



EN Intel
Report 2017

Gibraltar



- Continent 8
- Gibtelecom
- Government of Gibraltar
- Hassans
- KPMG

A nighttime photograph of the Dubai skyline, featuring the Burj Khalifa as the central focus. The city lights are illuminated against a dark blue sky. The image is framed by large, abstract geometric shapes in shades of blue and white.

Connecting businesses around the world is at the heart of what we do.

As an established player in the carrier world, we provide tailored solutions across various sub-sea and terrestrial cable systems in order to meet requirements of international enterprises and carriers alike. Gibtelecom prides itself on being big enough to do business, but small enough to care.

Why not put us to the test?
www.gibtele.com

Global reach

Highly resilient network

Secure data centres with redundant power,
cooling and connectivity

Agility and flexibility for optimum service delivery

Dedicated 24/7 engineer support

Make amazing happen

Gibtelecom

Group head of content:
Gerard Starkey
Tel: +44 (0)20 7832 6564
g.starkey@egrmagazine.com

Report editor:
Tom Simpson
Tel: +44 (0)20 7832 6535
t.simpson@pageantmedia.com

Production

Head of production:
Claudia Honerjager

Sub-editors:
Luke Tuchscherer, Alice Burton
Charlotte Romeyer

Art director, EGR
Toni Giddings
t.giddings@egrmagazine.com

Commercial

Group commercial manager:
Sam Compagnoni
Tel: +44 (0)20 7832 6554
s.compagnoni@egrmagazine.com

Publishing account managers:
Debbie Robson
Tel: +44 (0)20 7832 6551
d.robson@egrmagazine.com

Irene Malentacchi
Tel: +44 (0)20 7832 6580
i.malentacchi@egrmagazine.com

Content sales:
Tel: +44 (0) 20 7832 6512
membership@egrmagazine.com

Distribution:
Fay Osborne

CEO:
Charlie Kerr



EGR Intel is published monthly by Pageant Gaming Media Thavies Inn House, 3-4 Holborn Circus London, EC1N 2HA, United Kingdom

ISSN 1742-2450

Printed by The Manson Group
© 2017 all rights reserved.
No parts of this publication may be reproduced or used without the prior permission from the publisher

Introduction

Opportunities ahead

Over the past 12 months, Gibraltar's egaming industry has gone from strength to strength. And, despite the challenges presented by Brexit and regulatory tightening in 2017, opportunities are certainly there for the taking.

The result of last year's UK referendum sent shockwaves throughout Europe, and Gibraltar is no different. However, the initial fears felt by those on the Rock are dissipating as Gibraltar tactically positions itself to capitalise on the Brexit fallout through the sheer resilience, versatility and responsiveness of its infrastructure.

Yet operators may experience harsher penalties, as well as the potential removal of the current bias towards regulatory settlement. But the commercial success of the online industry speaks for itself as annual statistics released by the UK Gambling Commission show a UK online gambling market with a growth rate of 25% in the year to March 2016, much of it powered by operators based in Gibraltar.

In this *EGR Intel* Gibraltar report we speak to a range of industry experts who offer an insight into navigating the challenges of 2017, as well as how to identify and grasp the opportunities.

By Tom Simpson | *Report editor*

05

Accepting change

Phill Brear of government of Gibraltar speaks to *EGR Intel* about the future of Gibraltar and the market

06

Gibraltar: taking centre stage

Stephen Trimble of Continent 8 speaks about how Gibraltar's military-grade data centre meets truly global connectivity

09

Solid as the Rock

Nyreen Llamas of Hassans details the impact of Brexit and regulatory changes on Gibraltar

11

Gibraltar in changing times

Micky Swindale, director at KPMG Gibraltar, speaks to *EGR Intel* about Gibraltar's role in a shifting environment

14

Gibraltar advances

Shaun Zammit of Gibtelecom talks about the company's beginnings and how it stays ahead of competition



Strategic legal advice is priceless. Hassans stands out from the crowd

With a global reach, Hassans provides legal solutions, both locally and cross-border, to individuals and major multinationals. We deliver a service consistent with old world values of customer care whilst combining professionalism with pragmatism. Our clients get what they need, when they need it.

Personal or business solutions. Efficiently delivered.

