementation costs of the system. This amount will be recovered from the industry and repaid by the 2033/34 FY.
94. Cabinet has also agreed that the ongoing costs of the system will be fully recovered from licensed operators. The cost recovery regulations are being progressed in tandem with the regulations discussed in this RIS. The intent is for these regulations to be drafted in 2025 and gazetted in early 2026.
95. To enable recovery of costs associated with the expressions of interest process we anticipate that the cost recovery regulations will come into effect at the same time they are gazetted, however the regulations outlined in this RIS would come into force 28 days after gazettal in line with the usual notice period.

### Timeframes

Milestone	Date
Cabinet agreement to policy decisions on the online casino gambling regulations (cost recovery, advertising, prevention and minimisation of harm, consumer protection and the cost recovery regulations)	24 November 2025
Cabinet approval of the draft regulations	Late May/Early June 2026
Gazettal of the regulations	Early June 2026
Regulations come into force	Early July 2026
Implementation phase commences	Early July 2026

96. OGI will undertake ongoing stakeholder engagement that will seek stakeholder feedback on operational requirements associated with the implementation process. OGI also intends to educate prospective stakeholders of what the licensed operators' regulatory obligations will be after the regulations are gazetted in early June 2026.

### Issues and risks

Issues and risks	Mitigation
The Select Committee may propose changes to the regulation-making powers currently in the Bill.	The Cabinet paper seeking approval of final policy decisions will be 'agreed in principle' and will include a recommendation allowing the Minister to change regulations in response to any changes made to the Bill by the House. Any necessary changes to the regulations would be agreed by Cabinet when the Minister seeks approval of the draft regulations in early 2026.
Drafted regulations cannot be considered by Cabinet LEG and agreed by Executive Council until the Bill has passed into law.	We are working to the assumption that the Bill will be passed in December 2025, however if the Bill does not pass in December 2025, we will seek Cabinet's approval of the draft regulations as soon as possible after Royal assent in early 2026.
Time and resource constraints associated with the establishment and delivery of the regulations could adversely impact regulatory outcomes.	This has been a significant consideration during the development and assessment of the options. Where limitations in the advice exist, these have been clearly identified. Our assessment of the options in this RIS has taken account of this risk.

97. As noted, OGI is standing up the regulatory functions required to establish the regulatory system. Work on the business processes, systems, operational policy and guidance required to implement the regulatory system will happen concurrently with the drafting of the regulations. This will ensure that stakeholders who are interested in applying for a licence have sufficient information to decide whether they wish to pursue a licence before the Secretary invites expressions of interest in 2026.

### How will the proposal be monitored, evaluated, and reviewed?

98. The Secretary has oversight of the monitoring, evaluation and review of the regulations. As part of the implementation of the overall regulatory system, OGI is developing monitoring and performance measures for the system that encompasses a benefits framework with key performance indicators. Work is underway to assess what information from operators would be required to assess performance against such indicators. Once completed, this work will monitor and evaluate the effectiveness of the regulator, and whether operators are complying with their regulatory requirements.
99. This work would inform whether performance of the overall regulatory system is working as intended. Other metrics, such as the number of people presenting to gambling harm treatment providers that cite online casino gambling as a mode of gambling harm; the number of self-exclusions and operator-led exclusions arising from online casino gambling; and the number of complaints being made to the Secretary could also be used to measure whether the system is effectively achieving its objectives.
100. In addition, Cabinet has previously directed that the online gambling regulatory system will be reviewed within three years of establishment. This review will include the regulations as part of its scope.



## Appendix 1: Glossary

Term	Description
Affiliates	Third party companies or individuals who advertise or promote on behalf of, or in collaboration with, the licensed operator, to recruit or direct customers to their products. Examples include tipsters, comparison sites and search engines.
AML/CFT	Refers to obligations or requirements under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.
Autoplay	A function in gambling (most commonly on slot machines in land-based gambling) that removes the need for the user to control the game and plays it automatically for the player. It allows a player to initiate a sequence of bets for a pre-set length and value.
Black market	Operators who are offering online gambling illegally to people in a particular country but are not authorised to do so. Generally, this is because they do not have a licence and/or are offering a prohibited type of gambling.
Brand	Refers to a single website, app or brand, operated by an online gambling operator. Many operators own multiple brands or platforms. It helps operators distinguish themselves from all the other websites, apps, and brands.
Breaks in play	A harm minimisation strategy aimed to disrupt dissociation which can result in loss of awareness of time and money spent.
Broadcast advertising	Covers live broadcasts (e.g. tv and radio), as well as on-demand broadcasts and streaming (e.g. podcasts, streaming platforms, cinemas).
Buy Now Pay Later (BNPL)	A form of credit contract where consumers can access goods or services upfront but pay for them later in a series of interest-free instalments. Consumers may be subject to penalties for late payments. BNPL is regulated under the Credit Contracts and Consumer Finance Act 2003.
Casino games	There are a range of types of online casino games, including slot games/pokies, poker, and roulette among others.
Class 1 and 2 gambling	Low-stake, low-risk gambling where the total prize pool is less than \$5,000 (e.g., raffles or prize competitions).
Class 3 gambling	Gambling (without an electronic gaming machine) where all the profits are allocated to an authorised purpose – generally used as fundraising by charities. Includes larger-scale lotteries and raffles, housie and instant games.
Class 4 gambling (pokies)	Any electronic gaming machines (pokies) operated outside a casino (i.e., pokies in pubs, clubs and TAB New Zealand venues).
Credit contract	A legal agreement which allows individuals to borrow money subject to interest changes, fees and/or a security interest. Examples include credit cards and Buy Now Pay Later schemes. These contracts are regulated by the Credit Contracts and Consumer Finance Act 2003.
Cryptocurrency ('crypto')	Cryptocurrency is a type of asset that only exists in digital form and can be managed, stored or transferred electronically. Cryptocurrency is decentralised by nature which means there is no control by a single entity and no restrictions on who can issue it.



	The decentralised nature of cryptocurrency makes it high risk from an AML/CFT perspective.
Digital product advertising	Advertisements in digital products (e.g. apps, video games, online games, programmes).
Direct marketing	Communications directed to a specific individual or group through any medium (e.g. SMS, email, push notification, phone call, mail).
Event advertising	Refers to in-person and virtual events that can be hosted or attended by licensed operators or affiliate (e.g. private launch party, booth at a gambling conference).
Exclusions	A harm minimisation tool which stops a player from accessing gambling venues or platforms. Exclusions can be voluntary (self-exclusion) or operator or venue-initiated
Gambling harm	Harm or distress of any kind caused by a persons' gambling and includes personal, social, and economic harm suffered by any person or society at large.
Gambling help service providers	Organisations that offer support through advice and treatment for harmful gambling.
Gaming machine profit	The amount paid into pokie machines, less total prizes paid out.
Gross gambling revenue (GGR)	A measure of how much people have lost through gambling and of an operator's profit. It is generally defined as the total amount of money bet/gambled minus the total amount of prizes.
Inducements	A reward or benefit that may be capable of persuading or encouraging a person to participate, or to participate frequently, in any gambling activity, including to open an account with an online casino operator.
Instant games	A form of gambling where prizes are allocated before, or simultaneously with, the sale of a ticket.
Interactive advertising	Use of advertisements which encourage or require interaction by the user (e.g. games in promotional emails, pop-ups that must be dismissed to resume content).
Limit setting	A function in gambling where players can set limits on spend, deposits and/or time, prior to gambling.
Loyalty and VIP programmes	Loyalty programmes (including Very Important Person (VIP)) allow clients to earn rewards based on their participation in gambling activities. Customers are generally assigned to tiers, where reaching a higher tier is based on higher spend. The higher the tier, the greater the rewards or benefits to the customer. Rewards can include bonuses, cash back, new games, gifts, or preferential service, with the intent of maintaining or increasing their customers spend.
Network progressive jackpots	Games which are linked across multiple websites where players all over the world contribute to the jackpot amount. The prize amount grows incrementally with every new bet placed. Progressive jackpot slots are typically high-volatility games, meaning that they pay out less frequently, but offer larger prizes. In some cases, these prizes are in excess of tens of millions of dollars.
One-stop shop	An online gambling platform that offers multiple types of gambling – at a minimum both sports and race betting and casino games.

Online casino gambling	Refers to gambling that meets both definitions of remote interactive gambling and offshore online gambling, but is specific to casino games, and excludes lotteries and sports and race wagering; and is the form of gambling captured by Inland Revenue's amendments to the Gaming Duties Act 1971. This currently is only legally provided by offshore providers. Domestic provision would require changes to the Act.
Online slot game	A form of gambling that simulates playing an electronic gaming machine.
Operator	Operator refers to the operating company of online gambling brands/websites/platforms. One operator may run multiple gambling brands and websites, sometimes under single parent companies.
Outdoor/out-of-home advertising	Refers to mediums traditionally in public places (e.g. billboards, digital displays, public transport, in-stadia).
Overseas online gambling	Refers to remote interactive gambling, accessed and participated in by someone in New Zealand but conducted by an operator outside New Zealand. This includes casino and non-casino products (such as sports and race wagering).
Platform	Refers to a single website, app or brand, operated by an online gambling operator. Many operators own multiple brands or platforms. It helps operators distinguish themselves from all the other websites, apps, and brands.
Pokies	Electronic Gaming Machines (EGMs), slot machines operating in pubs, clubs, TAB NZ venues and casinos.
Priority populations	Māori, Pacific peoples, communities living with high levels of deprivation, young people and people at risk of gambling harm or are currently experiencing gambling harm.
Problem gambler	A person whose gambling causes harm or may cause harm (see definition for gambling harm). This term is no longer used; however, it is still referred to in the Gambling Act 2003.
Problem gambling	Gambling that causes harm to the gambler, those connected to them or to communities, workplace or society at large.
Problem Gambling Levy (PGL)	The Problem Gambling Levy recovers the costs of gambling harm services in New Zealand, public health initiatives, gambling research, and the establishing and actioning of the Strategy to Prevent and Minimise Gambling Harm. Since the levy was introduced, the only sectors that have been required to pay have been domestic casino operators, gaming machine operators, the Lotteries Commission (Lotto NZ) and TAB NZ. The levy is collected by Inland Revenue.
Publish advertising	Material published in print (e.g. newspapers, pamphlets), and well as digital publications and websites (e.g. news websites, eBooks).
Remote interactive gambling	This is defined in the Gambling Act 2003 as gambling done by a person at a distance by interaction through a communication device.
Social media	Online platforms for users to connect, engage and share content.
Stakes	The prize money that can be won in a race by competitors (not to be confused with the amount a gambler can place as a bet).

Appendix 2: Outline of options considered in this RIS

Table 2: Online casino gambling advertising requirements – options outline			
	Option 1	Option 2	Option 3
Permissible target groups and audiences for advertisements and promotions	<ul style="list-style-type: none"><li>• Operators must not target advertisements at those under the age of 25, unless the operator can demonstrate that the advertisement can be precisely targeted at consumers over the age of 18.</li><li>• Operators are prohibited from advertising during or 30 minutes before or after a live broadcast of an event (such as a sports match or concert) that would appeal to, target or reasonably attracted viewership of children.</li><li>• Operators are prohibited from placing advertisements where more than 20% of the expected audience is under the age of 18.</li><li>• Operators must not place advertisements where those under the age of 18 are reasonably likely to be exposed to frequent online casino gambling advertising. Examples of advertising that would be reasonably likely to frequently expose those under the age of 18 to advertising include, but are not limited to:<ul style="list-style-type: none"><li>○ Outdoor advertisements within 300 metres of any location where under 18s regularly gather (e.g. education facility, sports field, skateparks) or are readable/decipherable from within those locations.</li><li>○ Transit advertising (e.g. on a bus or train).</li><li>○ Advertisements on the front page of a newspaper.</li></ul></li><li>• Wherever reasonably practicable, targeted age-gating must be utilised to ensure advertising is only shown to those over the age of 18. For example, on platforms where a user can register an account, such as on-demand TV, YouTube and TikTok, this would mean advertising may only be shown to a user who has logged into their account and is over the age of 18.</li><li>• Operators must exclude those who have self-excluded, or those identified by an operator as a problem gambler from receiving direct and loyalty programme advertising.</li></ul>	<ul style="list-style-type: none"><li>• Restriction on targeting those under 18.</li><li>• Prohibiting those who have self-excluded or are showing strong signs of harm (including those identified as problem gamblers) and people with inactive accounts (suspended, paused, closed) from receiving direct and loyalty programme advertising.</li><li>• Operators must ensure that advertisements are not placed where more than 15% of the expected audience is under the age of 18.</li></ul>	<ul style="list-style-type: none"><li>• Permitted intended audiences are those with active accounts and/or those who have opted-in to receive advertisements. All other groups are non-permissible.</li><li>• Operators must ensure that advertisements are not placed where more than 20% of the expected audience is under the age of 25.</li></ul>
Permitted advertising forms	<p>Only those forms listed in regulations are permitted. The forms permitted are:</p> <ul style="list-style-type: none"><li>• Broadcast – covers live broadcasts (e.g. TV and radio), live-streams and live-updates.</li><li>• On-demand – covers on-demand broadcasts and streaming (e.g. podcasts, streaming platforms, cinemas).</li><li>• Publish – material published in print (e.g. newspapers, pamphlets), and well as digital publications and websites (e.g. news websites, eBooks). This includes advertising on a website hosted or controlled by the operator e.g. a branded online casino gambling platform.</li><li>• Outdoor advertising – refers to mediums traditionally in public places (e.g. billboards, digital displays).</li><li>• Events – refers to in-person and virtual events that can be hosted or attended by operators or affiliate (e.g. private launch party, booth at a gambling conference).</li><li>• Direct marketing – communications directed to a specific individual or group through any medium (e.g. SMS, email, push notification, phone call, mail).</li></ul>	<p>Only those forms listed in regulations are permitted. The forms permitted are:</p> <ul style="list-style-type: none"><li>• Broadcast – covers live broadcasts (e.g. television and radio), live-streams and live-update and on-demand media and streaming.</li><li>• Publish – material published in print (e.g. newspapers, pamphlets), and well as digital publications and websites (e.g. news websites, eBooks).</li><li>• Outdoor advertising – refers to mediums traditionally in public places (e.g. billboards, digital displays, public transport, in-stadia).</li><li>• Events – refers to in-person and virtual events that can be hosted or attended by operators or affiliate (e.g. private launch party, booth at a gambling conference).</li><li>• Direct marketing – communications directed to a specific individual or group through any medium (e.g. SMS, email, push notification, phone call, mail).</li><li>• Social media – online platforms for users to connect, engage and share content.</li></ul>	<p>Only those forms listed in regulations are permitted. The forms permitted are:</p> <ul style="list-style-type: none"><li>• Broadcast – covers live broadcasts (e.g. television and radio), live-streams and live-update and on-demand media and streaming.</li><li>• Publish – material published in print (e.g. newspapers, pamphlets), and well as digital publications and websites (e.g. news websites, eBooks).</li><li>• Outdoor advertising – refers to mediums traditionally in public places (e.g. billboards, digital displays, public transport, in-stadia).</li><li>• Events – refers to in-person and virtual events that can be hosted or attended by operators or affiliate (e.g. private launch party, booth at a gambling conference).</li><li>• Direct marketing – communications directed to a specific individual or group through any medium (e.g. SMS, email, push notification, phone call, mail).</li><li>• Social media – online platforms for users to connect, engage and share content.</li></ul>

