



THE
EUROPEAN
LOTTERIES

FOR THE BENEFIT OF SOCIETY

ELISE

EUROPEAN LOTTERIES' REPORT ON
LOTTERIES IN THE EU AND IN EUROPE

2012

SUMMARY

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1. Lotteries in the EU and Europe 2012 - Executive Summary

In 2012, the total economic activity measured as gross gambling revenue (sales minus prizes and hereinafter GGR) of state licensed and controlled lotteries in the EU (27) was €34.1bn. Compared with 2011, this represented a decrease of 1.5%¹. This figure reflects the expenditure of European Union (27) consumers on activities offered by the state licensed national lotteries. In the period 2007 to 2012, the average annual increase in total GGR was 1.3%. Viewing the European Lotteries' 77 members that reported in 2012, the total GGR was €37.1bn; of this, lotteries from Turkey, Switzerland, Norway and Israel account for almost 90% of the difference.

In the EU, per capita GGR spending ranges from €4 in Romania, €7 in Lithuania, to more than €100 in Cyprus, Greece, Italy, Spain and the Nordic countries. Average spending across the EU was €68. The corresponding figure for the 77 reporting European lotteries was €44, including the Russian Gosлото and Ural Loto lotteries covering a population of more than 143 million and spending at €0.6 per capita.

Sales in the EU, measured for the four "lottery categories", draw based games, instant tickets, sports games with pari-mutuel and fixed-odds, were €76.7bn in 2012 representing a decrease of 0.7% over that of 2011.

A key characteristic of the state licensed lotteries in the EU is that they are required by law or through their licences to make payments to society. In 2012, such mandatory payments to society from the 53 reporting EU lotteries came to a total of €20.9bn in the form of taxes for treasury, duties, funds for sports or funds for other good causes. This was down 11.3% compared with 2011. This decrease is primarily accounted for by the decreases in Greece, Italy and Spain; if you exclude these 3 countries, then the 2012 change on 2011 is + 2.9%. On average, a state licensed lottery in the EU gives back to society as mandatory payments – as opposed to and not including sponsorships – 61% of each Euro it earns and some even return more than 75% as shown in table 19. In the largest EU member states the amount for society raised from lotteries exceeded €2.0bn (Italy €4.8bn, Spain €2.3bn, Germany €2.6bn, France €2.9bn, the U.K €3.5bn). On average,

¹ The survey has data from 2006, 2007, 2008, 2009, 2010, 2011 and 2012. To make figures comparable over time, all lottery monetary figures from those years in currencies other than EUR have been converted into EUR using the 2.1.2013 European Central Bank exchange rates. In other words, all amounts in the report are reported in 2013 EURO value. Thus, looking at previous years reports, which have used exchange rates from 2007, 2008, 2009, 2010, 2011 and 2012 respectively; differences appear as a consequence of the change in exchange rates.

the amount that lotteries paid back to society across the 27 EU member states (population of 503.7 million) was €41 per capita in 2012 (€46 in 2011).

The largest lottery activity in the EU is comprised of draw based games with brand names like Lotto, EuroMillions and Joker. This category of game, offered in all 27 EU member states, had sales of €49.2bn and a GGR of €22.4bn and accounted for 66% of total GGR. The category fell 2.6% from 2011 (GGR) but, seen over the period 2007 to 2012, it has grown an average of 0.4% every year.

The second largest category is instant games with EU sales of €20.2bn (up 4% on 2011) and a GGR of €6.6bn representing some 19% of the total GGR. The category's 2012 GGR lost 0.2% over 2011, having remained quite steady for the previous four years. Of the top four instant selling countries there were some large sales increases over 2011 in Czech Republic (97.9%), Portugal (81.7%) and Latvia (60.5%).

National lotteries in 26 of the 27 EU member states (all except Greece) offer instant games and per capita spending ranges from €2 or less in, for example, Bulgaria, Germany, Latvia, Lithuania, Malta, Poland, Romania, the Netherlands and the Czech Republic to more than €20 in Cyprus, France, Italy and Sweden. Italy is the largest instant market with €2.9bn in GGR.

The two sports games categories, pari-mutuel and fixed-odds wagering, totalled a GGR in the EU of €1.9bn (6% of the total GGR). However, sports wagering pari-mutuel continued its decline and GGR dropped 4% from 2011. The average annual decrease since 2007 has been 11.2% for this category to now totalling €552million. Fixed-odds betting saw an increase of 4% compared with 2011 and showed a total GGR of €1.4bn in 2012. National lotteries in 16 EU member states offered fixed odds betting in 2012.

EGMs (Electronic Gaming Machines) outside casinos include slot machines, apart from casinos, Video Lottery Terminals and Electronic Instant Lottery. They are operated by lotteries in 4 EU member states. This was the third largest category with a GGR of €2.8bn (8% of the total GGR); and a growth of some 3.4% over 2011.

Direct full time employment by 52 EU lotteries in 2012 was above 40,200 whilst indirect employment typically in sectors selling lottery products accounted for more than

306,000 full time jobs². ONCE in Spain accounts for more than 19,000 employees, as the lottery considers the disabled people selling the tickets as full-time employees. Retail staff is normally not considered as full-time employees in other lotteries in Europe.