Hassans

INTERNATIONAL LAW FIRM

TAX PLANNING • CORPORATE & COMMERCIAL • FINANCIAL SERVICES • FUNDS • LITIGATION • PROPERTY • TRUSTS

57/63 Line Wall Road, PO Box 199, Gibraltar.
T: +350 200 79000 F: +350 200 71966
business@hassans.gi
www.gibraltarlaw.com

“Hassans is widely considered to be the market’s leading firm, both in terms of size and depth of experience...”
Legal 500 EMEA, 2014 Edition.



Phill Brear

◆ *Head of gambling and regulation*
◆ *Government of Gibraltar*

Phill Brear was appointed as head of gambling regulation for Gibraltar in 2007 and Gibraltar gambling commissioner in 2011. Phill has steered through a series of changes to Gibraltar's regulatory regime, working closely with operators and their representatives on a range of operational and organisational changes.

Featuring: *Government of Gibraltar*

Accepting change

Phill Brear of government of Gibraltar speaks to *EGR Intel* about the future of Gibraltar and the market

EGR Intel: What impact has Brexit had on the egaming industry? And, in particular, on Gibraltar?

Phill Brear (PB): On the surface, nothing, there really is a 'business as usual' attitude across the industry with decisions that were being delayed until the referendum now being rolled out as if it hadn't taken place; employment continues to rise, we are still receiving and processing new licensing enquiries and new offices are being built, as well as long leases being signed. I have no doubt that below the surface every company now has a 'Brexit options team' of some shape monitoring developments and examining 'what if' scenarios. Likewise, external consultants and advisors will be doing the same, which is good and prudent management.

EGR Intel: How is Gibraltar prepared to cope with post-Brexit fallout now that a provisional date for invoking Article 50 has been outlined?

PB: We aren't going to know what the nature of the Brexit will be for at least another 12-18 months, that is, if there is a true Brexit at all, as I don't rule out the complexities of European politics. In that I include the UK finding a way of squaring this very disruptive circle, and as we are seeing in Gibraltar now – 'business as usual' being the outcome for the main parts of the UK's relationship with Europe, while some of the sharp edges that have created this tension are smoothed off in some way. You can be sure that neither the EU nor the UK wants to extend the economic difficulties of the last decade into the next, let alone make them worse, so a 'Fixit' will be found. There are also some significant hurdles in the UK for the Brexit process to clear, both the courts and houses of parliament are likely to have a say in at what pace and direction Brexit moves.

EGR Intel: What have been the key developments in Gibraltar over the past 12 months?

PB: In Gibraltar we have seen constant, managed

growth, attracting all but a handful of the biggest and strongest brands to establish and operate from here. No short-cuts, no half measures, no 'fly by night' chancers, just steady, responsible gambling companies deepening their roots in Gibraltar.

EGR Intel: You plan to take on a new role next year, what will it encompass?

PB: I am now in my tenth year as head of regulation and I have doubled up as gambling commissioner for five years. We are reviewing the Gambling Act and the landscape is constantly changing, so we need some new and fresh thinking, someone with a genuine longer term view than I can offer. We want to ensure continuity and forward thinking, so I expect to be part of the team during 2017 but seeing others run with the ball. I am not walking away, I have put too much into this to do that.

EGR Intel: How will the egaming industry look in 12-24 months? What trends will be of the most significance?

PB: This depends on which side of the operation you sit. I think consumers are going to see a flattening out of the nature of what is on offer. Innovation is being eclipsed by saturation, even the best new ideas struggle to get traction because of the amount of noise in the industry. I don't believe we will see DFS as anything other than a side game because DFS prospers only where real betting isn't permitted; like social gaming, it has a place, but it won't displace the core products. On the industry side, the wave of M&A will eventually settle into a new model, there will be a smaller number of very large operators, that is self-evident, but that creates space for the bespoke and specialist providers to create niche markets until they in turn are bought by the biggest players. The process then starts again but with fewer providers in each category until very few large operators are swallowing up very few small operators. The ever-increasing duplication of regulation and taxation will also drive this consolidation, making the scale of operations ever more important, although, alternatively, more difficult for new entrants.◆

Featuring: *Continent 8*

Gibraltar: taking centre stage



Stephen Trimble

◆ Chief product and marketing officer
◆ Continent 8

Stephen Trimble is chief product and marketing officer at Continent 8 Technologies. Stephen has over 15 years' experience in high-availability systems design, IT consultancy, network security and data centre management. In his previous role at a telecommunications firm he was responsible for a number of data centre facilities and the development and rollout of a bespoke managed services portfolio.