	<ul style="list-style-type: none"> <li>• Social media – online platforms for users to connect, engage and share content.</li> <li>• Search engine marketing – advertising undertaken to increase a website’s availability on search engines such as Google.</li> <li>• Digital product advertising – advertisements in digital products (e.g. apps, video games, online games, programmes). This includes digital products hosted or controlled by the operator.</li> <li>• Interactive advertising – use of advertisements which encourage or require interaction by the user (e.g. games in promotional emails, pop-ups that must be dismissed to resume content).</li> </ul>	<ul style="list-style-type: none"> <li>• Affiliate marketing – advertising undertaken by third party companies or individuals on behalf of, or in collaboration with, the operator, to recruit or direct customers to their products.</li> <li>• Digital product advertising – advertisements in digital products (e.g. apps, video games, online games, programmes).</li> <li>• Interactive advertising – use of advertisements which encourage or require interaction by the user (e.g. games in promotional emails, pop-ups that must be dismissed to resume content).</li> </ul>	<ul style="list-style-type: none"> <li>• Affiliate marketing – advertising undertaken by third party companies or individuals on behalf of, or in collaboration with, the operator, to recruit or direct customers to their products.</li> <li>• Digital product advertising – advertisements in digital products (e.g. apps, video games, online games, programmes).</li> <li>• Interactive advertising – use of advertisements which encourage or require interaction by the user (e.g. games in promotional emails, pop-ups that must be dismissed to resume content).</li> </ul>
Universal restrictions across all forms of advertising	<ul style="list-style-type: none"> <li>• Advertising must be easily identifiable and labels must be obvious, clear, prominent and upfront and must be separate from other disclosures, e.g. hashtags.</li> <li>• The use of a player’s name to customise an advertisement is prohibited.</li> <li>• Operators are prohibited from using player metrics to customise advertisements that promote increased speed or intensity of play.</li> </ul>	<ul style="list-style-type: none"> <li>• Take a form-specific approach to regulating online casino advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Take a form-specific approach to regulating advertising</li> </ul>
Restrictions on broadcast advertising	No specific restrictions	<ul style="list-style-type: none"> <li>• Limit of 5 broadcast advertisements no longer than 30 seconds each per 24-hour period per licensed platform, with a maximum of 1 advertisement per broadcast (TV show, movie etc.).</li> <li>• Gambling advertising must not be broadcast during, or 60 minutes prior to or after, any broadcast or programme outside of 6:00am to 9:30pm that would appeal to, target or reasonably attract viewership of children or young people (e.g. sporting events, Olympic Games, broadcasted concerts).</li> <li>• Gambling advertising must not be broadcast between 6:00 am and 9:30 pm.</li> <li>• For on-demand media more targeted age-gating must be utilised to prevent those under 18 from exposure and must not use personal information to customise the advertisement to the user.</li> </ul>	<ul style="list-style-type: none"> <li>• Limit of 3 broadcast advertisements no longer than 30 seconds each per 24-hour period per licensed platform, with a maximum of 1 advertisement per broadcast (TV show, movie etc.)</li> <li>• Gambling advertising must not be broadcast during, or 60 minutes prior to or after, any broadcast or programme outside of the above times that would appeal to, target or reasonably attract viewership of children or young people (e.g. sporting events, Olympic Games, broadcasted concerts).</li> <li>• Gambling advertising must not be broadcast between 6:00 am and 9:30 pm.</li> <li>• For on-demand media more targeted age-gating must be utilised to prevent those under 18 from exposure and must not use personal information to customise the advertisement to the user.</li> </ul>
Restrictions on outdoor/out-of-the-home advertising	No specific restrictions	<ul style="list-style-type: none"> <li>• Outdoor advertisements are permitted except within 300 metres of any location where under 18s regularly gather (e.g. education facility, place of worship, sports field, skateparks) or be readable/decipherable from within those locations.</li> <li>• Transit advertising (e.g. on a bus or train) is prohibited.</li> <li>• Outdoor advertising in areas of high deprivation is prohibited.</li> <li>• Outdoor advertisement displays cannot be greater than 15m<sup>2</sup></li> <li>• Advertising at cinemas, stadiums, indoor arenas, and recreational facilities is permitted if (1) the age of the audience has been verified, (2) that content is restricted to 18+, and (3) access to the content is controlled (e.g. R18 movie at the cinema).</li> </ul>	<ul style="list-style-type: none"> <li>• Outdoor advertisements are permitted except within 300 metres of any location where under 18s regularly gather (e.g. education facility, place of worship, sports field, skateparks) or be readable/decipherable from within those locations.</li> <li>• Transit advertising is prohibited.</li> <li>• Outdoor advertising in areas of high deprivation is prohibited.</li> <li>• Outdoor advertisement displays cannot be greater than 10m<sup>2</sup></li> <li>• Advertising in supermarkets, dairies, shopping malls, stadiums, indoor arenas, and recreational facilities is prohibited.</li> <li>• Outdoor advertising on digital media (e.g. digital billboards) is prohibited between the hours of 6am and 9:30pm and all other outdoor advertising is prohibited.</li> </ul>
Restrictions on event advertising	<ul style="list-style-type: none"> <li>• Advertising is permitted at any event where (1) attendees are all 18+ (2) access to the event is controlled, and (3) non-attendees are not exposed to any advertisement or advertising material.</li> <li>• Event advertising is permitted but may not incentivise attendance e.g. through gifts, prizes, payment in kind, or other incentives.</li> <li>• Event advertising must be overtly associated with the brand and may not be in conjunction with any other non-gambling activity or product.</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising is permitted at any event where (1) attendees are all 18+ (2) access to the event is controlled, and (3) non-attendees are not exposed to any advertisement or advertising material.</li> <li>• Event advertising must be overtly associated with the brand and may not be in conjunction with any other non-gambling activity or product.</li> <li>• Event advertising is permitted but may not incentivise attendance e.g. through gifts, prizes or other incentives.</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising is permitted for verified account holders only. Access to the event must be controlled, and non-attendees are not exposed to any advertisement or advertising material.</li> <li>• Event advertising must be overtly associated with the brand and may not be in conjunction with any other non-gambling activity or product.</li> <li>• Event advertising is permitted but may not incentivise attendance e.g. through gifts, prizes or other incentives.</li> </ul>

		<ul style="list-style-type: none"> <li>• Event advertising is limited to private venues.</li> </ul>	<ul style="list-style-type: none"> <li>• Event advertising is limited to private venues.</li> <li>• Advertising events are limited to 1 per month.</li> </ul>
Restrictions on published advertising	No specific restrictions	<ul style="list-style-type: none"> <li>• Advertising is prohibited in published content that may appeal to those under 18 (e.g. comic books).</li> <li>• Advertisements on digital published material may not obscure the published content.</li> <li>• Advertisements may not appear as a full-page advertisement in print or digital published material. Or on the front page where it may be widely visible to the general public.</li> <li>• Volume is limited to 2 advertisements per licensee per print item (e.g. per newspaper), and 2 advertisements per licensee per website page.</li> <li>• Large scale distribution of print content exclusively for advertising is prohibited (e.g. pamphlet drops, bill posters etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising is prohibited in published content that may appeal to those under 18 (e.g. comic books).</li> <li>• Advertisements on digital published material may not obscure the published content.</li> <li>• Advertisements may not appear as a full-page advertisement in print or digital published material. Or on the front page where it may be widely visible to the general public.</li> <li>• Volume is limited to 1 advertisement per licensee per print item (e.g. per newspaper), and 1 advertisement per licensee per website page.</li> <li>• Large scale distribution of print content exclusively for advertising is prohibited (e.g. pamphlet drops, bill posters etc.)</li> <li>• Advertisements may not cover greater than 25% of the content space (e.g. page in a newspaper, webpage)</li> </ul>
Restrictions on digital product advertising	No specific restrictions	<ul style="list-style-type: none"> <li>• Advertisements within third party apps and digital products are permitted but may not exceed 25% of the screen space.</li> <li>• Digital product advertising may not use personal information from the device to customise the advertisement.</li> <li>• Advertisements are permitted only on digital products intended for/targeted exclusively toward adults.</li> <li>• Advertisements are permitted within digital products but prohibited within all gaming digital products (mobile games, video games etc.).</li> </ul>	<ul style="list-style-type: none"> <li>• Advertisements within third party apps and digital products are permitted but may not exceed 25% of the screen space.</li> <li>• Digital product advertising may not use personal information from the device to customise the advertisement.</li> <li>• Advertisements are permitted only on digital products intended for/targeted exclusively toward adults.</li> <li>• Advertisements are permitted within digital products but prohibited within all gaming digital products (mobile games, video games etc.).</li> <li>• Advertisements are permitted within digital products that check users age are 18+ via age-gating, otherwise digital products without a check must implement a watershed on advertising of 0600 to 2130.</li> </ul>
Restrictions on interactive advertising	<ul style="list-style-type: none"> <li>• Interactive advertising is only permitted on a branded online casino platform hosted or controlled by the operator.</li> </ul>	<ul style="list-style-type: none"> <li>• Gamified and playable ads – i.e. practice casino games or demos are prohibited.</li> <li>• Other types of interactive advertisements are permitted but must not interrupt/prevent access to other activity or content (e.g. watching a video, opening a webpage) and not require the user to interact with the advertisement to return to their activity or access content.</li> <li>• Interactive advertisements abide by other restrictions (e.g. volume, frequency, timing, placement) of the form (e.g. social media, digital products, published) they are located in.</li> <li>• Interactive advertisements must not include any incentive/inducement/bonus to engage with the advertisement.</li> </ul>	<ul style="list-style-type: none"> <li>• Gamified ads and playable ads – i.e. practice casino games or demos are prohibited.</li> <li>• Other types of interactive advertisements are permitted but must not interrupt/prevent access to other activity or content (e.g. watching a video, opening a webpage) and not require the user to interact with the advertisement to return to their activity or access content.</li> <li>• Interactive advertisements abide by other restrictions (e.g. volume, frequency, timing, placement) of the form (e.g. social media, digital products, published) they are located in.</li> <li>• Interactive advertisements must not include any incentive/inducement/bonus to engage with the advertisement.</li> </ul>
Restrictions on direct marketing	<ul style="list-style-type: none"> <li>• Licensees must provide customers with options to opt-in to direct marketing on a per product-type and per channel basis. Customers must be able to select the number, frequency and type of notifications alongside channel usage (e.g. push notifications)</li> <li>• The options must cover all product-types and channels provided by the licensee and be set to opt-out by default. These options must be offered as part of the registration process and be updateable should customers change their preference.</li> <li>• No direct marketing to customers who are yet to make a positive decision to return to gambling after their self-exclusion has expired.</li> <li>• Direct marketing advertisements may only be sent to accountholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Licensees must provide customers with options to opt-in to direct marketing on a per product-type and per channel basis. The options must cover all product-types and channels provided by the licensee and be set to opt-out by default. These options must be offered as part of the registration process and be updateable should customers change their preference.</li> <li>• No direct marketing to customers who are yet to make a positive decision to return to gambling after their self-exclusion has expired.</li> <li>• No push notifications.</li> <li>• Direct marketing advertisements may only be sent to verified accountholders.</li> <li>• Customers with no gambling activity (including deposits) on their accounts for 90 days are unsubscribed to direct marketing. Two reminders to customers prior to 90 days are permitted but may not incentivise (e.g. bonuses or inducements) gambling consumption or</li> </ul>	<ul style="list-style-type: none"> <li>• Licensees must provide customers with options to opt-in to direct marketing on a per product-type and per channel basis. The options must cover all product-types and channels provided by the licensee and be set to opt-out by default. These options must be offered as part of the registration process and be updateable should customers change their preference.</li> <li>• No direct marketing to customers who are yet to make a positive decision to return to gambling after their self-exclusion has expired.</li> <li>• No push notifications.</li> <li>• Direct marketing advertisements may only be sent to verified accountholders.</li> <li>• Customers are opted out of direct marketing after 50 days without gambling activity or depositing funds. Two reminders are permitted but may not incentivise (e.g. bonuses or inducements) gambling consumption or opting back into direct marketing within those</li> </ul>



