

ROMANIA

Country report

Novelties about the association

The new address of our association is:

**ASOCIATIA ORGANIZATORILOR SI PROUCATORILOR
DE JOCURI DE NOROC DIN ROMANIA (A.O.P.J.N.R.)**
[ROMANIAN GAMING ASSOCIATION OF ORGANIZERS AND PRODUCERS]

BUCURESTI, Str.Elizeu, Nr.24, Et.1, Ap.2, Sector 1
(24 Elizeu St., 1st floor, apt. 2, district 1, Bucharest)

In the year 2005 our association has co-opted 6 new members.

Together with A.O.P.J.N.R. in Romania there are another two associations of gaming organizers :

Asociatia organizatorilor de cazinouri [*Casino organizers association*];
Asociatia organizatorilor de pariuri [*Betting organizers association*].

Dynamics of the gambling activity

The total number of gambling machines :

2004 – 16.021 units

2005 – 23.106 units

The growth rate of the sector was of 44%.

The number of public operators in the field of lotteries: 1 (National Lottery)

The number of private operators in the field of gambling:

Betting – 23 operators

Bingo – 11 operators

Casino – 21 operators

Gambling machines – 876 operators

Date regarding the legislation in the gambling field

The current legislation does not provide either the minimum number or the maximum number of gambling machines that can be placed within a location or the maximum winning amounts.

At present, a new law regarding gambling will be elaborated that will bring a series of novelties as for example:

- A new classification of the gambling activities;
- The introduction of the License for gambling activities (with validity of 3 years) simultaneously with the obligation of having Authorizations of exploitation (with validity of 1 year), granted for each mean of game or location, as the case may be;
- The establishment of a compulsory minimum number of gambling machines exploited by an organizer and of the minimum number of gambling machines placed within a location;
- The compulsoriness from the organizers to have a minimum value of the subscribed and paid-up share capital at the date when they apply for the license and constitution of some money guaranties;
- The increase of the authorization fees;
- The inclusion as offences of some facts and the growth of the applied penalties;
- The obligation of the organizers to pay the authorization fees in advance or in four equal quarterly installments, from which the first installment will be paid in advance;
- The exploitation of gambling machines only with the organizers' own personnel ;
- The compulsoriness to own the gambling equipments for the casino, bingo, as well as betting;
- The betting organizers are obliged to use a unique computer program at the level of the company;
- The technical control of the gambling machines, installations, devices, gambling table and of other means of game is exercised by the Romanian Office of Legal Metrology. The technical norms of verification used, as well

as the tariffs charged for the activities of technical control are approved annually by the Minister of Public Finance.

- The prohibition of on-line games organized by internet-type or intranet-type communication systems, of the games organized through the telephony communication systems, of the ones organized through the television, through the radio stations or other assimilated transmission means, of the betting that have as technical support the results of some clandestine contests, of the white-black-type games, which results can be influenced by the dexterity of the game organizers or of the handler of the means of game, as well as of the games, regardless their naming, through which a proposition is made to some persons to depose or to collect money or to enter their names on a list, making them hoping to financial gains resulted from the increase of the number of recruited or entered persons, regardless how this collection or entering on a list is made ("pyramidal"-type games).

The enforcement of the new legal provisions will have as effect the reduction by 30% of the number of gambling organizers, an extension of the market for the medium-sized organizers and a more efficient control of the authorities upon this field with benefic effects regarding the control of unfair competition.

We also mention here the processes that are taking place between the betting organizers and the National Lottery on the theme of competition and operation exclusivity.

For our association the major objective at the legislative level for the year 2006 is the replacement of the social stamp percentage fee with a fixed fee and the elimination of the gaming organizers compulsoriness to use in this activity the fiscal electronic machines.

Regarding the social problems connected with the gambling we mention the fight of the authorities for the reduction of the dependence towards the gambling by introduction of some restrictions in connection with the location placement, interdiction of the access of the minors in the gaming sites and of the participation to credit-based games. Besides these measures, there is also the interdiction of gamblings transmitted through the television networks except the extractions of the National Lottery.

There are no restrictions regarding advertising in the field of authorized gambling activities.

Fees

The licenses having a validity of one year are granted against of some annual fees as follows:

1. For each mechanical or electronic gambling machine : RON 1.669,5;
2. For each gambling table from the casino:
 - a) in Bucharest:
 - roulette-type table: RON 99.124,4;
 - table of game of cards or dice: RON 66.800;
 - b) in province:
 - roulette-type table: RON 53.200;
 - table of game of cards or dice: RON 33.400;
3. For a gambling hall BINGO-type, KENO-type and other alike:
 - RON 20.870;
 - 7% from the nominal value of the game cards acquired from the Public Corporation Imprimeria Nationala [*National Printing Office*].
4. For sports betting: 5% from the estimated receipts, but no less than RON 10.400;
5. For prognostics, lotteries, tombola, contest - games and others organized through telephone lines or other means of telecommunication:
 - 15% from the annual estimated receipts but no less than RON 33.400;
6. For the media gambling transmitted through television networks or other assimilated mean of transmission: 18% from annual estimated receipts but no less than RON 53.200.

In addition to the authorization fees that the gambling organizers pay (according to the Emergency Ordinance of the Romanian Government No. 118 / June 30, 1999 as subsequent amended) a monthly fee "Social stamp", as follows:

1. Mechanical and electronic gambling machines : 10% from the monthly balance of the machine(GGR), representing the difference between the gambling credit and the prize granted by the same machine;
2. Casino: USD 1.000 for each gambling table;
3. Bingo: 10% applied over the total sale of game cards (EUR 1=RON 3.65)

Once the new legislation in the gambling field has appeared, an increase of the authorization fees by approximately 30-40% is forecasted. This increase of the fees together with the compulsoriness of owning a higher share capital and of some money guarantees will lead to a more rigorous selection of the organizers operating on the gambling market.