Stephen Trimble of Continent 8 speaks about how Gibraltar's military-grade data centre meets truly global connectivity

In 1942, as Eisenhower gave orders marking the commencement of Operation Torch, the North African invasion campaign of World War II, he probably wouldn't have given a second thought to how the network of tunnels surrounding his office and MoD command centre in Gibraltar might look in around 70 years' time.

As it happens, in 2017 his office and the command centre look very much as he left them, preserved for historical purposes to recognise the significance of the site. As for the rest of the facility, it was a natural evolution with the advent of the modern world that such a secure facility, integral for national security purposes and the continuity of war-time data, would continue to house some of the most critical and secure data supporting today's online world.

Occupying this former Ministry of Defence site, this is now Continent 8 Technologies' sixth year of data centre operations in Gibraltar having acquired the network of tunnels in 2011. Following a complete re-fit of all mechanical and electrical plant in 2013/14 which sparked a fresh wave of expansion the past 12 months has seen continued growth – both in terms of physical footprint and service catalogue.

Transition

At the landmark site, Continent 8 proudly hosts some of the largest of Gibraltar's licensed online gaming operators, together with a number of public services, financial services and online payments all of whom have recognised the significance, security and technological advancement of the site.

Despite there being a number of service providers in the jurisdiction, for a number of years now

Continent 8 has been uniquely positioned to deliver on a guaranteed global service level that is not just confined to the borders of Gibraltar. The ability to manage internet traffic beyond the borders of Gibraltar to throughout Europe, North America and Asia enables Continent 8 to effectively mitigate denial of service attacks, provide diverse options for private network services, offer secure online cloud back-up and ensure that latency levels for their customer's customers is predictable and reliable, with high availability.

In recent months though, the company has taken its clear USP of global presence to a whole new level. With a heavy focus on the Asia Pacific region the company has recently undertaken its biggest network expansion yet, connecting its European points of presence directly to Asia, and connecting the Far East into their North American west coast point of presence in Los Angeles.

What this means for any of the company's clients is the ability to send data literally around the planet on their private network backbone – a milestone the company is particularly proud of, and the result of their ongoing multi-million-pound investment programme. It's excellent news for Gibraltar too, as it means that any business based in the jurisdiction with global connectivity requirements has a truly global player they can turn to, for a range of hosting and connectivity services.

Continent 8's network capacity, scale and global reach gives a notable head-start in the ability to contain and mitigate DDoS attacks. For those unfamiliar with DDoS it is, in simple terms, an attack from either single or multiple sources, creating a flood of what would appear to be normal traffic to an operator website, yet of such a magnitude that it renders the website inaccessible. Volumetric attacks were traditionally the standard but attacks are now far more intelligent and can occur in many ways.

In simple terms, Continent 8 can intercept a DDoS



Featuring: *Continent 8*

attack globally, mitigate the majority of the 'bad' traffic in locations of high internet capacity such as Paris, London, New York and Hong Kong and prevent the traffic from even reaching Gibraltar, meanwhile ensuring that the legitimate, or 'good' traffic reaches its destination. The size of attacks has now grown to such a magnitude that many single attacks are greater than the network capacity of almost any offshore location.

It is in these areas that Continent 8 has made significant investment more than doubling its global network capacity in the past 12 months with further plans in the pipeline. It's not just facilities and services though, the company is continuously adding more and more highly skilled personnel to its EMEA and North American 24/7 network operation centres.

Our future

In terms of new products in 2017, Continent 8 recognised that many of its customers have a need to exchange information and data with each other and often this is critical B2B traffic underpinning their business. For example, egaming operators regularly 'talk' across networks to their software providers, payment processors, lawyers, CSPs, affiliates, regulators – and more. Much of the time these communications are using VPNs over the public internet.

However, we all know the internet is not the ideal medium for this traffic, even if secured by a VPN – it's still a potential doorway for attacks, hacks and potential data compromise. The best approach has always been to make this traffic entirely private, not accessible from the internet, and with a service level you can trust. Historically though, this would have meant extremely costly private circuits or a high-end MPLS mesh being the only option available.