		<p>opting back into direct marketing within those reminders. Customers can login to reactivate their own direct marketing preferences if they chose after the 90 days.</p> <ul style="list-style-type: none"> <li>• Direct marketing advertisements are limited to 5 per week across all channels per customer.</li> <li>• Direct marketing advertisements may not be sent between midnight and 0600.</li> </ul>	<p>reminders. Customers can login to reactivate their own direct marketing preferences if they chose after the 90 days.</p> <ul style="list-style-type: none"> <li>• Direct marketing advertisements are limited to 3 per week across all channels per customer.</li> <li>• Direct marketing advertisements may not be sent between midnight and 0600.</li> </ul>
Restrictions on advertising loyalty and VIP programmes	<ul style="list-style-type: none"> <li>• Operators must exclude those who have self-excluded, or those identified by an operator as a problem gambler from receiving loyalty programme advertising.</li> </ul>	<ul style="list-style-type: none"> <li>• Operators may advertise loyalty programmes but must not incentivise membership, or advertise any monetary/financial benefits or rewards of membership (e.g. credits, bonuses, gifts etc.)</li> <li>• Loyalty programme advertisements are limited to direct advertising only and must abide by rules of this form.</li> </ul>	<ul style="list-style-type: none"> <li>• Operators are prohibited from advertising loyalty and VIP programmes.</li> </ul>
Restrictions on social media advertising	<ul style="list-style-type: none"> <li>• No specific restrictions</li> </ul>	<ul style="list-style-type: none"> <li>• Social media users are only able to see online casino gambling ads if logged into the social media platform and ads must be targeted at users aged 25+</li> <li>• Advertising is easily identifiable, labels must be obvious, clear and prominent and upfront. They must be separate from other disclosures.</li> <li>• Licenced operators must use only their named page/profile and a limit of 3 sponsored/paid advertisements at any given time and a limit of 8 non-sponsored posts per day applies.</li> <li>• Social media advertising may not use personal information from the platform to customise the advertisement.</li> <li>• Paid-for advertising is permitted (enables a clear targeting of relevant demographics. Reach depends on the amount paid to the social media platform). However, organic marketing which utilises content marketing (where the ad does not have clear relationship with the brand/product advertised) is prohibited unless the content/event/information relates to online casino gambling.</li> </ul>	<ul style="list-style-type: none"> <li>• A person may only opt-in to receive advertisements by subscribing to/following the licensee on a specific social media platform.</li> <li>• Advertising is easily identifiable, labels must be obvious, clear and prominent and upfront. They must be separate from other disclosures.</li> <li>• Limit of 5 non-sponsored posts per day to licensee's named profile.</li> <li>• Social media advertising may not use personal information from the platform to customise the advertisement.</li> <li>• Paid- for advertising aimed at those not subscribed/following are prohibited. Content marketing posted by the licensee is only permitted for events/content/information which relates to online casino gambling and is limited to their named page/profile.</li> </ul>
Advertising of bonuses and inducements <sup>17</sup>	<ul style="list-style-type: none"> <li>• Permitted bonus or incentives cannot offer a benefit marketed as 'free' unless it actually is free.</li> <li>• Bonuses and inducements can only be offered via direct marketing or on the operator's platform.</li> <li>• Players must be provided an opt-in process whereby they actively consent to receiving any direct marketing of inducements, bonuses and credits, and must be provided a method to withdraw their consent at any time.</li> </ul>	<ul style="list-style-type: none"> <li>• Permitted bonus or incentives cannot offer a benefit marketed as 'free' unless it actually is free or be described as risk-free or 'safer'.</li> <li>• Players must be provided an opt-in process whereby they actively consent to receiving any direct marketing of inducements, bonuses and credits, and must be provided a method to withdraw their consent at any time, where such marketing and advertising materials are available.</li> <li>• Advertisements for bonuses and inducements are permitted on the operator platforms and via direct marketing, unless the customer has opted out. No advertisements must be shown between midnight and 6:00am.</li> </ul>	<ul style="list-style-type: none"> <li>• Permitted bonus or incentives cannot offer a benefit marketed as 'free' unless it actually is free or be described as risk-free or 'safer'.</li> <li>• Players must be provided an opt-in process whereby they actively consent to receiving any direct marketing of inducements, bonuses and credits, and must be provided a method to withdraw their consent at any time, where such marketing and advertising materials are available.</li> <li>• Advertisements for bonuses and inducements are only permitted on the operator platforms. No advertisements must be shown between midnight and 7:00am.</li> <li>•</li> </ul>
Use of affiliates (e.g. tipsters, comparison sites)	<ul style="list-style-type: none"> <li>• Prohibit the use of affiliates.</li> </ul>	<ul style="list-style-type: none"> <li>• Affiliates must register with regulator (no approval required) and abide by the same regulations as the licensee. Licensed online casinos must only utilise registered affiliates and are responsible for affiliate's activities.</li> <li>• Affiliates must appropriately age-gate and geo-gate any content promoting online casino gambling.</li> <li>• Ban on variable-based remuneration arrangements, e.g. paid-per-customer, revenue-share, deposit, or stake-based remuneration (including loss-based or loss-leader programmes).</li> <li>• Clear labelling that affiliates links are paid advertisements by licensed operator.</li> </ul>	<ul style="list-style-type: none"> <li>• Affiliates must register with regulator (no approval required) and abide by the same regulations as the licensee. Registration can be revoked for affiliates that breach rules. Licensees must only use registered affiliates and are responsible for affiliates' activities.</li> <li>• Affiliates must appropriately age-gate and geo-gate any content promoting online casino gambling.</li> <li>• Ban on variable-based remuneration arrangements, e.g. paid-per-customer, revenue-share, deposit, or stake-based remuneration (including loss-based or loss-leader programmes).</li> <li>• Clear labelling that affiliates links are paid advertisements by licensed operator.</li> </ul>

<sup>17</sup> Options for restricting the use of bonuses and inducements are included in Table 3 'Online casino gambling harm prevent and minimisation requirements – options outline'

		<ul style="list-style-type: none"> <li>• Affiliates may not be used for the advertising or promotion of high-risk casino games (e.g. online slot games).</li> </ul>	<ul style="list-style-type: none"> <li>• Affiliates may not be used for the advertising or promotion of high-risk casino games (e.g. slot machines).</li> </ul>
Use of all other third parties (e.g. marketing firms, ad exchanges)	<ul style="list-style-type: none"> <li>• Licence holders are liable for the actions any third party involved in any advertising practices on behalf of the licence holder.</li> <li>• Third parties must abide by the same regulations for advertising as the licence holder.</li> </ul>	<ul style="list-style-type: none"> <li>• Licence holders are liable for the actions any third party undertakes for purposes of advertising on behalf of the licence holder.</li> <li>• Third parties must abide by the same regulations for advertising as the licence holder, e.g. volume limits.</li> </ul>	<ul style="list-style-type: none"> <li>• Licence holders are liable for the actions any third party undertakes for purposes of advertising on behalf of the licence holder.</li> <li>• Third parties must abide by the same regulations for advertising as the licence holder, e.g. volume limits.</li> </ul>
Content restrictions	<ul style="list-style-type: none"> <li>• Content must not target or reasonably appeal to those under the age of 18.</li> <li>• Advertisements must not cause, condone, or encourage extended, continuous, excessive and impulsive play.</li> <li>• Advertisements must be truthful and shall not mislead players or misrepresent products.</li> <li>• Advertisements must not include the expressions “Win” or “\$”, unless these expressions specifically relate to a prize that has been determined or is payable, or to an estimate of a prize which can be won.</li> <li>• Advertisements must not include images or sounds suggestive of: <ul style="list-style-type: none"> <li>○ coins being inserted or dispensed from a gaming machine;</li> <li>○ banknotes being inserted into or dispensed from a gaming machine or automated table game equipment;</li> <li>○ tickets being printed or dispensed from a gaming machine or automated table game equipment;</li> <li>○ poker chips; or</li> <li>○ Electronic Gaming Machine (slots) or jackpot winnings</li> </ul> </li> <li>• Advertisements must not people by playing on fear, their beliefs or their superstitions (e.g. use of beliefs in certain numbers being lucky or unlucky, and the use of red and gold colours)</li> <li>• Advertisements must not use cultural symbols, names or imagery likely to cause serious or widespread offense (e.g. poppies associated with ANZAC remembrance, Lunar New Year)</li> </ul> <p>Examples of content that would be restricted under these requirements is outlined at <b>Appendix 3</b>.</p>	<p>Introduce content restrictions which prohibit or restrict content that:</p> <ul style="list-style-type: none"> <li>• Targets or appeals to children and young people</li> <li>• Portrays gambling as a means of improving a player’s financial position or social status</li> <li>• Misleads players or misrepresents products</li> <li>• Promotes harmful gambling behaviours</li> <li>• Uses certain cultural icons, symbols, images or sounds</li> </ul> <p>Advertisements must not depict higher risk product types (e.g. slot machines).</p>	<p>Introduce content restrictions which prohibit or restrict content that:</p> <ul style="list-style-type: none"> <li>• Targets or appeals to children and young people</li> <li>• Portrays gambling as a means of improving a player’s financial position or social status</li> <li>• Misleads players or misrepresents products</li> <li>• Promotes harmful gambling behaviours</li> <li>• Uses certain cultural icons, symbols, images or sounds</li> </ul> <p>Advertisements must not depict higher risk product types (e.g. slot machines).</p>
Restrictions on advertising jackpot prizes	Ban advertising of jackpot prizes for online slot games	Ban advertising of jackpot prizes for online slot games	Ban advertising of jackpot prizes for online slot games
Restrictions on paid endorsements	Prohibit paid endorsements	Prohibit paid endorsements	Prohibit paid endorsements
Restrictions on sponsorship	Prohibit sponsorships	Prohibit sponsorships	Prohibit sponsorships

**Table 3: Online casino gambling harm prevention and minimisation requirements – options outline**

	Option 1	Option 2	Option 3
Limit setting	<ul style="list-style-type: none"> <li>Per-site limit setting, with the ability to opt-out</li> <li>Require operators to offer players the ability to set limits for daily, weekly and monthly timeframes.</li> <li>Require a 24-hour cool-off period to prevent players from immediately increasing their limits.</li> </ul>	Mandatory, hard per-site limits for all players (e.g. maximum limits for all players restrictions to hours of operations or maximum account balances)	Required limit setting for all players across multiple gambling operators (centralised account registration system)
Exclusions (self or operator led)	<ul style="list-style-type: none"> <li>Take an operator-level approach. Operators are required to offer self-exclusion or a per-platform or per-operator basis and must exclude people they identify as problem gamblers.</li> <li>The process for self-exclusion must be easily identifiable and accessible to players and must be as frictionless as possible.</li> <li>Where a player initiates a self-exclusion, the operator must immediately exclude the player without undue delay.</li> <li>Where an operator identifies a person is a problem gambler, they must exclude the player from all branded online casino platforms controlled by the operator without undue delay.</li> <li>Where a player is excluded (either self-exclusion or operator-led exclusion) the operator must cease all communication with the player. This includes initiating communication with a player who is yet to make a positive decision to return to gambling after their self-exclusion period ends.</li> <li>Require operators to sign up to a centralised exclusion register, if an acceptable one is developed.</li> </ul>	Take a centralised approach. Require the industry to set up an industry-led national self-exclusion register AND per-operator exclusions with operators required to exclude people they identify as being problem gamblers.	Take a centralised approach. Create a government-led national self-exclusion register AND per-operator exclusions with operators required to exclude people they identify as being problem gamblers.
Restrictions on loyalty and VIP programmes	<ul style="list-style-type: none"> <li>Permit loyalty programmes but exclude players who have been identified as problem gamblers from participating in them.</li> </ul>	Permit with restrictions: <ul style="list-style-type: none"> <li>Require affordability checks on customers before they can join a loyalty or VIP programmes</li> <li>Prohibit players who are showing strong signs of harm from joining or participating in such programmes</li> </ul>	Prohibit operators from offering loyalty and VIP programmes.
Restrictions on use of bonuses and inducements	Permit with the following restrictions (note additional restrictions for advertising): <ul style="list-style-type: none"> <li>Inducements are not permitted to be used to disincentivise an existing customer closing their account or incentivise an individual to reopen their account;</li> <li>Customers should be able to withdraw their winnings after their first win. No requirement to reinvest;</li> <li>Licensed operators are responsible for informing players about the terms and play-through conditions and limitations of betting inducements in a language that is easy to understand. For example, by giving players examples of how much money they need to spend before they can claim any winnings from an inducement;</li> <li>It must be clear when players are spending “bonus” money or their own money that they have deposited;</li> <li>Customers will have up to 60 days to fulfil the terms for a bonus payout or sales promotion;</li> <li>Bonuses and inducements cannot exceed a value of \$100 for conditions unrelated to gambling (e.g. creating an account);</li> <li>Bonuses and inducements cannot exceed a value of \$100 for promotions with conditions related to gambling (e.g. placing a bet, making a deposit);</li> </ul>	Permit with the following restrictions (note additional restrictions for advertising): <ul style="list-style-type: none"> <li>Advertising of bonuses and inducements may only be offered via direct marketing or on the operator’s platform;</li> <li>Bonuses and inducements may be offered to new and existing customers, but they must not be offered to customers that have self-excluded, and customers showing strong signs of harm, including those identified as problem gamblers (as per the operator’s problem gambler identification policy);</li> <li>Inducements are not permitted to be used to disincentivise an existing customer closing their account or incentivise an individual to reopen their account;</li> <li>Customers should be able to withdraw their winnings after their first win. No requirement to reinvest;</li> <li>Require gambling operators to be responsible for informing players about the terms and play-through conditions and limitations of betting inducements in a language that is easy to understand. For example, by giving players examples of how much money they need to spend before they can claim any winnings from an inducement.</li> <li>Make it clear when players are spending “bonus” money or their own money that they have deposited.</li> <li>Permitted bonus or incentives cannot offer a benefit marketed as ‘free’. Not be described as risk-free or ‘safer’.</li> </ul>	Permit with the following restrictions (note additional restrictions for advertising): <ul style="list-style-type: none"> <li>Advertising of bonuses and inducements may only be offered via direct marketing or on the operator’s platform;</li> <li>Bonuses and inducements may be offered to new and existing customers, but they must not be offered to customers that have self-excluded, and customers showing strong signs of harm, including those identified as problem gamblers (as per the operator’s problem gambler identification policy);</li> <li>Inducements are not permitted to be used to disincentivise an existing customer closing their account or incentivise an individual to reopen their account;</li> <li>Customers should be able to withdraw their winnings after their first win. No requirement to reinvest;</li> <li>Require gambling operators to be responsible for informing players about the terms and play-through conditions and limitations of betting inducements in a language that is easy to understand. For example, by giving players examples of how much money they need to spend before they can claim any winnings from an inducement.</li> <li>Make it clear when players are spending “bonus” money or their own money that they have deposited.</li> <li>Permitted bonus or incentives cannot offer a benefit marketed as ‘free’. Not to be described as risk-free or ‘safer’.</li> </ul>