Responsible gaming and measures to prevent problem gambling are an integrated part of lottery operations. In 2012, some 27 lotteries in EU reported spending of €16.3 million on measures to prevent problem gambling. Among all the EL members, the corresponding figures were 32 lotteries spending €22 million.

Some 39 state licensed lotteries in 21 EU member states offered games on the Internet in 2012; this is 14 more than 2011 (25), as almost all German lotteries have started with Internet sales in 2012. EU lotteries reported a total GGR through the Internet of €1.9bn –slightly more from the €1.6bn recorded in 2011. The annual compound growth of GGR through the Internet has averaged 19% over the past five years.

2. Introduction and background

This is the seventh report based on data gathered under the heading “ELISE”³. The report covers key descriptive statistics about lotteries in Europe in 2012 and includes comparative statistics for the years 2006 – 2012 where appropriate. All monetary figures also from previous years 2006 to 2011, are calculated in EUR using the exchange rate from the Central European bank 2.1.2013, as noted in the above foot note 1. This implies slight differences in, for example, 2011 figures in this report and the same 2011 figures in last year’s report.

The objective is to provide data on the economic activities of lotteries in the European Union member states (EU 27) and in Europe in general. The EL gathered the information for this report in spring of 2013. It is the most detailed and up to date data

² The calculation is based on the London Economics study “The case for State lotteries”, Sept. 2006, which found a multiplier effect of 15. In other words, for each full time employee of the lotteries an average of 15 full time jobs was created in sectors where lotteries are sold.

³ European Lotteries Information Sharing Extended. Data are collected through a questionnaire to all EU lotteries and since 2008 also to non EU lotteries which are members of EL, and quality tested by a group of lottery experts. The group is comprised of: Ms. Alexandra Perrier, Head of International Relations and Mr Nicolas Cancel, Analyst, of La Française des Jeux, France; Ms. Helka Lääperi, Development Manager/BI, and Mr. Vesa Mäkinen, Veikkaus Oy, Finland; Mr.Oscar Castro Villar, Consultant of ONCE, Spain; Mr. Ulrich Engelsberg, Senior Referent, Westdeutsche Lotterie GmbH & Co. OHG, Germany; Mr. Wolfgang Leitner, Senior Controller and Ms. Astrid Baier-Löw, Financial Controller, Austrian Lotteries, Austria,; Mr. David J. Evans, Global Strategy and Insight Manager at Camelot UK Lotteries Ltd., U.K.; Mr. Remi Scheffers, Manager Marketing & Sales Intelligence, De Lotto, Netherlands; Ms Mélissa Jacquérior Steiner, Administrative Secretary, and Ms. Bernadette Lobjois, Secretary General of EL, Lausanne, Switzerland.

on lotteries in the EU and Europe available from any source. The survey for 2012 has data from 78 EL member lotteries (including RAY, the Finland's Slot Machine Association) and covers 44 European countries. All EL Members have answered the survey except CJSC Interlot in Russia, the response rate is almost 99%.

There are five common characteristics of the EU lotteries included in this report. They:

1. are located in an EU country
2. have an exclusive license from the state (or region) to operate games and are controlled by the state
3. make mandatory payments to the state and/or to state defined good causes like, for example, sports or culture
4. sell only within the jurisdiction they are licensed and cover the complete jurisdiction. They are not "local" lotteries and unlike commercial bookmakers, they do not sell in a jurisdiction where they are not licensed
5. are members of the EL

Thus, the reporting lotteries of each country serve as the "base unit". With a few exceptions, they cover all large-scale lotteries in the EU. Not all lotteries offer the same games and services. Therefore, each table is calculated with the number of lotteries that reported for the activity indicated in the table heading.

The report shows the consolidated Gross Gaming Revenues (GGR) figures broken down into six gaming categories⁴ and the corresponding sales figures. It also shows the amount of money collected through mandatory payments by lotteries to society, the employment created through lottery activities and how the Internet is used as a sales channel for lottery products. The tables are accompanied with explanatory footnotes where appropriate but otherwise left uncommented to serve as a basis for EL members and other stakeholders' own analysis.

EL believes that ELISE can contribute to the understanding of how lotteries work and what their contributions are to society in general.

Bernadette Lobjois, EL Secretary General, Lausanne, Switzerland, June 2013

⁴ The six categories are defined in Annex A.