Early this year, the company is set to launch new connectivity products will enable any of their data centre customers to use their private global network

Whether hosted with Continent 8, deep inside the rock, or not, a little-known fact is that any business in Gibraltar can avail of the company's highly redundant internet access or global connectivity solutions

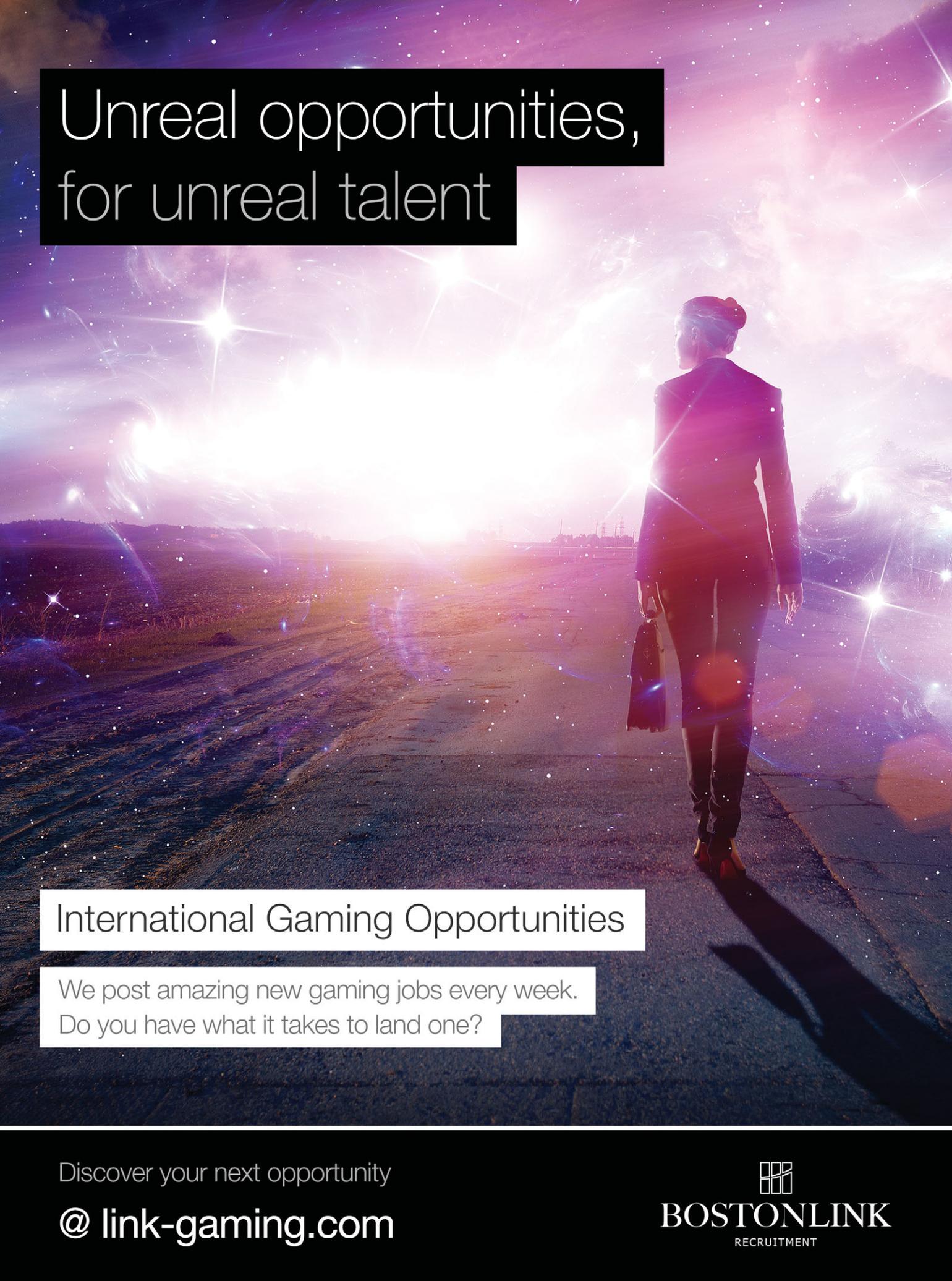
Stephen Trimble | Continent 8

to communicate with each other, securely and very cost effectively - whether they're located in the same data centre, or on the other side of the world. Point-to-point private virtual circuits are available between locations and customers at varying speeds. It's an exciting development, as it will enable ecosystems of directly-connected business partners to develop in a secure and cost effective environment.