	<ul style="list-style-type: none"> <li>• Bonuses and inducements cannot exceed 200% of the value of the original deposit/bet for promotions with conditions related to gambling (e.g. placing a bet, making a deposit); and</li> <li>• Bonuses and inducements should not be used to deter people from initiating self-exclusions, or when customers are trying to withdraw winnings.</li> </ul>	<ul style="list-style-type: none"> <li>• Customers should have up to 60 days to fulfil the terms for a bonus payout or sales promotion.</li> <li>• Customers may only receive or collect 1 direct bonus or inducement offer per month for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).</li> <li>• Bonuses and inducements cannot exceed a value of \$100 for conditions unrelated to gambling (e.g. creating an account).</li> <li>• Bonuses and inducements cannot exceed a value of \$100 for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).</li> <li>• Customers may only receive a total value of \$100 per month in bonuses and inducements.</li> <li>• Bonuses and inducements cannot exceed 100% of the value of the original deposit/bet for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).</li> </ul>	<ul style="list-style-type: none"> <li>• Customers should have up to 60 days to fulfil the terms for a bonus payout or sales promotion.</li> <li>• Permits the use of a single bonus the first time a user plays a game but prohibits any other bonus. (similar to Sweden)</li> <li>• Bonuses and inducements cannot exceed a value of \$100 for conditions unrelated to gambling (e.g. creating an account).</li> <li>• Bonuses and inducements cannot exceed a value of \$100 for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).</li> <li>• Customers may only receive a total value of \$100 per month in bonuses and inducements.</li> <li>• Customers may only receive \$250 per year in bonuses and inducements.</li> <li>• Bonuses and inducements are permitted but cannot exceed 100% of the value of the original deposit/bet for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).</li> </ul>
Breaks in play (pop ups)	<ul style="list-style-type: none"> <li>• Operators must offer players the ability to set voluntary breaks in play and voluntary pop-up alerts.</li> <li>• Players must have the ability to opt out.</li> <li>• Players must be able to set the frequency of pop-up alert reminders.</li> <li>• Pop up alerts after an hour of play should be the default option presented to players.</li> <li>• Operators must offer a range of time intervals.</li> <li>• Gameplay must be paused/suspended until acknowledged by the player.</li> <li>• The pop up alert can be presented at the end of a game, or for multi-state games such as blackjack at the end of a round, but a player cannot be permitted to commit further funds to a new game until they have acknowledged the pop up alert.</li> <li>• At a minimum, the pop up alert must display the accountholder's session time, and the amount of winnings and losses incurred during the session.</li> <li>• The pop up alert must provide the option to exit the session or log out.</li> </ul>	Mandatory breaks in play, with pop-up alert messages, to provide limits to players after long gambling sessions.	Mandatory breaks in play, with pop-up alert messages, to provide limits to players after long gambling sessions.
Harm minimisation messaging in advertisements	<ul style="list-style-type: none"> <li>• Operators must include consistent and specific harm minimisation messaging on advertisements;</li> <li>• Messages must include clear information about the age limits for online gambling, and require a standard call to action, for example: For free 24/7 support call 0800 654 655, text 8006 or visit <a href="https://safergambling.org.nz">safergambling.org.nz</a>;</li> <li>• Messages should be easy to read/hear, clearly visible, informative, have an appropriate tone and reflect actual harms;</li> <li>• Detail on the placement and content of messages will be specified by the Secretary;</li> <li>• Harm minimisation messaging will be available in languages commonly spoken in New Zealand; and</li> <li>• Messages must remain on tv/video ads for at least 10% of the advertisement's length.</li> </ul>	Requirement to include consistent and specific harm minimisation messaging on advertisements.	Requirement to include consistent and specific harm minimisation messaging on advertisements.



Identification and assistance to problem gamblers	<ul style="list-style-type: none"> <li>• Require operators to implement a policy to identify and assist people experiencing gambling harm.</li> <li>• Enable the Secretary to specify minimum requirements for the information operators must collect to continuously monitor, identify and assist problem gamblers.</li> <li>• Require operators to work with harm minimisation organisations and researchers to develop and operationalise harm minimisation policies and procedures.</li> <li>• Require operators to have and put into effect policies and procedures that ensure staff are equipped to understand, identify and assist problem gamblers.</li> <li>• The operator must encourage use of safer gambling and exclusion tools available.</li> <li>• The operator must signpost the customer to support services.</li> <li>• The operator must communicate with the customer with a clear outline of the concerning behaviours.</li> </ul>	[no detail – developed after stakeholder consultation]	[no detail – developed after stakeholder consultation]
Stake limits	Players are able to limit their own access to what games they are able to play, based on the stake (minimum and maximum) of those games.	Different stake limits for those aged 18-24 and 25+. A limit of \$2.50 for those aged 18-24 and \$5.00 for those aged 25+.	Stake limit of \$2.50 for a single play/game cycle/spin.
Network progressive jackpots	Network progressive jackpots would be permitted, but only on platforms that hold a New Zealand online casino gambling license.	Network progressive jackpots would be prohibited.	Network progressive jackpots would be prohibited.
Online slot game prize limits (including linked jackpot prize limits)	No limits specified in regulations.	<ul style="list-style-type: none"> <li>• Maximum prize for a single play of an online slot game does not exceed \$10,000.</li> <li>• Maximum jackpot prize of a linked online slot game does not exceed \$100,000.</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum prize for a single play of an online slot game does not exceed \$500.</li> <li>• Maximum jackpot prize for a single play of a linked online slot games does not exceed \$1000.</li> </ul>
Limits on the number of games that can be played simultaneously	No more than one online slot game played simultaneously per player.	<ul style="list-style-type: none"> <li>• No more than one online slot game played simultaneously per player.</li> <li>• No more than four casino table games played simultaneously per player.</li> </ul>	<ul style="list-style-type: none"> <li>• No more than one online slot game played simultaneously per player.</li> <li>• No more than four casino table games played simultaneously per player.</li> </ul>
Regulating harmful game and product features	<ul style="list-style-type: none"> <li>• Ban the use of autoplay</li> <li>• Game designs and user interface features should be designed to prevent extended, continuous and impulsive play and facilitate low risk play behaviour, with further specifications provided for in the minimum technical standards delegated to the Secretary.</li> </ul>	Ban the use of autoplay	Ban the use of autoplay

Table 4: Online casino gambling consumer protection requirements: options outline			
	Option 1	Option 2	Option 3
Data protection	No requirements (rely on Privacy Act 2020)	No requirements (rely on Privacy Act 2020)	No requirements (rely on Privacy Act 2020)
Record keeping	<ul style="list-style-type: none"> <li>All customer account information must be kept for a period of seven years after the business relationship with the customer has ended. A business relationship will be considered 'ended' when: <ul style="list-style-type: none"> <li>A player has closed their account;</li> <li>A player has self-excluded, or an operator-led exclusion has occurred; and/or</li> <li>A player has not interacted with the operator and/or accessed their account in over 12 months (at this point, the account would be considered dormant and funds would be returned to the player)</li> </ul> </li> <li>If a player reopens their account, returns after being excluded, or interacts with their account after more than 12 months of no activity, the business relationship should be considered to be resumed and the seven-year limitation period resets.</li> </ul>	Records of identification and verification of customers must be kept for a period of seven years after the business relationship with the customer has ended	Records of identification and verification of customers must be kept for a period of seven years after the business relationship with the customer has ended
Identity verification	<p>An acceptable identity verification system must verify a prospective consumer's:</p> <ul style="list-style-type: none"> <li>Full name;</li> <li>Date of birth; and,</li> <li>Self-exclusion status.</li> </ul> <ul style="list-style-type: none"> <li>Operators must obtain and verify information to establish the identity of a consumer before that consumer is permitted to make a deposit. In practice, this would be at the account creation stage.</li> <li>Operators must verify that the player using the account is the account holder.</li> </ul>	<p>An acceptable identity verification system must verify a prospective consumer's:</p> <ul style="list-style-type: none"> <li>Full name;</li> <li>Date of birth;</li> <li>Address; and</li> <li>Self-exclusion status.</li> </ul>	<p>An acceptable identity verification system must verify a prospective consumer's:</p> <ul style="list-style-type: none"> <li>Full name;</li> <li>Date of birth;</li> <li>Address; and</li> <li>Self-exclusion status.</li> </ul> <p>Require licensed operators to verify this information through using a provider that has been accredited under the Digital Identity Services Trust Framework.</p>
Financial restrictions (allowable payment methods)	<ul style="list-style-type: none"> <li>Prohibit the use of credit contracts (e.g. credit cards, buy now pay later facilities) to pay for online gambling;</li> <li>Allow operators to accept any other form of payment they choose to accept (e.g. cryptocurrency)</li> <li>Require players to register a deposit method at the account creation stage, after their age and identity has been verified</li> <li>Only allow players to register one deposit method at a time per account per platform.</li> </ul>	<p>Specify permitted forms of payment as:</p> <ul style="list-style-type: none"> <li>Bank deposits;</li> <li>Debit cards; and</li> <li>Credit contracts (Credit cards and buy now pay later schemes)</li> </ul>	<p>Specify that the only permitted forms of payment are:</p> <ul style="list-style-type: none"> <li>Debit Cards; and</li> <li>Credit contracts (Credit cards and buy now pay later schemes).</li> </ul>
Processes for managing player accounts and withdrawing winnings	<ul style="list-style-type: none"> <li>Players shall only be able to hold one account per platform.</li> <li>Games shall remove and add credits accurately and according to game rules, and credit a player's account completely and immediately on winning.</li> <li>Immediately on wagering a bet, the credits in the player's account will be decreased by the bet amount.</li> <li>If the outcome of a game is a win, the credits of a player will be immediately increased by the amount the rules of the game determine.</li> <li>Player funds will be protected, and available for withdrawal on request.</li> <li>Players shall not be able to reverse pending withdrawals once a withdrawal request has been made;</li> </ul>	<ul style="list-style-type: none"> <li>Players shall only be able to hold one account per platform.</li> <li>Games shall remove and add credits accurately and according to game rules, and credit a player's account completely and immediately on winning.</li> <li>Immediately on wagering a bet, the credits in the player's account will be decreased by the bet amount.</li> <li>If the outcome of a game is a win, the credits of a player will be immediately increased by the amount the rules of the game determine.</li> <li>Player funds will be protected, and available for withdrawal on request.</li> <li>Funds must be available to be withdrawn on request of the player immediately on verification of the player.</li> </ul>	<ul style="list-style-type: none"> <li>Players shall only be able to hold one account per platform.</li> <li>Games shall remove and add credits accurately and according to game rules, and credit a player's account completely and immediately on winning.</li> <li>Immediately on wagering a bet, the credits in the player's account will be decreased by the bet amount.</li> <li>If the outcome of a game is a win, the credits of a player will be immediately increased by the amount the rules of the game determine.</li> <li>Player funds will be protected, and available for withdrawal on request.</li> <li>Funds must be available to be withdrawn on request of the player immediately on verification of the player.</li> </ul>

	<ul style="list-style-type: none"> <li>• Funds must be available to be withdrawn on request of the player without undue delay on verification of the player.</li> <li>• Operators must take reasonable steps to inform players of funds remaining in dormant accounts.</li> <li>• A player's account will be considered dormant if a player has not interacted with the operator and/or accessed their account in 365 days.</li> <li>• Dormant player funds should be returned to the same method that the player deposited the money where possible.</li> <li>• Where a player self-excludes or is subject to an operator-led exclusion, player funds will be automatically returned to the player's registered deposit method.</li> </ul>	<ul style="list-style-type: none"> <li>• Operators must take reasonable steps to inform players of funds remaining in dormant accounts.</li> <li>• Dormant player funds should be returned to the same method that the player deposited the money where possible.</li> </ul>	<ul style="list-style-type: none"> <li>• Operators must take reasonable steps to inform players of funds remaining in dormant accounts.</li> <li>• Dormant player funds should be returned to the same method that the player deposited the money where possible.</li> </ul>
Processes for closing accounts and termination of accounts by the operator	A player must be able to close an account and withdraw remaining funds without undue delay on request.	A player must be able to close an account and withdraw remaining funds immediately on request.	A player must be able to close an account and withdraw remaining funds immediately on request.
Restricting misleading practices (e.g. those that disguise losses or near misses as wins) and providing sufficient information to consumers	<ul style="list-style-type: none"> <li>• Game designs and features shall be clear and shall not mislead the player.</li> <li>• Game design shall not give the player the perception that the speed of play or skill affects the outcome when it does not.</li> <li>• Operators must provide information and services in languages commonly spoken in New Zealand and must communicate in a form, language and manner that enables the consumer to understand the information provided. Where necessary and practicable, this includes providing access to a competent interpreter.</li> <li>• Information on current player account balance and playing history should be easily accessible on the platform.</li> <li>• Where connection speed or technical capability of the system can affect gameplay, this must be made clear to players.</li> <li>• Games do not display goals that are unachievable.</li> <li>• The denomination of wagered amounts should be in New Zealand Dollars (\$).</li> <li>• Any limits or restrictions on withdrawing winnings must be made clear to players and will not extend beyond the specific game being played.</li> <li>• Prior to placing a bet, consumers must be provided with sufficient information to make informed decisions.</li> <li>• Odds of winning and losing must be described accurately.</li> <li>• Rules of game/how a game works must be easily accessible on the platform.</li> <li>• Who/what a person is playing against is described accurately.</li> </ul>	<ul style="list-style-type: none"> <li>• Game designs and features shall be clear and shall not mislead the player.</li> <li>• Game design shall not give the player the perception that the speed of play or skill affects the outcome when it does not.</li> <li>• Where necessary and reasonably practicable every consumer has the right to effective communication in a form, language, and manner that enables the consumer to understand the information provided, this includes the right to a competent interpreter.</li> <li>• Where connection speed or technical capability of the system can affect gameplay, this must be made clear to players.</li> <li>• Games do not display goals that are unachievable.</li> <li>• The denomination of wagered amounts should be in New Zealand Dollars (\$).</li> <li>• Any limits or restrictions on withdrawing winnings must be made clear to players and will not extend beyond the specific game being played.</li> <li>• Prior to placing a bet, consumers must be provided with sufficient information to make informed decisions.</li> <li>• Odds of winning and losing must be described accurately.</li> <li>• Rules of game/how a game works must be easily accessible on the platform.</li> <li>• Who/what a person is playing against is described accurately.</li> </ul>	<ul style="list-style-type: none"> <li>• Game designs and features shall be clear and shall not mislead the player.</li> <li>• Game design shall not give the player the perception that the speed of play or skill affects the outcome when it does not.</li> <li>• Where necessary and reasonably practicable every consumer has the right to effective communication in a form, language, and manner that enables the consumer to understand the information provided, this includes the right to a competent interpreter.</li> <li>• Where connection speed or technical capability of the system can affect gameplay, this must be made clear to players.</li> <li>• Games do not display goals that are unachievable.</li> <li>• The denomination of wagered amounts should be in New Zealand Dollars (\$).</li> <li>• Any limits or restrictions on withdrawing winnings must be made clear to players and will not extend beyond the specific game being played.</li> <li>• Prior to placing a bet, consumers must be provided with sufficient information to make informed decisions.</li> <li>• Odds of winning and losing must be described accurately.</li> <li>• Rules of game/how a game works must be easily accessible on the platform.</li> <li>• Who/what a person is playing against is described accurately.</li> </ul>
Processes to manage players	<ul style="list-style-type: none"> <li>• Operators must prevent collusion, cheating and software programs to automatically participate in game play (automated gambling).</li> </ul>	<ul style="list-style-type: none"> <li>• Operators must prevent collusion, cheating and software programs to automatically participate in game play (automated gambling).</li> </ul>	<ul style="list-style-type: none"> <li>• Operators must prevent collusion, cheating and software programs to automatically participate in game play (automated gambling).</li> </ul>