3. Tables and figures Table 1a: Participating lotteries in the EU

Country	Number of reporting Lotteries	Founded year	EU Lotteries
Austria	1	1986	Österreichische Lotterien
Belgium	1	1934	Loterie Nationale
Bulgaria	2	1957	Bulgarian Sports Totalizator
		1993	Eurofootball Ltd.
Czech Republic	1	1956	Sazka Sázková kancelář a.s.
Cyprus	2	1958	Cyprus Government Lottery
		1969	OPAP (Cyprus) Ltd.
Denmark	2	1948	Danske Spil AS
		1753	Det Danske Klasselotteri AS
Estonia	1	1971	AS Eesti Loto
Finland*	2	1940	Veikkaus Oy
		1938	RAY Raha-automaattiyhdistys*
France	1	1933	La Française des Jeux
Germany**	17	1946	Staatliche Lotterieverwaltung
		1947	Süddeutsche Klassenlotterie (SKL)
		1947	Deutsche Klassenlotterie Berlin (DKBL)
		1948	Staatliche Toto-Lotto GmbH
		1948	Nordwestdeutsche Klassenlotterie (NKL)
		1948	Bremer Toto und Lotto GmbH
		1948	Lotto Rheinland-Pfalz GmbH
		1948	LOTTO Hamburg GmbH
		1949	Lotterie-Treuhandgesellschaft mbH Hessen
		1949	Toto-Lotto Niedersachsen GmbH
		1951	Saarland-Sporttoto GmbH
		1957	Westdeutsche Lotterie GmbH & Co. OHG
		1990	Sächsische LOTTO- GmbH
		1991	Land Brandenburg LOTTO GmbH
		1991	Verwaltungsgesellschaft Lotto und Toto in Mecklenburg-Vorpommern mbH
		1991	Lotto-Toto GmbH Sachsen-Anhalt
		1948	Nordwestlotto Schleswig-Holstein GmbH & Co. KG
		1991	Lotterie-Treuhand-Gesellschaft mbH Thüringen
		2012	GKL Gemeinsame Klassenlotterie der Länder
Greece	2	1959	OPAP S.A.
		1929	Greek State Lotteries
Hungary	1	1991	Szerencsejáték Zrt.
Ireland	1	1987	National Lottery Ireland
Italy	2	1990	Lottomatica Group S.p.A.
		1946	Sisal S.p.A.
Latvia	1	1993	Latvijas Loto
Lithuania	1	1993	Olifeja Inc.
Luxembourg	1	1945	Loterie Nationale
Malta	1	2004	Maltco Lotteries Ltd.
The Netherlands	2	1959	De Lotto
		1726	Nederlandse Staatsloterij
Poland	2	1956	Totalizator Sportowy Sp.z.o.o.
		2007	Totolotek SA
Portugal	1	1783	Santa casa da Misericórdia de Lisboa
Romania	1	1906	C.N. Loteria Romana S.A.
Slovakia	1	1993	TIPOS National Lottery Company a.s.
Slovenia	2	1952	Loterija Slovenije d.d.
		1996	Športna Loterija d.d.
Spain	3	1812	Sociedad Estatal Loterías y Apuestas del Estado
		1987	Loteria de Catalunya
		1938	Organización Nacional de Ciegos Españoles (ONCE)
Sweden	1	1996	AB Svenska Spel
United Kingdom	1	1994	Camelot UK Lotteries Ltd.
EU (27) TOTAL*	53		

*RAY is the Finnish Slot Machine Association and a Member of EL. As such, RAY completed the ELISE survey. However, RAY does not offer lottery games and their data has not been included in the aggregated lottery data shown in this report. RAY's total GGR for 2012 was 773.2 M€, total mandatory money for society 506 M€ and they employ 1'214 people.

** GKL Gemeinsame Klassenlotterie der Länder is the result of a merger between SKL and NKL as per July 1st, 2012 Therefore the 3 Lotteries are considered as one entity in this report.

Table 1b: Participating lotteries outside the EU

Country	Number of reporting Lotteries	Founded year	EL Lotteries outside the EU
Azerbaijan	2	2010	Azerintelek CJSC
		2001	Azerlotereya SJSC
Belarus	1	2007	CJSC Sport-Pari
Bosnia and Herzegovina	2	1973	Lottery of Bosnia and Herzegovina
		1992	Lottery of the Republic of Srpska
Croatia	1	1973	Hrvatska Lutrija d.o.o.
FYROM	1	2008	National Lottery of Macedonia
Georgia	1	2009	GLC Georgian Lottery Company LLC
Iceland	2	1934	Happdrætti Háskóla Íslands
		1986	Íslensk Getspá
Israel	2	1968	TOTO (The Israel Sports Betting Board)
		1951	Mifal Hapais
Kazakhstan	1	1997	National Lottery of Kazakhstan
Kosovo	1	1974	Lotaria e Kosovës
Moldova	1	1994	I.M. Loteria Moldovei SA
Norway	1	1948	Norsk Tipping AS
Russia*	2	1996	CJSC Interlot
		2006	Orglot OOO
		2008	OOO Ural Loto
Serbia	1	2004	State Lottery of Serbia d.o.o.
Switzerland	2	2003	Swisslòs
		1937	Société de la Loterie de la Suisse romande
Turkey	1	1939	Turkish National Lottery Administration
Ukraine	2	1971	MSL
		1997	Ukrainian National Lottery
EL (44) TOTAL	24		

* Although being a Regular EL Member in 2012, CJSC Interlot did not report any figure for 2012.

Thus, a total of 77 lotteries have provided 2012 data for this report.

Table 2: GGR 2012 in the EU by game category

Game category	Lotteries reporting	EU (27) GGR 2012 (M€)	%
Draw based games	51	22'405	66%
Instant games	44	6'598	19%
Sports games pari-mutuel	37	552	2%
Sports games fixed odds*	32	1'398	4%
EGMs outside casinos	5	2'847	8%
All other games and non gaming activities	9	331	1%
Total*	52	34'131	100%

Euro exchange rate 2.1.2013. All the data from previous years has been recalculated from the national currencies using these rates.