In recent months too, the company has rolled out a record number of new network Points of Presence (PoPs) across the globe, and has undertaken some of the biggest expansion projects in years at their existing sites. Some of the latest additions to the PoP 'line-up' include Los Angeles (giving both East and West Coast US coverage), Tokyo and Hong Kong (complementing their significant APAC efforts) and a number of new key locations across Europe.

Whether hosted with Continent 8, deep inside the rock, or not, a little-known fact is that any business in Gibraltar can avail of the company's highly redundant internet access or global connectivity solutions.

Building on these solid foundations, the company is looking forward to many years of growth and stability in Gibraltar, and will continue to invest heavily in their data centre and services for current and future customers. Above all, they remain committed to providing the unparalleled level of service excellence that customers have learned to expect from Continent 8. ♦

A woman in a dark suit is walking away from the camera on a paved road that stretches into the distance. The background is a vibrant, starry sky with purple and blue hues, suggesting a night sky or a digital landscape. The woman is carrying a dark bag and is looking towards the horizon. The overall mood is aspirational and futuristic.

Unreal opportunities,
for unreal talent

International Gaming Opportunities

We post amazing new gaming jobs every week.
Do you have what it takes to land one?

Discover your next opportunity

@ link-gaming.com



BOSTONLINK
RECRUITMENT

Featuring: *Hassans*

Solid as the Rock



Nyreen Llamas

◆ Partner
◆ Hassans

Nyreen Llamas has been practising since 2001 and has developed a breadth of expertise in corporate, commercial and private client work. She has advised many large corporate groups in relation to their tax restructuring and financing arrangements and is well known for her expertise in the thriving gaming industry, advising many of the largest gambling operators in Gibraltar.

Nyreen Llamas of Hassans details the impact of Brexit and regulatory changes on Gibraltar

EGR Intel: What key regulatory changes will Gibraltar face over the next year? Which will be the most important?

Nyreen Llamas (NL): Since mid-2015, Gibraltar has been going through a process of reviewing the Gambling Act 2005 and the codes of practice. This review – which still continues – was commenced before the Brexit vote and, therefore, the results of discussions between the UK and Brussels, as well as the rest of the EU, will need to be weaved into any reassessment of the Gibraltar licensing and regulatory model. There are, nonetheless, certain changes that are easy to anticipate. For instance, Gibraltar currently has only one type of licence – the remote gambling operator licence – and it is expected that the legislation will be revised to factor in different types of licence (such as B2B and certain affiliate services). Essentially, in some respects, the law is simply coming up to speed to accommodate what is happening in practice.

EGR Intel: How significant will Brexit be to Gibraltar?

NL: Brexit will undoubtedly be very significant, and not just for Gibraltar. The departure from the EU has huge implications for businesses in the UK/Gibraltar and the EU where those businesses have operational and services interaction in the different jurisdictions. An assessment of issues such as data protection, intellectual property rights (and their registrations) and employment rights and obligations among others will be inevitable. Depending on the ensuing Brexit negotiations which the UK embarks on, the magnitude of the changes will be difficult to identify on either side of the spectrum (from the UK/Gibraltar looking at the EU and in reverse). Theresa May has recently announced in her plan that the UK will exit from

the single market. This is probably the single most significant political and economic development of the last 50 years relating to the UK's relationship with Europe.

From the perspective of gambling licensing and regulation however, given the lack of EU wide harmonisation, the impact should be fairly contained. Many operators which provide offerings to regulated markets within the EU have licences in those relevant jurisdictions and Gibraltar's operators, being some of the largest in the industry, will stand in good stead to retain their multiple licensed offerings.

However, the key issue – not just for Gibraltar but EU-wide – is how the departure from the single market and the new controls on immigration will impact on the movement and settlement of workers. Gaming operations have multi-lingual, highly skilled staff. One will need to monitor the ensuing negotiations to identify the practical impact but the Gibraltar government has indicated on a number of occasions that they will focus and revise as necessary what footprint is appropriate locally to assist the continued growth and expansion of the industry from Gibraltar.

EGR Intel: How will Brexit and the regulatory changes impact Gibraltar? Will they prove positive or negative to the gaming sector?