colluding or cheating	<ul style="list-style-type: none"><li>•Players must be provided with information and the ability to report activities relating to collusion, cheating and automated gambling.</li><li>•Complaints about cheating and automated gambling must be investigated.</li><li>•Operators must have policies and procedures to prevent cheating and automated gambling and make these available to players on the platform and the request.</li></ul>	<ul style="list-style-type: none"><li>•Players must be provided with information and the ability to report activities relating to collusion, cheating and automated gambling.</li><li>•Complaints about cheating and automated gambling must be investigated.</li></ul> <p>Operators must have policies and procedures to prevent cheating and automated gambling and make these available to players on the platform and the request.</p>	<ul style="list-style-type: none"><li>•Players must be provided with information and the ability to report activities relating to collusion, cheating and automated gambling.</li><li>•Complaints about cheating and automated gambling must be investigated.</li></ul> <p>Operators must have policies and procedures to prevent cheating and automated gambling and make these available to players on the platform and the request.</p>
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## Appendix 3: Detailed information on the proposals in Option 1

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### Advertising proposals

We are proposing to restrict the permissible audience(s) advertisements may appeal to or be targeted at

1. Advertisers create and customise advertisements to specifically appeal to particular demographics or 'audiences.' Evidence shows that children and people at risk of experiencing gambling harm are particularly susceptible to gambling advertising.
2. Clause 77(3) requires the Minister to have regard to the need to protect children from being harmed by online casino gambling. Children can be particularly susceptible to advertising as they are less likely to recognise when content is an advertisement, especially online where advertising content may appear organic.<sup>18</sup> Preliminary unpublished research from the University of Otago indicates that children in New Zealand are exposed to an average of seven gambling advertisements a day currently.<sup>19</sup>
3. The proposed list of restrictions for advertisements that may appeal to or be targeted at certain audiences is as follows:
  - Operators must not target advertisements at those under the age of 25, unless the operator can demonstrate that the advertisement can be precisely targeted at consumers over the age of 18. For example, advertising at an R18 movie would be allowed;
  - Operators are prohibited from advertising during or 30 minutes before or after a live broadcast of an event (such as a sports match or concert) that would appeal to, target or reasonably attract viewership of children;
  - Operators are prohibited from placing advertisements where more than 20% of the expected audience is under the age of 18;
  - Operators must not place advertisements where those under the age of 18 are reasonably likely to be exposed to frequent online casino gambling advertising. This provision is intended to prevent children from being over-exposed to gambling advertising. The following advertising placements would be prohibited entirely under this requirement, as children are reasonably likely to be exposed to them frequently:
    - Outdoor advertisements within 300 metres of any location where under 18s regularly gather (e.g. education facility, sports field, skateparks) or are readable/decipherable from within those locations.
    - Transit advertising (e.g. on a bus or train).
    - Advertisements on the front page of a newspaper.
  - Wherever reasonably practicable, targeted age-gating must be utilised to ensure advertising is only shown to those over the age of 18. For example, on platforms where a user can register an account, such as on-demand TV, YouTube and TikTok, this would mean advertising may only be shown to a user who has logged into their account and is over the age of 18; and
  - Operators must exclude those who have self-excluded from a site or those identified by an operator as a problem gambler from receiving direct and loyalty programme advertising.
4. This approach will limit children, those who have self-excluded and those identified as problem gamblers from being exposed to online gambling advertising, which strongly aligns with the Bill's objective to minimise harm. The restrictions take a layered approach, which addresses how advertisements may be targeted, where they may be placed, and how frequently children may see them.

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<sup>18</sup> Rossi, Raffaello, Martin Agnes, *New Developments in Gambling Marketing: the Rise of Social Media Ads and its effect on Youth*, Current Addiction Reports (November 2022) <https://link.springer.com/article/10.1007/s40429-022-00457-0#Sec3>

<sup>19</sup> University of Otago, *Children's Exposure to Gambling: What they see and what to do about it?* (unpublished)

Operators should only be able to use the forms of advertising that are explicitly permitted in the regulations

5. There are multiple forms of advertising that can be used to advertise to customers, and advertisers will typically employ multiple forms to reach a range of customers. For example, an advertiser may choose to run advertising campaigns across social media, broadcast television and billboards.
6. We are proposing that operators will only be permitted to use the forms listed in the regulations. This would provide clear restrictions for licensed operators and provide greater protection for individuals that are at a greater risk of experiencing harm. As technology and marketing practices develop, new proposals to amend the regulations can be developed including analysis about the harm profile of particular advertising forms.
7. Our proposed list of permitted advertising forms has been informed by stakeholder engagement and captures the majority of advertising forms currently employed by the industry. We propose that the permitted forms would be:
  - Broadcast – covers live broadcasts (e.g. TV and radio), live-streams and live-updates;
  - On-demand – covers on-demand broadcasts and streaming (e.g. podcasts, streaming platforms, cinemas);
  - Publish – material published in print (e.g. newspapers, pamphlets), and well as digital publications and websites (e.g. news websites, eBooks). This includes advertising on a website hosted or controlled by the operator e.g. a branded online casino gambling platform;
  - Outdoor or out-of-home advertising – refers to mediums traditionally in public places (e.g. billboards, digital displays);
  - Events – refers to in-person and virtual events that can be hosted or attended by operators or affiliate (e.g. private launch party, booth at a conference);
  - Direct marketing – communications directed to a specific individual or group through any medium (e.g. SMS, email, push notification, phone call, mail);
  - Social media – online platforms for users to connect, engage and share content;
  - Search engine marketing – advertising undertaken to increase a website’s availability on search engines such as Google;
  - Digital product advertising – advertisements in digital products (e.g. apps, video games, online games, programmes). This includes digital products hosted or controlled by the operator; and
  - Interactive advertising – use of advertisements which encourage or require interaction by the user (e.g. games in promotional emails, pop-ups that must be dismissed to resume content).

The use of endorsements and affiliates would be prohibited, and licensed operators would be liable for any breach of the regulation by any other third party they contract with

8. Cabinet has previously agreed to prohibit sponsorships. We are proposing to also prohibit the use of endorsements and affiliate marketing in line with Cabinet’s previous decision. This approach is also consistent with the Gambling Act 2003.
9. A paid endorsement is where an advertiser uses a person to act as an ambassador or face of the brand, or to provide a testimonial for a product. Endorsements may be a famous person familiar to the advertiser’s target audience, or a layperson considered as a trustworthy or relatable testimonial. Consideration may be monetary, or non-monetary (offering free spins, a brand trip, merchandise etc) in exchange for a person’s endorsement. Evidence suggests that paid endorsements are a highly impactful form of advertising.

10. 9(2)(f)(iv)

11. Affiliates are third party companies or individuals that advertise on behalf of or in collaboration with the advertiser. They are typically paid a percentage of sales attributed to their unique link or paid on a 'cost per acquisition' basis (e.g. paying a pre-determined amount per verified sign up made through an affiliate link). For gambling, a percentage of sales agreement is typically based on the lifetime losses incurred by players who were referred to the operator by the affiliate. This means they are economically incentivised to sign-up as many customers as possible, and drive players to spend (and lose) excessively.
12. In other jurisdictions, both paid endorsements and affiliates have a high rate of non-compliance with equivalent regulation. Operators may use affiliates or endorsements to circumvent regulatory requirements, and it can be difficult to ensure third parties such as influencers are aware of regulatory requirements and understand their obligations. Non-compliance increases the risk of misleading or harmful advertising and increases compliance costs for the Department as the regulatory system's regulator.
13. The proposed prohibition would not capture search engines, advertising exchanges, marketing firms or other third parties such as media buying agencies who negotiate and buy advertising placements. This will enable licensed operators to seek creative assistance or regional expertise when marketing their products. We note that search engine marketing will be an expressly permitted form of advertising.
14. We propose that operators would be responsible for the actions of any third party they contract with and must ensure they abide by the same regulations as the operator. This will mitigate the risk of operators using third parties to circumvent regulatory requirements. It would also mean that the risk of a breach lies with the party who principally benefits from the advertising.

Advertising must be easily identifiable and labels must be obvious, clear, prominent and upfront and must be separate from other disclosures, for example hashtags

15. Some advertisements, particularly on social media, will misrepresent advertisements as organic content or not disclose that the content is an advertisement. Studies have shown that when individuals do not recognise an advertisement, they are more susceptible to the message. This can promote normalisation of gambling or incite excessive or impulsive play. This impact is observably higher in children who are less capable of recognising advertisements.

Advertising of jackpots should be prohibited, in line with the approach taken for class 4 gambling and land-based casinos

16. The Gambling (Harm Prevention and Minimisation) Regulations 2004 prohibit the advertising of gaming machine jackpots. Jackpots are a major driver of player spend. Advertising the availability of large jackpots would likely cause, condone or encourage excessive and impulsive player behaviour. Prohibiting the advertising of jackpots for online slot games that simulate electronic gaming machines

20 9(2)(f)(iv)

will reduce this risk and align the approach to regulating online casinos with the approach taken for land-based gambling.

#### Interactive advertisements would only be permitted on branded online casino gambling platforms

17. Interactive advertisements incorporate features that require or encourage the audience to interact with the advertisements. This converts the audience from passively viewers to active participants. Examples of interactive advertisements include gamified advertisements (e.g. games in promotional emails or banners or websites) and pop-up advertisements that require user action to dismiss the advertisement.
18. Interactive advertisements have a high potential to create or exacerbate harm because they can reduce recognition of advertisements and encourage normalisation of gambling. They aim to create memorable experiences through elements of fun and competition that resonate in the minds of the users, leading to improved brand recall and customer loyalty. Pop ups can also be frustrating for customers who do not wish to engage with gambling advertisements. Interactive advertisements can also strongly appeal to children because they are gamified – preliminary unpublished research from the University of Otago found that 71.7% of online gambling advertisements children were exposed to contain an interactive element.<sup>21</sup>
19. Limiting interactive advertisements to being displayed on branded online casino platforms will reduce these risks and will ensure that the audience exposed to this type of advertisement is actively interested in interacting with the operator. This will also ensure that the regulation does not inadvertently limit free-to-play casino games hosted on a branded online casino platform. Free-to-play casino games are outside the scope of the Bill.

#### The personalisation of advertisements would be restricted

20. Personalised advertisements use the personal details of an individual (such as their name) to customise an advertisement. Personalised advertisements can be highly impactful because they specifically target individuals. Some use of personal information is required to give effect to the proposed regulation, for example, using age and location data to ensure advertisements are targeted appropriately. However, we recommend setting clear limitations on the use of personal information to customise advertisements to ensure information is not used to promote excessive or high-risk player behaviour.
21. We propose that the limitations would be:
  - The use of a player's name to customise an advertisement is prohibited; and
  - Operators are prohibited from using player metrics to customise advertisements that promote increased speed or intensity of play.
22. These proposed restrictions will ensure that operators are able to effectively target advertisements, while restricting overt personalisation of an advertisement to a specific individual. I am also proposing to restrict operators from using the data they collect on players for the purposes of identifying and assisting problem gamblers for marketing purposes. This will ensure that sensitive player information is used appropriately.

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<sup>21</sup> Research is unpublished as of September 2025.



## Advertising at events would have additional form-specific restrictions

23. Event advertising is advertising through in-person or virtual events. Events can be either hosted by a licensed operator (for example, hosting a launch party demonstrating a new product) or one attended by the licensed operator that is hosted by a third party (e.g. a booth at a conference). Event advertising is an engaging form where operators directly engage with their customer base (or prospective customers) creating a stronger relationship. This can drive increased expenditure and promote customer retention.
24. Event advertising would be required to comply with the following restrictions:
- Advertising is only permitted at any event where (1) attendees are all 18+ (2) access is controlled, and (3) non-attendees are not exposed to any advertisement or advertising material;
  - Event advertising is permitted but may not incentivise attendance e.g. through gifts, prizes, payment in kind, or other incentives; and
  - Event advertising must be overtly associated with the brand and must not be in conjunction with any other non-gambling activity or product. For example, operators would not be permitted to promote gambling in conjunction with drinking alcohol or advertise at a non-gambling event such as a trivia night or Rugby World Cup watch party.
25. These restrictions align with the proposed package (for example, requiring that overt association aligns with the proposal that advertisements must be clearly labelled) and will promote responsible advertising by licensed operators. For the avoidance of doubt, event advertising would still be required to meet all relevant regulatory requirements, not just event-specific restrictions.