GGR = Gross Gambling Revenue

*Not including Bulgaria/Eurofootball, they did not report GGR

Figure 1: GGR 2012 in the EU by game category

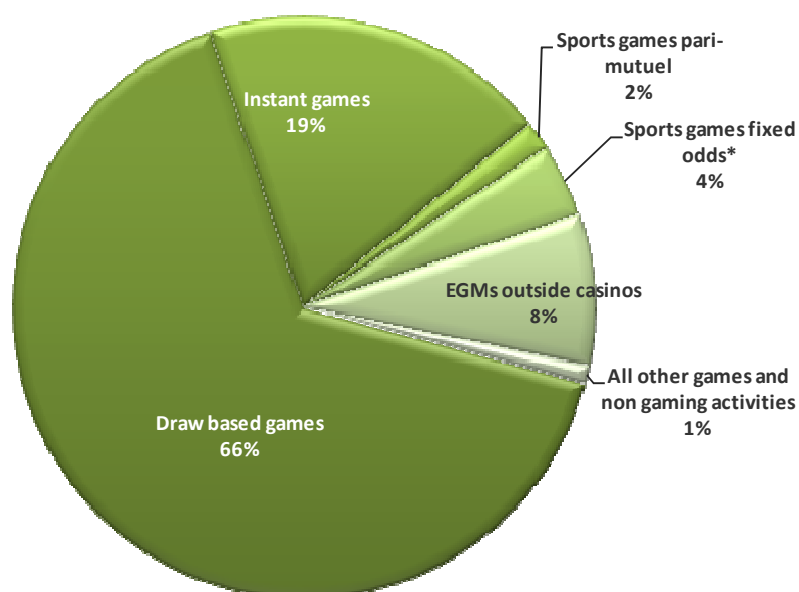


Table 3: GGR 2012 for EL members by game category

Game category	Lotteries reporting	EL (44) GGR 2012 (M€)	%
Draw based games	73	24'381	66%
Instant games	62	7'027	19%
Sports games pari-mutuel	48	648	2%
Sports games fixed odds*	41	1'660	4%
EGMs outside casinos	13	3'117	8%
All other games and non gaming activities	14	340	1%
Total*	76	37'173	100%

Euro exchange rate 2.1.2013. All the data from previous years has been recalculated from the national currencies using these rates.

GGR = Gross Gambling Revenue

*Not including Bulgaria/Eurofootball, they did not report GGR

Table 4: Lottery sales 2012 in the EU by game category

Game category	Lotteries reporting	SALES EU (27) 2012 (M€)	%
Draw based games	51	49'189	64%
Instant games	44	20'242	26%
Sports games pari-mutuel	37	1'459	2%
Sports games fixed odds	33	5'811	8%
Total	53	76'702	100%

Euro exchange rate 2.1.2013

Figure 2: Lottery sales 2012 in the EU by game category

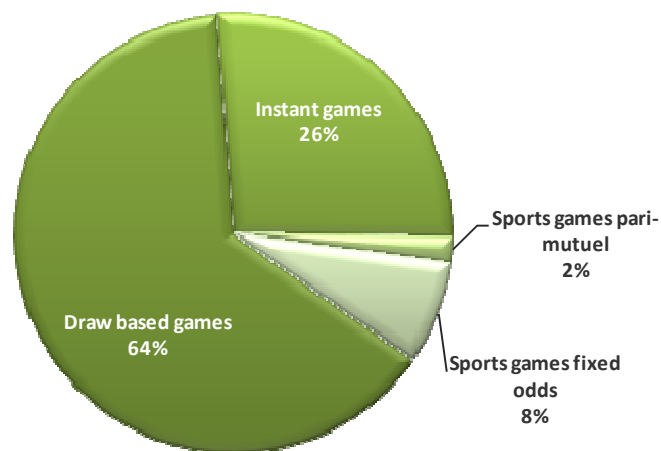


Table 5: Lottery sales 2012 for EL members by game category

Game category	Lotteries reporting	SALES EL (44) 2012 (M€)	%
Draw based games	72	52'648	64%
Instant games	62	21'005	26%
Sports games pari-mutuel	47	1'674	2%
Sports games fixed odds	42	6'700	8%
Total*	76	82'027	100%

Euro exchange rate 2.1.2013

**Not including Swisslos/Switzerland, they are not reporting Sales*

The total turnover of Lottery sales for EL Members for 2012 including “EGMs” and “All other games and non-gaming” amounted to € 101.9 billion. This figure must be used cautiously as these 2 categories are rarely calculated but rather estimated in sales. GGR figures are more consistent.