NL: Personally, in the short term the uncertainties arising from Brexit are unwelcome. But with all challenges, there are opportunities and we are confident that we'll be very well placed to benefit from them.

As described however, the impact from a licensing and regulation perspective should be fairly contained given the EU's reticence in the past (and foreseeably in the future) to table a harmonised EU licensing framework. The head of a regulatory body in one of the major jurisdictions in Europe announced at a gaming conference recently held in



Dublin that any UK/Gibraltar operators which met the criteria for licensing (most holding licences already in that jurisdiction) would still be able to access their market and their status vis-à-vis the EU would have no bearing in the assessment. This is a welcome and hugely positive assessment going forward.

EGR Intel: What will Gibraltar be able to retain and what will be lost due to these uncertainties?

NL: Businesses are dynamic, especially in this industry as technology predominantly drives changes to their footprint, size and operations. Constant change is therefore an established feature of the industry. While it is difficult to anticipate at this point what will be gained or lost from the Brexit uncertainties, this industry's resilience will allow it to adapt more successfully than others.

EGR Intel: How does Gibraltar plan to use Brexit and regulatory changes to its benefit? What opportunities are there for Gibraltar?

NL: Gibraltar is a very resilient place. We are a small jurisdiction, dynamic and responsive. We are quick to adapt when necessary – not just in the gaming space but in all other industries which operate from here (such as financial services). In every challenge (Brexit is no exception), there are also very significant opportunities. Gibraltar will need to navigate those challenges. Our departure from the EU will involve losing some of our established rights, but there is no doubt there will be significant potential upside. We will have the flexibility to work in a less restrictive environment with increased nimbleness and speed to market. Gibraltar

Personally, in the short term the uncertainties arising from Brexit are unwelcome. But with all challenges, there are opportunities and we are confident that we'll be very well placed to benefit from them

Nyreen Llamas | Hassans

continues to attract very significant business and has proved quick off the mark to adapt when change has been required. The Gibraltar government is committed to help all those industries working from Gibraltar in the transition out of the EU.

EGR Intel: Are Brexit and the regulatory changes something to worry about?

NL: All unknowns are unwelcome. The important issue is how we will respond to this new environment. Those businesses that continue to focus on operational excellence and retain their entrepreneurial flair will flourish in the greater flexibility of a post-Brexit world. The UK is one of the most commercially sensible, yet dynamic jurisdictions in the world with a legal system that most people agree is the most robust. All these are features of the UK which has made it generally, and London in particular, the centre of global business. Gibraltar benefits from many of the features that make the UK itself successful, but with a very significant advantage of providing closer and more immediate collaboration between government, industry and regulator. ♦

Featuring: **KPMG**

Gibraltar in changing times



Micky Swindale

◆ Director
◆ KPMG

Micky Swindale joined KPMG Isle of Man in 1997 and recently completed a two-year stint as managing director of KPMG Gibraltar. She leads KPMG's advisory practice across both jurisdictions, and has been the organiser of the KPMG eGaming Summits since their inception in 2010. In October she was also appointed head of digital ledger services for the KPMG Islands Group.

Micky Swindale, director at KPMG Gibraltar, speaks to *EGR Intel* about Gibraltar's role in a shifting environment

At the KPMG eGaming Summit in Gibraltar in April 2016, our local managing director Jon Tricker led a session exploring the potential impact of Brexit on Gibraltar's gaming sector. While there was a fervent, and with hindsight rather poignant, belief on the part of all our panellists that the UK public would vote remain, there was also a clear statement of confidence about Gibraltar's future, whatever the outcome. The consensus was that three key factors underpinned that confidence:

- The amount of business that Gibraltar operators have which is UK facing, and which they have a very good chance of preserving, because it doesn't depend on European rights: it depends on a bilateral agreement between Gibraltar and the UK. This agreement would be salvageable and is something which Gibraltar are rightfully entitled to hang onto, so a big part of the Brexit threat may be mitigated.
- The dot.com general expansion of the operators' businesses. Proper, regulated markets in Europe are important for Gibraltar operators but most of them are looking towards Asia, Africa and the Americas for growth and diversification, so there is a world outside the European Union which is also important.
- Being outside the constraints of Europe could bring new opportunities. Europe does come with great benefits but it comes with great obligations as well. Historically, Gibraltar has always done well to navigate its way through difficulties, even if you go way back to the time when they shut the frontier. In the 1950s and 1960s for example,

Gibraltar was a great point of interaction and trade with Spain, with thousands of workers who came in and out. There was a huge amount of tourism and Gibraltar's airport was in fact the major conduit into the Costa del Sol.