## Direct marketing would have additional form specific restrictions

26. Direct marketing is where operators communicate to consumers directly through mediums such as email, phone calls, mail, SMS and push notifications. The audience is any individual who has chosen to receive marketing material. It is one of the most effective forms of influencing and driving customer behaviour and can be very effective at re-engaging customers that have stopped gambling, meaning it has high potential to create or exacerbate gambling harm.
27. We propose that direct marketing would be required to comply with the following restrictions:
- Operators must provide customers with options to opt-in to direct marketing on a per product-type and per channel basis. Customers must be able to select the number, frequency and type of notifications alongside channel usage.
  - The options must cover all product types and channels provided by the operator and be set to opt-out by default. These options must be offered as part of the registration process and be able to be updated should customers change their preference.
  - Operators are prohibited from sending marketing material to any player who has self-excluded or is subject to an operator-led exclusion. This includes customers who are yet to make a positive decision to return to gambling after their self-exclusion has expired. This will prevent operators from attempting to re-engage individuals experiencing gambling harm.
  - Direct marketing may only be sent to accountholders. This will ensure that direct marketing is only sent to those whose identity has been reliably verified, preventing children from being exposed to direct marketing.
28. The Unsolicited Electronic Messages Act 2007 regulates the use of online direct marketing in New Zealand – for example, it requires advertisers to offer consumers the ability to unsubscribe if they no longer desire to receive material. The restrictions I am proposing will complement pre-existing

legislation, promote consumer choice, and provide appropriate checks and balances on this form of advertising.

29. For the avoidance of doubt, direct marketing would still be required to meet all relevant regulatory requirements, not just form-specific restrictions.

#### Advertising of bonuses and inducements would be allowed with restrictions

30. Bonuses and inducements are financial incentives that gambling operators use to attract or retain customers (e.g. deposit funds, open an account, place a bet on a new game). The benefits can be in the form of offers, bonuses, inducements, gifts, free spins, free bets, credit or cashback (these examples are non-exhaustive).
31. What we have heard from stakeholders is that advertising bonuses and inducements is a key tool for operators to attract and retain customers. However, we have also heard that bonuses and inducements can incite excessive or harmful gambling behaviour by creating a sense of urgency or can mislead players into thinking they are getting a better deal than they may actually be getting.
32. We are proposing the following restrictions for advertising bonuses and inducements:

- Bonuses and inducements would be permitted for new and existing customers, but they must not be offered to customers that have self-excluded or customers showing strong signs of harm. This includes those identified as problem gamblers;
- Bonuses and inducements are not permitted to be used to disincentivise an existing customer closing their account or incentivise an individual to reopen their account;
- Permitted bonus or incentives cannot offer a benefit marketed as 'free' unless it actually is free; and
- Bonuses and inducements can only be offered via direct marketing or on the operator's platform. Players must be provided an opt-in process whereby they actively consent to receiving any direct marketing of inducements, bonuses and credits, and must be provided a method to withdraw their consent at any time. Ontario takes the same approach to restricting the offering of bonuses and inducements to operator websites and direct marketing.

33. We consider that this strikes an appropriate balance because it allows operators to offer bonuses and inducements to players that have indicated they are actively interested in the platform (i.e. browsing a website) or have opted-in to receiving marketing and promotional material but prevents bonuses and inducements from being offered to players that have self-excluded or have been identified as problem gamblers.

34. This approach will require gambling operators to be responsible for informing players about the terms and play-through conditions and limitations of betting inducements in a language that is easy to understand. For example, by giving players examples of how much money they need to spend before they can claim any winnings from an inducement. It will also make it clear when players are spending "bonus" money or their own money that they have deposited. In short, the proposed approach provides consumers with information required to make an informed choice.

35. Further restrictions on bonuses and inducements are discussed below under **'Harm minimisation proposals.'**

#### The content of advertisements and promotions would be restricted

36. The use of certain features in advertisements may be more harmful than others and may increase the likelihood of a person gambling after seeing the advertisement, for example, the use of words such as

‘hurry’ and ‘quick’ can incite urgency, therefore encouraging consumers to act without judgement.

37. The proposed restrictions are drawn from the Advertising Standards Authority’s (ASA) Gambling Code of Practice and from other jurisdictions (Australia, the UK and Ontario). Content restrictions would apply across all forms of advertising. These statements have been drafted with a focus on the following:

- Preventing use of content that may appeal to children;
- Preventing content that causes, condones or encourages excessive or harmful player behaviour;
- Limiting misleading content;
- Limiting the use of cultural icons, languages and images that exploit cultural beliefs or could cause serious or widespread offence; and
- Restricting the use of images or sounds reminiscent of electronic gaming machines (this can be upsetting or offensive to those who are recovering from gambling harm).

38. The proposed restrictions are that content must not target or reasonably appeal to those under the age of 18.

39. Advertisements must not cause, condone, or encourage extended, continuous, excessive and impulsive play. Examples of content that would be restricted under this provision could include, but wouldn’t be limited to:

- Encouraging players to increase their limits on time, deposit, spend, or stake, or otherwise amend their account settings in a way that enables more intensive play;
- Portraying gambling as a means of relieving or improving a person’s financial, professional or personal difficulties;
- Stating or implying a link between gambling and sexual or relationship success, enhanced attractiveness;
- Suggesting that gambling can enhance personal qualities, for example, that it can improve self-image or self-esteem, or is a way to gain control, superiority, recognition or admiration;
- Portraying, condoning or encouraging peer pressure ;
- Portraying gambling as indispensable or as a priority in life;
- Suggesting gambling is a rite of passage;
- Linking gambling to toughness, resilience and recklessness;
- Condoning or featuring gambling in a working environment;
- Encouraging excessive participation (beyond a customer’s means);
- Portraying, condoning or encouraging gambling in combination with the consumption of alcohol;
- Promoting gambling as an alternative to employment, as a financial investment, or as a requirement for financial security;
- Encouraging plays as a means of recovering past gambling or other financial losses; and
- Suggesting that gambling can provide an escape from personal or professional problems, for example, loneliness or depression.

40. Advertisements must be truthful and shall not mislead players or misrepresent products. Examples of content that would be restricted under this provision include, but would not be limited to:

- Making claims related to winning or the prizes that can be won that are not based on fact, are unable to be proven or are exaggerated;
- Implying that the chances of winning increase the longer one plays or the more one spends;

- Suggesting that a player's skill can influence the outcome of gambling activity in relation to gambling where a player's skill cannot influence the outcome;
- Exaggerating the extent to which skill can influence the outcome of gambling activity in relation to gambling where a player's skill can influence the outcome;
- Misrepresenting the level of financial risk;
- Creating a false sense of urgency such that consumers may be misled into thinking they must act quickly to participate or win; and

41. Advertisements must not include the expressions "Win" or "\$", unless these expressions specifically relate to a prize that has been determined or is payable, or to an estimate of a prize which can be won. Advertisements must not include images or sounds suggestive of:

- coins being inserted or dispensed from a gaming machine;
- banknotes being inserted into or dispensed from a gaming machine or automated table game equipment;
- tickets being printed or dispensed from a gaming machine or automated table game equipment;
- poker chips; or
- Electronic Gaming Machine (slots) or jackpot winnings.

42. Advertisements must not target people by playing on fear, their beliefs or their superstitions (e.g. use of beliefs in certain numbers being lucky or unlucky, and the use of red and gold colours). Advertisements must not use cultural symbols, names or imagery likely to cause serious or widespread offense (e.g. poppies associated with ANZAC remembrance, Lunar New Year).

43. Advertisements must not promote or otherwise imply a connection between gambling activity and use (individual/ family/communities) to which the profits of gambling providers may be put.

44. Including content restrictions in regulation will provide clarity to the market and the regulator. Unambiguous requirements make it easier for the regulator to monitor compliance and enforce rules consistently across different operators. We also propose that the examples listed under each restriction are not exhaustive. Stakeholders have informed officials that an overly prescriptive approach to regulating content may create loopholes in the regulation.

## Harm minimisation proposals

Operators would be required to offer players the ability to set limits on per-site basis, and the ability to opt-out of setting a limit

45. Most online gambling providers have the ability for players to set limits on spend, deposits and/or time, prior to gambling. Limits help facilitate control by stopping players from spending beyond their means. There is clear evidence that limit setting is a very useful tool for some people and is useful as part of a package of interventions (exceeding limits is one of the key risk behaviours for harmful gambling).

46. We propose that operators must offer players the ability to set limits at the account creation stage, and must re-present this ability to players on a monthly basis. This will prevent limits from becoming 'set and forget' for players and encourages regular player reflection.

47. On balance, we consider that the proposed approach strikes a good balance between individual responsibility and harm minimisation. To support this requirement, we also propose that operators are required to offer the ability to set limits for daily, weekly and monthly timeframes at a minimum, in line



with best practice and submissions received. Additionally, we propose incorporating cooling-off periods of 24 hours to prevent players from being able to immediately increase their limits. This would help reduce the risk of players increasing their limits to gamble immediately, while still supporting customer choice.

48. Customised limits ensure relevance across a range of customers and encourages uptake. Presenting customers with the option to set a limit before gambling helps to normalise usage of limits. The proposed 24-hour cool-down period aligns with the approach taken in the UK and other jurisdictions. The delay introduces friction into the user journey, which is intentionally beneficial. It allows time for reflection, reducing the likelihood of impulsive decisions.

Operators would be required to offer self-exclusion, and initiate operator-led exclusions where they identify a person is a problem gambler

49. This approach is aligned with international best practice for reputable online gambling operators, and consistent with the requirements for land-based casinos and Class 4 gambling as specified in the Gambling Act 2003 and its associated regulations. Requiring operators to offer self-exclusion promotes consumer choice and enables those who wish to stop gambling to limit their access to online gambling sites.
50. Exclusions can range from around 24 hours (sometimes referred to as a “time out” or “break”) up to one or more years. Evidence shows that exclusion results in reduced gambling and improved well-being, however, these programs are often underutilised by the people who would most benefit from them.
51. Self-exclusions must be frictionless and easily accessible for players, as any barriers to initiating a self-exclusion could deter players. To support effective exclusions, we propose that:

- Operators are required to offer players the ability to exclude themselves on a per-platform or per-operator basis;
- The process for self-exclusion must be easily identifiable and accessible to players, and must be as frictionless as possible;
- Where a player initiates a self-exclusion, the operator must immediately exclude the player without undue delay;
- Where an operator identifies a person is a problem gambler, they must exclude the player from all branded online casino platforms controlled by the operator without undue delay; and
- Where a player is excluded (either self-exclusion or operator-led exclusion) the operator must cease all communication with the player. This includes initiating communication with a player who is yet to make a positive decision to return to gambling after their self-exclusion period ends.

Operators would be required to sign-up to a centralised self-exclusion register, if an appropriate register is made available

52. There was overwhelming support across stakeholders for a centralised self-exclusion register, however, there were differing opinions as to whether the register should be led by industry or by government. Stakeholders supported a centralised self-exclusion register because they thought it would ensure consistency across operators and would empower consumer choice by making self-exclusion as frictionless as possible.

53. A centralised exclusion process would make it easier for individuals to exclude themselves from multiple licensed websites at the same time. This could reduce shame around disclosing their challenges with gambling. Additionally, a centralised self-exclusion register would enhance the effectiveness of identity verification and reduce the risk of operators inadvertently signing up those who have self-excluded.
54. There is currently a multi-venue self-exclusion register available for land-based gambling. The register is funded by the Problem Gambling Levy and run by the Salvation Army. We also note that the Government's Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28 has budgeted \$500,000 to explore operational solutions to help users self-exclude from online sites.
55. Setting this requirement would mean we would not need to have a system running from the start of licensing, and it is flexible enough to enable either an industry-led or government-led solution. Regardless of whether an exclusion register is led by industry or government, it would be difficult and costly to implement in time for the market opening in 2026. Similar requirements were set in Ontario and Australia at the market establishment phase.

Operators would be required to exclude players who have been identified as problem gamblers from participating in loyalty or VIP programmes

56. The policy intent of these requirements is to prevent problem gamblers from participating in VIP programs. Research shows that people experiencing gambling harm are more likely to be loyalty program members. If players are identified as being problem gamblers while in the programme, they should be removed. This is also supported by the proposed monitoring requirements for identifying people experiencing gambling harm.

The use of bonuses and inducements would be allowed with restrictions

57. Restrictions on the advertising of bonuses and inducements has been addressed above under **'Advertising proposals.'**

58. The proposed restrictions are as follows:

- Customers should be able to withdraw their winnings after their first win. No requirement to reinvest;
- Licensed operators are responsible for informing players about the terms and play-through conditions and limitations of betting inducements in a language that is easy to understand. For example, by giving players examples of how much money they need to spend before they can claim any winnings from an inducement;
- It must be clear when players are spending "bonus" money or their own money that they have deposited;
- Customers will have up to 60 days to fulfil the terms for a bonus payout or sales promotion;
- Bonuses and inducements cannot exceed a value of \$100 for conditions unrelated to gambling (e.g. creating an account);
- Bonuses and inducements cannot exceed a value of \$100 for promotions with conditions related to gambling (e.g. placing a bet, making a deposit);
- Bonuses and inducements should not be used to deter people from initiating self-exclusions, to encourage people to increase their limits, or when customers are trying to withdraw winnings; and
- Bonuses and inducements cannot exceed 200% of the value of the original deposit/bet for promotions with conditions related to gambling (e.g. placing a bet, making a deposit).

59. Stakeholder support for the proposed restrictions was mixed. Gambling harm treatment providers and some researchers opposed allowing bonuses and inducements, noting that they are inherently designed to increase gambling frequency and expenditure and risk-taking behaviour. Gambling operators were broadly supportive of the proposed restrictions but opposed the hard dollar limits proposed. Hard dollar limits were opposed as these limits may limit the attractiveness of bonuses and inducements to customers and would provide a competitive advantage to the black market (which would not impose a cap).
60. We also heard that bonuses and inducements can be a loss leader for operators, with many operators trying to outdo each other with larger and larger inducements. Limiting dollar amounts could prevent this race to the bottom. We consider this strikes an appropriate balance between the risk presented, and the beneficial impact on reducing the attractiveness of online casino platforms arising from large, incentives and bonuses.
61. On balance we consider that the proposed restrictions enable attractive bonuses that would channel consumers to the regulated market. The restrictions would also ensure that consumers are provided with sufficient information required to make an informed choice by limiting use of misleading language, as well as sufficient time to consider their options and make a choice for their own benefit.
62. We are also proposing to limit the offering of bonuses and inducements. Such offers will not be allowed to apply to players withdrawing winnings or who are considering self-exclusion. Players considering self-exclusion or withdrawing their money may hesitate if they fear losing access to lucrative bonus offers.