Table 6: GGR development in the EU 2007 – 2012 by game category

Game category	Lotteries reporting	EU (27) GGR 2012 (M€)	EU (27) GGR 2011 (M€)	Change (%) 2012 vs. 2011	EU (27) GGR 2010 (M€)	EU (27) GGR 2009 (M€)	EU (27) GGR 2008 (M€)	EU (27) GGR 2007 (M€)	Avg. annual change (%) 2012-2007
Draw based games	51	22'405	23'000	-2.6%	22'440	24'704	22'781	22'816	-0.4%
Instant games	44	6'598	6'613	-0.2%	6'177	6'048	5'740	5'430	4.0%
Sports games pari-mutuel	37	552	577	-4.4%	639	710	805	1'001	-11.2%
Sports games fixed odds*	32	1'398	1'343	4.1%	1'396	1'340	1'455	1'231	2.6%
EGMs outside casinos	5	2'847	2'754	3.4%	2'171	1'842	1'668	1'203	18.8%
All other games and non gaming	9	331	366	-9.6%	346	498	550	286	2.9%
Total**	52	34'131	34'652	-1.5%	33'169	35'142	32'998	31'968	1.3%

Euro exchange rate 2.1.2013

GGR = Gross Gambling Revenue

*Not including Bulgaria/Eurofootball, they are not reporting GGR

**Change (%) also includes Greece/Greek State Lotteries (GGR 2012: 97.3 M€) and Cyprus/ OPAP Cyprus (61.3 M€) although they did not report in all six years.

Table 7: Sales development in the EU 2008- 2012 by game category

Game category	Lotteries reporting	SALES EU (27) 2012 (M€)	SALES EU (27) 2011 (M€)	SALES EU (27) 2010 (M€)	SALES EU (27) 2009 (M€)	SALES EU (27) 2008 (M€)	Change (M€) 2012 vs. 2011	Change (%) 2012 vs. 2011
Draw based games	51	49'189	51'143	51'622	53'426	49'696	-1'953	-3.8 %
Instant games	44	20'242	19'468	17'358	17'035	16'260	774	4.0 %
Sports games pari-mutuel	37	1'459	1'541	1'620	1'891	2'013	-82	-5.3 %
Sports games fixed odds	33	5'811	5'115	5'565	5'138	5'395	697	13.6 %
Total*	53	76'702	77'267	76'166	77'491	73'364	-565	-0.7 %

Euro exchange rate 2.1.2013

*Change (%) also includes Cyprus/ OPAP Cyprus (Sales 2012: 177 M€) although they did not report in all five years.

Annex A: Data collection and game category definitions

The data was gathered and analyzed in the period from January to May 2013 and covers the calendar year 2012. With few editorial changes in the questionnaire that lotteries complete, the same data has been collected in previous years 2006 to 2011 allowing for comparison over time. Data was requested in national currency and figures from the non-Euro countries was converted into Euros using the European Central Bank's official exchange rate quoting on January 2, 2013. Population figures are from EUROSTAT and the World Economic Outlook Database. Percentage changes between years have been calculated on the basis of figures in national currency.

The report relies almost exclusively on primary data sources. All data thus comes from EL member lotteries answering to a questionnaire sent out on January 15, 2013 by the EL.

There are no common definitions or internationally agreed to terms for games operated by state lotteries – or for that matter the wider gaming markets. Each jurisdiction thus applies its own definitions and no EU framework exists to give a homogenous description of gaming categories. The SICL study used five categories⁵ of which lotteries were one (the others were bingo; casino; sports betting and slot machines outside casinos). There is a great variety of activities offered by lotteries. Svenska Spel, for example, operates games in all of the categories used in the SICL study. In the Nordic region, national lotteries were established in the 1930's and 1940's offering "Tipset". It was a sports game based on the outcome of typically 11 to 13 football matches. The lotteries later added other games based on a random draw of numbers – typically named Lotto. The national lottery in Denmark, Danske Spil AS, also operates horserace betting whilst other jurisdictions have granted separate non-lottery entities, like PMU in France or ATG of Sweden, exclusive licenses for this activity. In the U.K., nation wide lotteries were prohibited until The National Lottery was established in 1994.

In spite of the lack of a commonly agreed to framework, for the description of gaming, there is an unspoken consensus in the world of gaming by which games can be meaningfully grouped under the same heading. Commonly understood terms have developed over time and are based upon a few generic gaming characteristics.

Probably the most important distinction, as explained below, is between pari-mutuel based games and games with fixed odds.

Additionally, there is usually a distinction between games where the outcome is completely based on a random selection of numbers or symbols and games where the outcome is based on one or more events, in which it is meaningful to claim that punters can estimate the likelihood of the outcomes differently. In other words, games based on future events in areas like sports, politics, music, film, weather forecast etc. where a punter's skill or knowledge within the given area increases her/his chances of winning the game.

⁵ The study originally had eight categories defined by the EU Commission in its tender document Markt/2004/12/E. However, the researchers were only able to collect data from five out of eight categories leaving out Gambling services operated by charitable organisations; Media gambling services and Sales promotional games with prizes above € 100.000.

The first group of games, those of random outcome, are typically also divided into regularly drawn games and pre-drawn games. The former is, for example, Lotto whilst the latter could be a scratch ticket game, where the winning tickets were determined at the time of printing.

Building upon this unspoken consensus, a list of terms with accompanying explanations was given to the lotteries to assist them in answering the data questionnaire. The explanations are attached as annex b and show which data the participants have been asked to report.

