#### Draft

### LAW ON AMENDMENTS TO ARTICLES 2 AND 20<sup>7</sup> OF GAMBLING LAW OF THE REPUBLIC OF LITHUANIA NO IX-325

No. of 2024 Vilnius

#### Article 1. Amendment to Article 2

Article 2(31) is amended to read as follows:

'31. The term "controller" used in this Law shall be understood as the term "beneficiary" as defined in the Law of the Republic of Lithuania on the Prevention of Money Laundering and Terrorist Financing. Other terms used in this Law shall be understood as defined in the Law on the Prevention of Money Laundering and Terrorist Financing, the Law of the Republic of Lithuania on Financial Accounting and the Law of the Republic of Lithuania on Payments.'

#### Article 2. Amendment to Article 20<sup>7</sup>

Article 20<sup>7</sup> is amended to read as follows:

# <sup>•</sup>Article 20<sup>7</sup>. Measures to combat illegal remote gambling operators and arrangements on payments for participation in remote gambling

1. After carrying out an investigation and finding that an illegal gambling operator organises remote gambling in the Republic of Lithuania, the Lithuanian Gaming Control Authority shall issue one or both of the mandatory instructions:

1) for the payment service provider to cease payments or other financial transactions relating to an entity engaged in illegal remote gambling activities in the Republic of Lithuania, including payments for participation in remote games organised by illegal gambling operators, payments of winnings and acceptance of stakes for the benefit of the entity organising illegal gambling;

2) to remove, in accordance with the procedure laid down in Article 98 of the Law of the Republic of Lithuania on Electronic Communications, information used for the illegal operation of remote gambling or to remove access to this information.

2. The Control Authority, with a view to issuing an order referred to in paragraph 1(1) of this Article, within three working days of the discovery of the illegal remote gambling activity shall submit an application for authorisation for action to the administrative court of first instance. An application for authorisation for action must include the name of the person alleged to have committed the infringement, the nature of the alleged infringements and the intended action. The administrative court of first instance shall examine the application for authorisation for action and issue a reasoned order granting or rejecting the application for authorisation for action. The application for authorisation for action must be examined and an order issued no later than three days after the submission of the application for authorisation for action. If the Control Authority does not agree with the decision of the administrative court of first instance rejecting an application for authorisation for action, it shall have the right to appeal against the decision before the Supreme Administrative Court of Lithuania within seven days of such a decision. The Supreme Administrative Court of Lithuania must examine the appeal against the decision of the administrative court of first instance rejecting the application for authorisation for action not later than within seven days from the date of receipt of the Control Authority's appeal. The representative of the Control Authority shall have the right to be present when the appeal is dealt with in an oral procedure. A ruling adopted by the Supreme Administrative Court of Lithuania shall be final and not subject to appeal. The courts, when examining requests and appeals concerning the issue of authorisation for action in question, must verify the confidentiality of the information received and action planned.

3. The Control Authority shall make public the information on the identified illegal gambling operators that illegally organise remote gambling in the Republic of Lithuania (these operators are not included in the Control Authority's list of entities authorised to engage in remote gambling activities in the Republic of Lithuania (hereinafter referred to in this Article as 'the List')) and shall inform that the specified activities for the provision of remote gambling services are carried out illegally.

4. A payment service provider shall only execute payment and/or distance payment transactions related to, or initiated by payment card for the benefit of, the entities on the List.

5. An entity shall be added to the List on the date on which a gambling licence is granted to the entity and shall be removed from the List on the date on which the gambling licence is withdrawn. The List containing the name of the legal entity, the legal entity code, the account number, the unique trader identification number assigned by the payment card organisation shall be published by the Control Authority on its website.

6. The procedure for limiting payments for participation in remote gambling organised by illegal gambling operators and the payment of winnings through payment service providers operating in the Republic of Lithuania shall be laid down by the Control Authority in agreement with the Bank of Lithuania.'

## Article 3. Entry into force and implementation of the Law

1. This Law, with the exception of paragraph 2 of this Article, shall enter into force on 1 May 2025.

2. The Director of the Gaming Control Authority under the Ministry of Finance of the Republic of Lithuania shall adopt the implementing legislation in respect of this Law by 31 January 2025.

I hereby promulgate this Law passed by the Seimas (Lithuanian Parliament) of the Republic of Lithuania.

President of the Republic