#### Operators would be required to offer voluntary breaks in play and pop-up alerts to players

63. Breaks in play are a harm minimisation strategy aimed to disrupt dissociation which can result in loss of awareness of time and money spent. Research shows that breaks in play immediately reduce a player's depositing and gambling following the break. Pop-up alerts (sometimes referred to as 'reality checks') interrupt play and include information about the signs of gambling harm, advice on seeking help, information about how to set limits and self-exclude.
64. Both tools are similar to the requirements on casino and non-casino gaming machine operators (Gambling (Harm Prevention and Minimisation) Regulations 2004) and is a standard of care used by most reputable operators and jurisdictions.
65. We are proposing that operators must offer players the ability to set their own frequencies for breaks and pop-up alerts, with the following stipulations:
- Players should be presented with the ability to set pop up alerts and breaks in play at the account creation stage, with the ability to opt-out of them if they choose to;
  - Players should be reminded of their ability to set or change settings for pop-up alerts and breaks in play monthly;
  - Players must be able to set the frequency of pop-up alert reminders;
  - Pop up alerts after an hour of play should be the default option presented to players;
  - Operators must offer a range of time intervals;
  - Gameplay must be paused/suspended until acknowledged by the player;
  - The pop-up alert can be presented at the end of a game, or for multiple-round games such as blackjack at the end of a round, but a player cannot be permitted to commit further funds to a new game until they have acknowledged the pop-up alert. This would minimise irritation to the player at being interrupted while in the middle of a game;

- At a minimum, the pop-up alert must display the account holder's session time, and the amount of winnings and losses incurred during the session; and
- The pop-up alert must provide the option to exit the session or log out.

66. The proposed approach would enable players to set their own break frequency and provide players with the option to have personalised pop-up alerts that inform them of their session metrics.

67. A voluntary approach was widely supported by gambling operators, who noted that breaks in play and pop-up alerts are low friction tools to support safer play. Gambling harm treatment providers and researchers were not supportive of this approach and preferred the mandatory break in play option. Researchers provided evidence supporting this, noting that mandatory pop-up alerts reduce session length and total expenditure.

68. Research commissioned by the Department showed that personalised pop-up alerts are effective but there is evidence that mandated pop up alerts with non-personalised information can in fact be aggravating. Stakeholders also noted that pop up alerts are most effective when paired with a tailored message for the individual, rather than something more generic.

69. We consider that allowing players to set their own breaks in play and time limits is a balanced approach, and in alignment with most jurisdictions. Most jurisdictions we have looked at do not set mandatory break in play intervals for all users, except Germany and Norway.

Operators will be required to use consistent and specific harm minimisation messaging in their advertisements with message content and details set by the Secretary

70. Most jurisdictions require harm minimisation messages in gambling advertisements. At a high level, these are used to make restricted age limits clear, raise awareness of the risks of gambling, and direct to treatment or help lines. Providing clear information about long-term risks and harms along with appropriate tone is more likely to encourage reduction in gambling.

71. We are proposing that:

- Operators must include consistent and specific harm minimisation messaging on advertisements;
- Messages must include clear information about the age limits for online gambling, and require a standard call to action, for example: *For free 24/7 support call 0800 654 655, text 8006 or visit [safergambling.org.nz](https://safergambling.org.nz);*
- Messages should be easy to read/hear, clearly visible, informative, have an appropriate tone and reflect actual harms;
- Detail on the placement and content of messages will be specified by the Secretary;
- Harm minimisation messaging will be available in languages commonly spoken in New Zealand; and
- Messages must remain on tv/video ads for at least 10% of the advertisement's length.

72. This would be similar to the approach taken in Australia, where operators are required to use certain taglines. This would provide consumers with nationally consistent messaging about the risk and harm from online casino gambling.

73. We are proposing that detail on the placement and content of messages should be specified by the Secretary, rather than being specified by regulations. This is because requirements would be very technical and will require flexibility as new and emerging evidence is made available. Evidence also suggests that players can become desensitised to repetitive messaging over time, so it is important to

enable a mechanism that can update required messaging frequently.

74. We propose that the Secretary would develop the content of harm minimisation messaging with input from New Zealand experts and stakeholders. This, coupled with the requirement to offer harm minimisation in commonly spoken languages, would ensure that the messaging effectively reaches a range of New Zealanders. Further consideration of how 'languages commonly spoken in New Zealand' would be defined is discussed below under '**Consumer protection proposals.**'

Operators would be required to have and put in place policies to monitor, identify and assist people experiencing gambling harm

75. In the online environment, operators hold a significant amount of information on consumers' gambling habits. This could allow for more comprehensive monitoring of consumers than what exists in the land-based system. Operators could screen for at-risk players using behavioural tracking and appropriate algorithms or metrics and intervene in an appropriate manner. If problem gambling behaviour is detected, an operator-initiated exclusion could be required.

76. We developed our proposal for how operators should identify and assist people experiencing harm after our second round of consultation with targeted stakeholders. We did this to ensure that our approach was informed by how the industry currently undertakes these checks.

77. We received a lot of information on behavioural tracking to identify and assist people at different risk levels. Gambling harm exists on a continuum where not everyone will experience the same levels or show the same signs of harm. Therefore, it is important that measures used to monitor and intervene cover a broad spectrum, and that interventions are appropriately tailored to the individual in real time where possible.

78. We are proposing that:

- Operators should be required to continuously/non-stop monitor information identified through best practice and research (e.g. deposits, withdrawals, spend, play patterns, and player communications);
- Minimum requirements for the information operators must monitor and collect will be specified by the Secretary;
- Operators must develop and put into effect policies and procedures (including staff training programmes) to ensure that staff who are involved in player monitoring, sales marketing, customer service, or any other role where they may interact with players:
  - understand the requirements of the New Zealand regulatory system;
  - can effectively administer the operator's policies and procedures for identifying and assisting problem gamblers;
  - are able to identify signs of problem gambling and know how to approach a person who is experiencing harm and offer assistance;
- The operator must encourage use of the available safer gambling and exclusion tools;
- The operator must signpost the customer to support services;
- The operator must communicate with the customer with a clear outline of the concerning behaviours.

79. The role of data-driven consumer monitoring was widely supported by stakeholders to detect risk markers and enable timely, appropriate interventions. The importance of using both behavioural indicators and self-reported data was shown to be effective in building comprehensive harm profiles. Stakeholders advocated for an approach that was evidence-based with the ability for continuous



improvement.

80. The Government's Strategy to Prevent and Minimise Gambling Harm also recognises the need for a spectrum of responses for varying levels of gambling harm. This is aligned with the broad definition of "problem gambler" in the Gambling Act 2003 (and the Online Casino Gambling Bill) being "a person whose gambling causes harm or may cause harm".
81. We consider that delegating the ability to set minimum requirements to the Secretary is justified because this is an area where there is a rapid rate of change in the information and tools available to operators to monitor player behaviour. For example, several operators referenced the use of AI as a valuable tool to identify patterns in player behaviour. We anticipate that the Secretary would develop minimum requirements in consultation with the industry, gambling harm treatment providers, researchers and academics, and any other relevant stakeholders.
82. We note that including monitoring, identification and assistance requirements complements other proposals outlined in Option 1 – for example, we are proposing that an operator identifies that a player may be experiencing harm and interacts with that player, the operator should cease direct marketing and advertising of loyalty programmes to that player.

Players would be able to limit their own access to what games they are able to play based on the stake limit (minimum and maximum) of those games

83. Stake limits set the maximum amount of money that is allowed to be staked for a single play of a game (aka online slot game or pokies). We initially proposed that operators must offer players the ability to set their own stake limits. This would give players more choice and control in setting their limits. However, we heard from some gambling operators that this would be technically complex to implement as personalised limits at the product level are uncommon, and stakes have a direct impact on a game's potential winnings. Gambling harm treatment providers and researchers opposed player-set limits for harm minimisation reasons and instead supported setting hard stake limits in regulations similar to Class 4 gambling.
84. In response to stakeholder feedback we are proposing that operators must offer players the ability to 'filter' games based on the minimum and maximum stake limit. This approach is a flexible, low friction form of limit setting tailored to individual needs.
85. We considered setting a maximum stake limit and this is a feature of Options 2 and 3, however we consider that this could have a detrimental impact on effective channelling of players to the regulated market. It would also be complex to set stake limits for different casino game offerings, particularly for live table games. Setting stake limits in the regulations could also mean that the real value of stake limits could be eroded over time by inflation – we note that the stake limit on Class 4 gaming (\$2.50 a spin) has not been changed since its introduction in 2004.

*Network progressive jackpots will be permitted, but only between platforms that hold a New Zealand online casino gambling licence*

86. Network progressive jackpots are games where players all over the world contribute to the jackpot amount. The prize amount grows incrementally with every new bet placed. Progressive jackpot slots are typically high-volatility games, meaning that they pay out less frequently, but offer larger prizes. In some cases, these prizes are in excess of tens of millions of dollars.

87. Stakeholders were divided on this issue. Gambling operators opposed the restriction and noted that it would limit competitiveness with the black market. Gambling harm treatment providers and researchers were largely supportive of a complete ban on network progressive jackpots as they encourage higher than typical spend.
88. Our policy rationale for this restriction to New Zealand operators is twofold. Firstly, it would mitigate anti-money laundering and counter-financing terrorism (AML/CFT) and tax concerns about network progressive jackpots being shared across multiple jurisdictions. Secondly, this would naturally limit the amount a jackpot would reach. As noted above, large jackpots are volatile and are linked to loss-chasing behaviour and excessive player spend.

#### There would be no maximum prize limits or jackpot limits set in the regulation

89. Prize limits set a maximum amount of money that can be won. In addition to prizes on single online slot games, many land-based gaming machines and online games offer jackpots where multiple players contribute to a jackpot prize pool.
90. Gambling operators were unanimously supportive of this approach, noting that limits on prizes would impact availability of products leading to games being made unavailable, and impact on channelling. Gambling harm treatment providers and researchers voiced support for some limit on both prizes and jackpots. They noted that there are limits for other forms of gambling in New Zealand (Lotto and Class 4), and that high jackpots and prizes encourage high spend and harm.
91. The proposed approach would maximise channelling of players to the regulated market compared to other options. It is also aligned with the approach for New Zealand land-based casinos (which are not held to the same prize limits as Class 4) and other jurisdictions.

#### Players would be limited to playing one online slot game at any one time

92. An online slot game is a game that simulates gambling on an electronic gaming machine (pokies). In an online environment, consumers can play multiple games at the same time, across multiple open tabs or on multiple devices. Without limiting the number of games playable simultaneously, there is a potential for players to engage in extremely intensive play which can result in harm.
93. Limiting the number of online slot games to one being played at a time would be aligned with the Gambling Act 2003, as well as online rules for the UK and Germany. Limiting the number of table games played in online settings is less common in other jurisdictions. We are not proposing to limit the number of table games playable simultaneously under Option 1. It is common for professional poker players to play multiple tables at the same time, so limiting this may incentivise these players to go to the unlicensed market.

#### Use of autoplay would be prohibited

94. Auto-play is a function in gambling (most commonly on slot machines in land-based gambling) that removes the need for the user to control the game and plays it automatically for the player. It allows a player to initiate a sequence of bets for a pre-set length and value. Stakeholders widely supported banning the use of autoplay. There is evidence that auto-play is a contributing factor to gambling related harms. Auto-play is prohibited in the UK, Ontario and Germany.

#### Game designs and user interface features must not incite potentially harmful play

95. Some product features and games increase the risk of gambling harm and erode consumer protection because they are designed to increase the speed and intensity of play, an example of this is spin

speeds in online slot games. These are commonly restricted in other jurisdictions, for example, both Ontario and the UK prohibited slot spin speeds faster than 2.5 seconds.

96. We propose including a requirement that game designs and user interface features should be designed to prevent extended, continuous and impulsive play and facilitate low risk play behaviour, with further specifications provided for in the minimum technical standards delegated to the Secretary. This would address risky product features while enabling a flexible regulatory approach.

## Consumer protection proposals

Operators would be required to retain all player account information until seven years after the business relationship ends

97. The regulation-making powers provide for minimum standards for licensed operators' practices for storing documents, files and other information related to their consumers (including how long the operator backs up consumer account information). This would require operators to hold adequate records so that they can be investigated for compliance purposes.
98. We initially consulted on only requiring operators to retain records relating to identification and verification. However, stakeholders recommended widening this to include all consumer account information, for example, holding records on player metrics for monitoring, identifying and assisting harm. We have accepted this recommendation in response to stakeholder feedback. This approach is also taken in Malta and Ontario.
99. We propose that the business relationship should be considered 'ended' when one or more of the following criteria applies:
- A player has closed their account;
  - A player has self-excluded, or an operator-led exclusion has occurred; and/or
  - A player has not interacted with the operator and/or accessed their account in over 12 months (at this point, the account would be considered dormant and funds would be returned to the player).
100. Further we propose that if a player reopens their account, returns after being excluded, or interacts with their account after more than 12 months of no activity, the business relationship should be considered to be resumed and the seven-year limitation period resets.
101. On balance we consider seven years to be an appropriate length of time, even where a consumer has a long-standing relationship with an operator. This requirement is a standard length of time used in other jurisdictions and aligns with the seven-year limitation period for the online casino gambling regulatory system. We consider that a consumer's rights should not be affected by whether they have a long-standing relationship with an operator.

Operators would be required to collect and verify information on prospective accountholders to reliably confirm that they are over the age of 18

102. Cabinet has agreed that under the legislation, licence holders will be required to use an age and identity verification system acceptable to the Secretary of Internal Affairs. This is a high-level requirement which would provide broad discretion to the Secretary. This will mean that the responsibility of monitoring the age and identity of players will lie with the licensed operator.

103. The benefits of a robust and reliable identity verification system include:

- Ensuring age verification for all players;
- Being able to enforce that a person may only have one account per branded online casino platform;
- Being able to identify individuals' gambling trends;
- Identifying potentially fraudulent and other criminal activity;
- Improving Know-Your-Customer procedures or Customer Due Diligence;
- Complying with Anti-Money Laundering (AML) regulations; and
- Improving business rules to ensure regulatory compliance.

104. However, stringent identity verification requirements can feel intrusive or frustrate customers. There are also privacy considerations here as operators are collecting and holding sensitive information from customers. A key theme that emerged among submissions by gambling operators is that identity verification requirements can be a friction point that has the potential to frustrate players, and that identity verification should prioritise smooth onboarding for consumers.