The report defined 6 economic activities carried out by lotteries:

Draw based games: All games offered nationwide and based on a random draw of numbers, letters or symbols. Another term would be Number games used in earlier versions of the questionnaire. The most well known European (worldwide) generic brand names are Lotto, Keno, Joker, Class Lottery and Bingo. The games are normally built on the pari-mutuel principle where a certain percentage of the total stake sum is allocated to one or more prize pools and then shared amongst the winners in that prize pool. If there are many winners the prizes will be small and vice versa.

However, a small number of the games in this category use fixed prizes. In other words, the player knows the potential winning on a lottery ticket at the time of purchase no matter how many winners there are. There is thus a certain risk for the lottery operator that it must pay out more in prizes than what it sells for. This is obviously never the case for pari-mutuel based games. When fixed prize games like, for example, Bingo or Keno are sold in large volumes the prize pay-out resembles that of pari-mutuel games which is why they are grouped together.

In economic terms, the “Draw based games” category is by far the largest of all lottery operated game categories. Note that a given game may be sold through more sales channels like retail, the Internet and mobile phones.

Instant games: “scratch tickets” or “pull tab” games are pre-drawn lotteries. In other words, when the player buys a ticket it has already been decided at the time of manufacturing and according to a winning plan if the ticket is a winner or not. Thus, the player can immediately see if it is a winning ticket and hence the name “instant ticket”.

Typically, the winning plan applies a certain percentage of a sales unit as the prize amount and the winner selection is exclusively random. Thus, in construction, the game is closely related to number games in particular if the volume sold is large. However, the category always uses fixed prizes where players know the potential size of a winning in advance of the purchase independently of the conduct of other players.

Sports games pari-mutuel: The term “sports betting” or “sports games” does not necessarily refer only to betting on sports events. In some jurisdictions, “sports betting” may also cover betting on other future events from politics, music, films, weather forecast or even operator created events – what in the U.K. comes under the term “novelty bets”. This report will therefore also use the term “sports games” knowing that it embraces events other than sports.

Probably the most important distinction in sports wagering is between pari-mutuel betting and fixed odds betting. In pari-mutuel betting the lottery defines a certain share of the stake that goes to one or more prize pools. As stated above, if many punters predict the correct outcome, prizes will be small and if only few have guessed the correct outcome prizes will be large. Thus, the operator runs no risk of losing money – given a level of sales that at least cover the total costs. The principle is typical for wagering on horse races and for the so-called “Toto” or “Tipset” games where punters must predict the outcome of a series of football matches ranging from 11 to 14 in the 1 (home win) X (draw) or 2 (away win) format.

Sports games fixed odds: Fixed-odds betting is different. Here, the price or “the odds” are set in accordance with the different likelihoods of the outcome of a given event⁶. Hence, the operator offers a fixed prize established as the stake multiplied by the odds for a correct prediction. In principle, the operator does not need any volume as would be the case in pari-mutuel wagering. The wager is, of course, concluded before the outcome of the event is known and the potential prize is then fixed and cannot subsequently be altered. Obviously, the operator runs a risk that the prize payout might exceed sales, which is not the case for pari-mutuel based games.

Slots/VLTs/EILs outside casinos: Slot machines, Video Lottery Terminals (VLTs) and Electronic Instant Lotteries (EILs) are devices designed for gaming which the player operates without the intervention of a sales person or retailer. Typically, VLT’s are modern devices linked to a central computer from which games can be monitored, audited, installed and removed on one or on more terminals at a time. Slot machines are normally stand-alone devices where new games may be installed but only through direct physical contact with each machine.

To be in line with the recommendation of the VLT/EIL Working Group, this section will be named EGMs (Electronic Gaming Machines) as per next year.

Any other game or non-gaming activities: Was created as a residual category to make sure all games and economical activities offered were included in the answers. The category comprises of Internet Poker, Brick and mortar casino games and non-gaming activities like the issuing of drivers licenses.

⁶ The odds are equal to: prize pay-out percent divided by the likelihood of the outcome in percent. For example, a lottery aims at an average theoretical pay-out of 85% of sales and uses this as the pay-out percentage for individual betting objects. Let the event be a football match between Manchester United and Arsenal where the company’s experts estimate that the likelihood for a home win is 50%, a draw 35% and an away win 15%. The (rounded) odds, or the price offered to punters for betting with one unit on the correct outcome, would then be: $85\%/50\% = 1.70$ for (1); $85\%/35\% = 2.45$ for an (x) and $85\%/15\% = 5.65$ for the (2).