As one of the panellists Peter Montegriffo from Hassans concluded: "For us and this industry, even in a worst case scenario, there would be a readjustment, but one that I think we could cope with. It would require some reinvention, and we'll think how to go about that, if we find ourselves in that situation on 24 June."

Change is here

Of course, Gibraltar found itself in precisely that situation on 24 June and the Gibraltar government, in the shape of the regulator and the minister for eGaming, moved decisively in the days following the announcement of the Brexit result, meeting with operators, settling nerves about the flow of people and traffic over the border (which has remained trouble-free), and highlighting the potential opportunities the government would have to proactively support the industry once freed from EU state aid constraints.

Their entreaties to hold firm and stay put fell on willing ears – it might be surprising to those who have not lived here the passionate commitment that life in Gibraltar inspires – I have seen many a senior executive dragging a reluctant family with him or her, only to be threatened with divorce a few years later if they dare to suggesting relocating away from Gib.

So life went on...

More recently, at the KPMG eGaming Summit in Malta in November 2016, The Brexit Looking Glass panel session explored the ramifications of the EU leave vote for the gambling sectors in England, the Isle of Man, Gibraltar and Malta – and, in particular, the relationship that the UK will have with Europe going forward.

One consideration was how VAT would be levied in the UK as it was regarded as a common EU tax that would fall away with Brexit, requiring the need for a separate replacement tax in the UK. There was also debate about the relatively small size of the online gaming industry and how it may be inconsequential in the negotiations around Brexit.

Us and them

Looking at Malta, the Isle of Man, Gibraltar and Alderney, it was generally perceived by the panel that there would be limited change for the Isle of Man and Alderney as neither enjoy EU access rights at present. Panellists did agree that more uncertainty currently exists in Gibraltar, but they returned once again to the key point that the Gibraltar relationship with the UK would be unchanged by Brexit and the UK is Gibraltar's largest market.

We polled attendees at the last eGaming Summit in Gibraltar on the question 'what's the best thing about the current regulatory environment?' and they placed 'a supportive macro environment (government and regulatory attitude to online gaming) for the sector' at the top of the list. That response came as no surprise because what business people are really interested in is: "Is this a safe place for me to have a serious investment that can have a long-term chance of success?" That comes with having a good regulatory and legal environment, but more importantly, having an integrated

Online gaming doesn't always have friends in the world, it's an industry that's had to fight for its existence and survival

Micky Swindale | KPMG

environment where the government supports that industry. Online gaming doesn't always have friends in the world, it's an industry that's had to fight for its existence and survival. So having a place where you're wanted, where the ecosystem will look after you, where the government will think about what you need to succeed and will be careful about it, so that they don't damage the jurisdiction or its operators, is absolutely fundamental.

And the value of a supportive regime is even greater now for an industry which is beset elsewhere by governments who misconstrue and distrust it. If we look at the actions and commentary of Roderigo Duerte since he was elected president of the Philippines in June 2016, and at Australia's recent

clampdown on online bookies, we can see the world is getting smaller for operators seeking certainty and positivity in their home bases.

No respite is to be found in the UK, where the introduction of point of consumption tax in 2014 was the precursor to an ever-expanding tide of regulation and regulatory action. In 2016 alone:

- In February, Paddy Power were found to have failures in anti-money laundering and social responsibility controls and were required to donate £280,000 to agreed socially responsible purposes.
- In April, Gala Coral were found to have failures in the area of anti-money laundering and social responsibility and were required to donate £864,000 to agreed socially responsible purposes.
- In June, Betfred were found to have weaknesses in procedures following their licence review and fined £787,000, of which £433,000 went to agreed socially responsible causes.

Our future

Sarah Harrison's recent speech at the commission's first Raising Standards conference made it clear that, far from a slackening off in 2017, operators could expect to see harsher penalties and also the removal of the current bias towards regulatory settlement – meaning that licence review is a very real possibility for operators who are found wanting by the UKGC's enforcement teams.

Despite these challenges, the online industry continues to go from strength to strength in terms of commercial performance; the annual statistics just released by the UK Gambling Commission showed a UK online gambling market of £4.5bn, well ahead of predictions, with a growth rate of 25% in the year to March 2016.