105. We propose that a system must reliably verify the consumer's:

- Full name;
- Date of birth; and
- Self-exclusion status.

106. In addition to setting out the requirements for what information operators must collect and verify, we also propose that:

- Operators must obtain and verify information to establish the identity of a consumer before that consumer is permitted to make a deposit, as opposed to verifying identity before withdrawing winnings. In practice, this would be at the account creation stage. This would align New Zealand with international best practice.
- Operators must verify that the person using the account is the account holder, as this creates an ongoing obligation to verify identity (rather than only verifying identity at the account creation stage). Examples of how operators could choose to meet this requirement are biometric verification or password-protection on accounts.

107. Most stakeholders supported the proposed option. Stakeholders were almost unanimously in favour of our proposal that identity verification requirements must be met before a player can deposit money into an account. Where stakeholders provided additional feedback, this was typically focussed on including additional requirements, rather than removing proposed ones (e.g. requiring biometric verification, or conducting affordability checks on prospective players).

108. We consider that the proposed requirements will achieve the stated benefits, while streamlining onboarding processes. This option is closely aligned with due diligence requirements set out in the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT). Licensed operators will be reporting entities under AML/CFT, so aligning these requirements will reduce compliance costs for operators. We note that operators will be required to explicitly set out how they will ensure compliance with the Privacy Act 2020 as part of their compliance strategy (this is a Bill requirement). Ensuring strong privacy protections are in place will support consumer trust placed in identity verification processes.

Using credit contracts (e.g. credit cards, buy now pay later) to pay for online casino gambling would be prohibited, but other payment methods (e.g. cryptocurrency) would be permitted

109. Methods that can be used for online payments generally include bank transfers, direct debit, debit cards, credit cards, vouchers, digital cash (currently not used in New Zealand), e-wallets (such as PayPal, Skrill and Neteller), buy now pay later (such as Afterpay) and cryptocurrencies (such as Bitcoin). Online payment methods, particularly those that do not require identity verification like cryptocurrencies, are at higher risk of fraud and security breaches than land-based payment methods.
110. The Gambling Act 2003 does not specify what types of payment methods are permitted for casino gambling. Currently, New Zealand land-based casino gambling operators allow gamblers to pay with widely accepted methods including cash, credit card and debit card.
111. We initially consulted on a permissive option that would not place any restrictions on what payment methods operators could choose to accept. However, the majority of stakeholders opposed this option and were concerned about the high-risk nature of allowing consumers to gamble with borrowed funds. In response to this feedback, we propose that the use of credit contracts to pay for online gambling is prohibited. This would include credit payments made via a digital wallet.
112. There is strong evidence that gambling with borrowed funds elevates the risk and seriousness of gambling harm, which is why several other jurisdictions like the UK, Australia and Norway have banned or restricted the use of credit cards for gambling and sports betting. Gambling on credit can lead to financial hardship and spiralling debt that can seriously affect mental health and wellbeing, security and safety (e.g. losing housing due to inability to pay rent/mortgage costs) and relationships with friends, family and wider community.
113. The UK initiated a ban on credit cards in 2020 and evaluated its effectiveness in 2024. That report found that the inconvenience to gamblers was minimal, that consumers were not displaced to the unregulated market, and there was no significant increase in gamblers moving to other forms of high-cost credit (e.g. payday lending). However, the UK is an established and mature market with an uncapped number of licences. It is difficult to assess whether the same outcomes would be observed in the New Zealand market if restrictions were implemented here.
114. We consider that operators are best placed to decide whether they would like to accept cryptocurrency as a form of payment. We do not think that it is feasible for the Department to provide specialised guidance to operators on how to accept cryptocurrency and comply with AML/CFT obligations as this would be resource intensive. This would mean any operator that chooses to accept high-risk forms of payment is accepting that they must be able to sufficiently mitigate that risk to comply with AML/CFT requirements. This aligns with the approach taken by the UK and Ontario.
115. We also propose that consumers would only be able to register one deposit method at a time on their account and must register a deposit method at the account creation stage. Evidence suggests that consumers who use multiple deposit methods are more likely to report harm. Implementing these requirements would protect consumers by introducing friction when using multiple payment methods (a consumer would need to change their method each time they wish to make a deposit from a different source) and would support efficient withdrawal of player funds.

Operators would be required to comply with requirements that set out processes for managing business relationships with consumers

116. We propose that the regulations should include requirements for operators that ensure licensed operators act in a fair and transparent manner. These requirements would address potentially



misleading conduct, provide sufficient information to consumers, protect consumers' ability to make deposits, withdraw winnings and close their accounts.

117. Stakeholders supported the proposed restrictions and proposed additional restrictions that should be included. A researcher recommended that consumers should not be able to reverse pending withdrawals. Reversing withdrawals and reinvesting them into gambling is a strong indicator that a people may be experiencing gambling harm.

118. We also consulted on requiring operators to offer multi-lingual services to test if such a requirement could be easily implemented by licensed operators. Operators and treatment providers have indicated strong support this requirement. We propose that information and multilingual services should be available in a range of languages commonly spoken in New Zealand align with the policy intent (providing sufficient protection consumers who may not fluently speak English) while balancing compliance costs for operators. Māori, Pacific and Asian communities experience disproportionate gambling harm and implementing this requirement would benefit these communities. The definition of languages commonly spoken in New Zealand would be determined by the Secretary.

119. The requirements we are proposing are:

- Game designs and user interface features shall be clear and shall not mislead the player;
  - Game design shall not give the player the perception that the speed of play or skill affects the outcome when it does not.
  - Where connection speed or technical capability of the system can affect gameplay, this must be made clear to players.
  - Games do not display goals that are unachievable.
  - The denomination of wagered amounts should be in New Zealand Dollars (\$).
  - Any limits or restrictions on withdrawing winnings must be made clear to players and will not extend beyond the specific game being played.
- Prior to placing a bet, consumers must be provided with sufficient information to make informed decisions;
  - Odds of winning and losing and return to player rates must be described accurately.
  - Rules of game/how a game works must be easily accessible on the branded online casino gambling platform (platform).
  - Who/what a person is playing against is described accurately.
- Games shall remove and add credits accurately and according to game rules, and credit a player's account completely and immediately on winning;
  - Immediately on wagering a bet, the credits in the player's account will be decreased by the bet amount.
  - If the outcome of a game is a win, the credits of a player will be immediately increased by the amount the rules of the game determine.
- Operators must provide information and services in languages commonly spoken in New Zealand and must communicate in a form, language and manner that enables the consumer to understand the information provided. Where necessary and practicable, this includes providing access to a competent interpreter.

- Player funds will be protected, and available for withdrawal on request;
  - Funds must be available to be withdrawn on request of the player without undue delay on verification of the player.
  - Operators must take reasonable steps to inform players of funds remaining in dormant accounts.
  - Dormant player funds should be returned to the player's registered deposit method. A player's account will be considered dormant if a player has not interacted with the operator and/or accessed their account in 365 days.
  - Players shall not be able to reverse pending withdrawals once a withdrawal request has been made.
  - Where a player self-excludes or is subject to an operator-led exclusion, player funds will be automatically returned to the player's registered deposit method.
- Operators must prevent collusion, cheating and software programs to automatically participate in game play (automated gambling);
  - Players must be provided with information and the ability to report activities relating to collusion, cheating and automated gambling.
  - Complaints about cheating and automated gambling must be investigated.
  - Operators must have policies and procedures to prevent cheating and automated gambling and make these available to players on the platform and the request.
- Information on current player account balance and playing history should be easily accessible on the platform;
- Players shall only be able to hold one account per platform; and
- A player must be able to close an account and withdraw remaining funds without undue delay.

## Appendix 4: Targeted stakeholder engagement

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1. Feedback was sought in two rounds – the first round was preliminary feedback on advertising and harm minimisation based on the Minister’s initial direction, before substantive advice was provided to the Minister, and the second round was a consultation paper detailing the options the Minister had considered and the Minister’s proposed option.
2. Feedback was sought from a wide range of stakeholders to capture a range of perspectives. The three options assessed in this RIS were developed after the preliminary round of consultation.
3. Consultation was limited by time and resource constraints which meant that public consultation on the regulations was not possible. This has meant that options have not been informed by feedback from gambling consumers, who are a group impacted by these proposals. We extended an invitation to the Lived Experience group but did not receive a response by the deadline. We have engaged with stakeholders that represent interests of consumers adversely affected by gambling harm as a proxy for this group, however many gambling consumers do not experience harm so this is not a perfect substitute. This means that the Department’s understanding of consumer preferences and behaviour (for example, what requirements may ‘put off’ consumers from transitioning to the regulated market) is limited.

### Preliminary consultation

4. Preliminary consultation on the advertising and harm minimisation regulations was run in February and March 2025. The purpose of this consultation was to test what type of restrictions stakeholders would prefer to see, and any challenges the stakeholders anticipate for their representative groups. Preliminary consultation was also used to provide stakeholders with an overview of Cabinet’s decisions on regulations that will be enabled through the Online Gambling Bill. As noted in previous RISs, consultation on the development of the Bill was not possible due to time constraints. Public views have been invited through the Select Committee process in July/August 2025.
5. Consultation was run through a series of workshops with stakeholder groups, where officials provided a presentation to stakeholders and invited feedback through targeted questions. The groups of stakeholders were:
  - Gambling Treatment Providers;
  - Offshore gambling providers;
  - Gambling technology companies;
  - Casinos currently operating onshore in New Zealand,
  - Media companies; and
  - Advertising regulatory bodies.
6. There were a mix of views on advertising. However, there were two consistent messages across the stakeholder groups; the need for clear regulations, and concern about saturation from up to 15 licensed platforms competing for market share and the resulting high volume of advertisements.
7. There were also a mix of views on harm minimisation, however across all stakeholders, views were that harm minimisation tools such as breaks in play and limit setting should be easily accessible, user friendly and well promoted; that identification of those experiencing harm should be based on a range of metrics as there is no ‘one-size-fits-all’ approach to determining whether a person is experiencing harm; and that high-risk elements such as bonuses and inducements should be restricted.

## Targeted stakeholder consultation on the Minister's preferred option

8. The Department provided a discussion paper to key stakeholders on 30 June 2025. Consultation ran for 20 working days and closed on 25 July 2025. Feedback was primarily invited in writing, however where stakeholders asked to meet with officials to discuss their feedback this was accommodated. Our assessment and refinement of the preferred option has been informed by our consideration of feedback received on the discussion paper. A list of submitters is available at **Appendix 5**.
9. The discussion paper provided stakeholders the opportunity to provide feedback on the Minister's preferred option, and also included alternative options that the Minister had considered but did not prefer.
10. Stakeholders provided valuable insights on the policy proposals but raised some concerns about how proposed requirements would be effectively implemented and enforced. There was a clear divide in sentiment between some stakeholders. For example, many gambling operators advocated for regulations that would maximise channelisation, whereas gambling harm treatment service providers and researchers primarily focussed on how well proposals prevented and minimised gambling harm. The Department received 36 submissions in total, with a range of submissions from both online and onshore gambling operators, gambling technology companies, harm minimisation organisations, academics and researchers, advertising industry bodies and media companies.
11. Support for the proposed approaches for advertising was mixed, with clear divides between gambling operators and other stakeholders. Overall, while stakeholders supported the intent of the proposals, stakeholders were concerned that implementation of them would result in a system that was inequitable across different mediums of advertising and overly prescriptive.
12. Stakeholder feedback on the proposed approach to the harm minimisation regulations was also mixed. There were different views from operators and health sector groups about the level that the regulations were pitched at. Gambling operators largely viewed regulatory requirements to be appropriate, although some concerns were raised about measures that were too strict and may impact on market attractiveness. On the other hand, gambling harm service providers and researchers were of the general view that the proposed approach was too light in terms of harm minimisation, leaving too much discretion up to the individual to control their own gambling.
13. The proposals for consumer protection were overall supported by the majority of stakeholders, however the proposal to allow operators to accept any payment method they choose was a significant issue that divided stakeholders. The majority of stakeholders called for credit cards and/or buy now pay later methods to be banned as a form of payment.
14. Most of the amendments in response to stakeholder feedback were minor and technical in nature – for example, defining when a business relationship has 'ended' for the purposes of recordkeeping requirements.

## Appendix 5: List of organisations and individuals that submitted

International operators	<ul style="list-style-type: none"> <li>• Playtech</li> <li>• Sportsbet</li> <li>• 9(2)(a)</li> <li>• 9(2)(a)</li> <li>• BvGroup</li> <li>• Entain</li> <li>• Casumo</li> <li>• 9(2)(a)</li> <li>• Addisons (law firm representing an operator)</li> </ul>
Domestic operators	<ul style="list-style-type: none"> <li>• Grand Casino (Dunedin)</li> <li>• 9(2)(a)</li> <li>• SkyCity Entertainment Limited (including land-based casinos at Auckland, Hamilton, and Queenstown).</li> <li>• Community Online Gambling Holdings Limited (COGHL)</li> <li>• 9(2)(a)</li> </ul>
Advertising organisations	<ul style="list-style-type: none"> <li>• Warner Bros Discovery</li> <li>• TVNZ</li> <li>• Snapchat</li> <li>• Commercial Approvals Bureau</li> <li>• Sky New Zealand</li> <li>• Advertising Standards Authority</li> <li>• Association of New Zealand Advertisers</li> <li>• NZME</li> <li>• Commercial Communications Council</li> </ul>
Academics/researchers	<ul style="list-style-type: none"> <li>• Otago University</li> <li>• Auckland University of Technology</li> <li>• Bournemouth University</li> <li>• University of Sydney</li> </ul>
Agencies	<ul style="list-style-type: none"> <li>• Ministry of Health</li> <li>• National Public Health Service</li> <li>• Office of the Privacy Commissioner</li> </ul>
Harm minimisation organisations	<ul style="list-style-type: none"> <li>• Salvation Army</li> <li>• Mapu Maia</li> <li>• Problem Gambling Foundation Service</li> <li>• Hapai Te Hauora</li> <li>• Asian Family Services</li> <li>• Te Rangihaeata Oranga</li> </ul>
Industry (including gambling technology companies)	<ul style="list-style-type: none"> <li>• Betting and Gaming Council UK</li> <li>• Dataworks Group</li> </ul>