Annex B: Explanation of data fields asked for in the questionnaire

1.0	Period	The time period for which flow data like sales should be included. If your lottery does not have the calendar year as financial year, please make a comment and use the most recent comparable data.
	Country	The country data field is pre-entered.
	Inhabitants	The inhabitant's data field will be entered by EL using the latest available data. In most cases data will be from 1 st January 2013.
	GDP	The gross domestic product data field will be entered by EL. Data are the latest official available.
	Currency code	The currency code data field is entered by EL. The exchange rate will be entered by EL using the Central Banks first quotation in 2013.
2.0	Product Category Sales Data	There are six product categories. Each group contains games with similar characteristics. The product groups are defined in order to make statements about sales at European level. For each game category, sales and gross gaming revenues (GGR) are requested.
2.1	Sales	<p>Sales (or turnover or handle for slot machines) should be in national currency. Do not deduct anything from sales - not prizes, not commission for retailers nor anything else. It should reflect the gross amount punters pay buying lottery products. If you do not operate games in a category just leave the field blank. If, in addition to the price of the lottery, players also pay a tax on top of the price of the lottery product, please include this tax on top of the sales figure. Include sales from all channels like retail, own shops and Internet.</p> <p>Please provide the complete figure, for example, "675 000 000" and not "675 million" as the data entry field is formatted as a number to be used in calculations. The sales figures should correspond to the figures provided in audited reports if available.</p>
2.2	GGR	<p>Gross Gaming Revenue (GGR) is equal to sales minus prizes. For each game, GGR should be equal to sales multiplied by (100%- payout rate in %). If, for example, you sell instant tickets for 100 units and you pay back 58% in prizes for players, the GGR is equal to $100 \times (100\% - 58\%) = 42$. There may be a slight difference between the theoretical prize pay back percentage and the actual payout as some punters never collect their prizes. However, for the purpose of this study the difference does not matter. You may thus use the theoretical pay-pack rates to calculate GGR from sales figures as shown above. GGR also equals the amount kept by the operator after prizes to cover all costs, retail commissions, taxes, good causes money and profit. You should include GGR for all channels including retail, own shops and Internet.</p> <p>Please provide the complete figure in national currency and not "651 million" as a text entry. You may round the figure and enter "651 000 000" but please provide all digits.</p>
2.3	Draw based games	In earlier ELISE surveys named "Number games". All nationwide games based on numbers or letters and thus typical lottery games with both pari-mutuel and fixed prizes. Include Lotto, Powerball, MegaMillions, Pick 3, Euromillions, Joker, Spiel, Draw, Class lotteries, Keno both daily and fast draw and Bingo. Data on sales and GGR should include all channels like retail, Internet, Mobile phone and others. Do not include slot machine games or Instant games based on numbers in this category.

2.3.1	Draw based games, Internet	The sales/GGR figure that was sold through the Internet channel. For GGR you can calculate the figure using the formula $\text{sales} \times (100\% - \text{payback}\%)$ as shown in the explanation 2 "Product Category Sales". You do thus not need the exact knowledge of prizes actually being won on tickets played through the Internet. Please include sales through mobile phones and other devices which use the Internet registration of the player.
2.4	Instant games	All instant or scratch games and pull tab games - the so-called pre drawn lotteries. Data on sales and GGR should include all channels like retail, Internet, mobile phones and others.
2.4.1	Instant Games Internet	The sales/GGR figure that was sold through the Internet channel. For GGR you can calculate the figure using the formula $\text{sales} \times (100\% - \text{payback}\%)$ as shown in the explanation 2 "Product Category Sales". You do thus not need the exact knowledge of prizes actually being won on tickets sold through the Internet. Please include sales through mobile phones and other devices which use the Internet registration of the player
2.5	Sports games pari-mutuel	All games on sports events with running odds i.e. games where players play against each other about one or more prize pools defined as a percentage of the total stake sum. Include Tips, Toto, Maljagt and horse race betting with pari-mutuel odds. Do not include any fixed odds games. Data on sales and GGR should include all channels like retail, Internet and mobile phones.
2.5.1	Sports games pari-mutuel Internet	The sales/GGR figure that was sold through the Internet channel. For GGR you can calculate the figure using the formula $\text{sales} \times (100\% - \text{payback}\%)$ as shown in the explanation 5 "Product Category Sales". You thus do not need the exact knowledge of prizes actually being won on tickets sold through the Internet. Please include sales through mobile phones and other devices which use the Internet registration of the player
2.6	Sports games fixed odds	All games where punters bet on the outcome of a sports event and all novelty bets on, for example, the weather, song contest, political events where the lottery offers fixed odds i.e. games where the punter plays against the lottery. Include Oddset, live betting and all fixed odds games on horse races.
2.6.1	Sports games fixed odds Internet	The sales/GGR figure that was sold through the Internet channel. For GGR you can calculate the figure using the formula $\text{sales} \times (100\% - \text{payback}\%)$ as shown in the explanation 2 "Product Category Sales". You do thus not need the exact knowledge of prizes actually being won on tickets played through the Internet. Please include sales through mobile phones and other devices which use the Internet registration of the player.
2.7	EGMs outside casinos	Slot machines, Video Lottery Terminals (VLT) and Electronic Instant Lottery (EILs) located outside licensed brick and mortar casinos.
2.8	All other games and non gaming activities	Provide only GGR figures. Typically, the category includes casino games (where sales are not recorded), poker (where sales are not recorded) and activities other than gaming, for example the issuing of drivers licenses (where there are no prizes). The figure of interest in this questionnaire is the amount left for the operator to cover costs, taxes and profit which in our terminology have been called GGR. Thus, please provide GGR figures for activities in this category.

2.8.1	All other games and non gaming activities Internet	Provide only GGR from the Internet channel and not the sales figure. Please include GGR through mobile phones and other devices which use the Internet registration of the player. Typically, the category includes casino games (where sales are not recorded), poker (where sales are not recorded) and activities other than gaming, for example the issuing of drivers licenses (where there are no prizes). The figure of interest in this questionnaire is the amount left for the operator to cover costs, taxes and profit which in our terminology have been called GGR. Thus, please provide GGR figures for this category through the Internet.
3.0.	Other lottery data	
3.1	Average no. of full time employees	Average number of lottery employees over the year calculated on a full time basis. Do not include employees of service providers or retailers.
3.2	Total mandatory money for Society (Tax/Duties and Good Causes)	<p>Include everything in national currency your lottery contribute to society in the form of mandatory taxes/levies (local and national, company tax, license fee, excise duty) and mandatory payments earmarked for good causes like sports, culture, environment, education and others. The entry in this field should reflect the total money your lottery contributes to society as mandatory payments.</p> <p>Do NOT include sponsorships or other NON mandatory payments to, for example, sports.</p> <p>Please provide complete figure, for example, "650 000 234" and not "650 million". You may round it to "650 000 000" but please enter all digits.</p>
3.2.1	of which to good causes on sports	<p>For the purpose of this study, the total amount your lottery contributes to society as mandatory payments is broken down into three categories. This is the second group which covers mandatory payments allocated for sports. Include all amounts in national currency your lottery provide for sports purposes whether you pay it directly to sports associations or indirectly to a ministry or another institution. The study aims at showing how much money lotteries contribute to sports in Europe through mandatory payments.</p> <p>Do NOT include money you pay for sponsorships to sports. These amounts should be included under 3.3.1. Typically and contrary to mandatory payments for sports which benefit amateur and mass sports, sponsorships are bought on market conditions and support elite and/or professional sports.</p> <p>Please provide complete figure, for example, "650000234" and not "650 million". You may round it to "650000000" but please give all digits.</p>

3.2.2	of which to other good causes (in example culture or education)	<p>For the purpose of this study, the total amount your lottery contributes to society as mandatory payments is broken down into two categories. This group covers mandatory payments allocated for all good causes where you are certain of the end allocation. Include all amounts in national currency your lottery provide for good causes like culture, sports, environment and education whether you pay it directly to the good cause or indirectly through a ministry or another institution. For example, if you provide EUR 100 million to the ministry of Health or Culture or Education or Environment or Sports or Science etc., this AMOUNT BELONGS HERE and NOT in 3.2.3. The study aims at showing how much mandatory money lotteries contribute to good causes in addition to what goes to Treasury, knowing that the latter also contain funds for good causes but not knowing the exact amount.</p> <p>Do NOT include money you pay for sponsorships to good causes.</p> <p>Please provide complete figure, for example, "650 000 234" and not "650 million". You may round it to "650 000 000" but please give all digits.</p>
3.2.3	of which to Treasury with no knowledge of the final allocation	<p>For the purpose of this study, the total amount your lottery contributes to society as mandatory payments is broken down into two categories. This group covers mandatory payments to Treasury (state budget) with no specific earmarking. Include all amounts in national currency for all taxes and duties in any form (local and national, company tax, license fee, excise duty) and any tax paid on prizes. If your profit or part of it goes to Treasury it must also be included.</p> <p>Please provide complete figure, for example, "650 000 234" and not "650 million". You may round it to "650 000 000" but please give all digits.</p>
3.3	Sponsorships for sports or other good causes	<p>Some lotteries use sponsorships as a marketing and public relations tool. Please include the cost for any such sponsorship and please note the character of it in the comments field. In addition to showing the funds for sports provided by lotteries as mandatory payments, the study also aims at showing how much money lotteries in Europe provide for professional sports and for other good causes through sponsorships.</p> <p>Please provide complete figure, for example, "6 000 234" and not "6 million". You may round it to "6 000 000" but please give all digits.</p>
3.4	Total spending on measures to prevent problem gambling	<p>The EL and the WLA have established programmes of Responsible Gaming Certification. This entry is meant to support evidence that lotteries are fully aware of the obligations to promote responsible gaming. You should report the amount in national currency that was used for measures to prevent problem gambling - covering all 10 program elements of the responsible gaming standards. It should include costs for prevention, research and treatment of problem gambling incurred by your lottery. Include also cost for information material; stakeholder engagement and costs associated with help line support; education of staff and retailers and costs for employees directly involved in such activities, costs for conducting 2nd party assessment etc. It would be helpful if the character of the activities would be added under comments.</p> <p>If your lottery has legislative obligations to pay for such activities, please state which.</p> <p>Please provide complete figure, for example, "6 500 234" and not "6.5 million". You may round it to "6 500 000" but please give all digits.</p>

3.5	Number of Point of Sales (POS)	<p>The number of physical point of sales at the start of the period (retail outlets) where your lottery sells its products - all of them or part of them.</p> <p>Please provide complete figure, for example, "6 523" and not "6.5 thousand". You may round it to "6 500" but please give all digits.</p>
3.6	Retail selling costs	<p>The amount in national currency paid in commission to retailers for selling your products. The figure will allow the calculation of an estimated man-power support in the retail sector coming from lottery products.</p> <p>Please provide complete figure, for example, "6000234" and not "6 million". You may round it to "6000000" but please give all digits. If not available, you can provide the retail percentage of sales in the comments box.</p>