This does mean that the point of consumption tax is generating annual revenues significantly higher than the £300m per annum which was originally envisaged – but whether this will keep the Treasury sated, or simply whet its appetite for revenue from the gaming sector remains to be seen.

So a supportive government and regulator will continue to be the not-so-secret weapons for Gibraltar, and, alongside the 'stickiness' of the management and staff of the existing operators, are likely to ensure life in Gibraltar goes on pretty much unchanged whilst the Brexit story unfolds. ♦



EGR Global

A leading intelligence and networking community dedicated to the online gaming industry. Providing specialist data, insight, analysis, news and events enabling you to improve customer acquisition and retention, benchmark against peers, comply with regulations and guide decision making.

- 
- Print & Digital Publications
 - Exclusive Event Access
 - Data & Performance Statistics
 - Daily & Breaking News
 - Specialist Reports
 - Market & Competitor Analysis

▶ **Request a Free Trial**

▶ **Contact Us:**

membership@egrmagazine.com

+44 (0) 20 7832 6511

Find us on



Specialist networks



Featuring: *Gibtelecom*

Gibraltar advances



Shaun Zammitt

◆ Senior marketing executive
◆ Gibtelecom

Shaun Zammitt, Gibtelecom's senior marketing executive is responsible for global and business enterprise partnerships. Having worked closely with the Gibraltar egaming community for over eight years, he has an understanding of the products and services needed to fit their business requirements.

Shaun Zammitt of Gibtelecom talks about the company's beginnings and how it stays ahead of competition

In a world where optimum uptime is crucial to the success of the egaming industry, one player in Gibraltar took strides to establish itself as the service provider of choice.

Gibtelecom is Gibraltar's leading telecommunications company and has been at the forefront of the success of Gibraltar's egaming community since its inception some two decades ago. Staying ahead of the game already presents itself with its challenges. However, in a country with the geographical size of Gibraltar, other factors come into play including, but not limited to, economies of scale and logistical complexities. It is these very challenges that Gibtelecom, the first EFQM 'Recognised for Excellence' company in Gibraltar, has overcome throughout the years, developing resilient networks and state-of-the-art data centres to meet the demands of its egaming and sports betting customers.

So what keeps a service provider ahead of the game in a place like Gibraltar? It is the ability to ensure investment in infrastructure is made in ways which meets the needs of its customers and secures the best interest of the jurisdiction itself. Gibraltar has mightily stood the test of time through the ages, showing resilience and resolve which defies its tiny footprint. Technology is no different in this respect and Gibtelecom has gone further than others, most evident in their investment in the Europe India Gateway (EIG) submarine cable.

Changing world

As a founding member of the EIG consortium, Gibtelecom ensured that Gibraltar no longer had to rely solely on overland routes in order to communicate with the outside world. Spanning a total of 15,000km between London and Mumbai, the cable system has opened up a world of possibilities through direct access to countries across three continents and also via interconnecting

cable systems, providing Gibtelecom with the ability to connect customers to anywhere in the world by leveraging this infrastructure and partnerships. However, the buck does not stop there. Gibtelecom has used this capability to complement its infrastructure, establishing three directly owned points of presence in Europe, which operate on an intelligent, meshed Optical Transport Network (OTN). With a pop in London, a second in Marseilles and a third in Madrid, Gibtelecom has established what is without a doubt, Gibraltar's most sophisticated and robust international infrastructure, with network assets which now extend half way round the world to South East Asia.

Securely housing customers' IT equipment has been another of the company's areas of key focus, a business now being taken forward by Rockolo (a wholly owned Gibtelecom subsidiary). Ensuring that state-of-the-art equipment operates within optimum conditions presents a challenge. The company's data centre and enterprise services manager, Danny Hook, said: "The success of a data centre is based on ensuring top standards are observed and maintained, to eliminate operational complexities for the customer, thereby making their lives easier." As the largest provider of data centre services on the Rock, Gibtelecom operates a total of six hosting suites at its' Mount Pleasant premises, with power backup courtesy of on-site generators and sophisticated UPS systems. By maintaining strict environmental and security controls, the PCI-DSS (payment card industry) certified facility has provided a safe home for Gibtelecom's multi-national customer's equipment for almost a decade. The recent completion of the World Trade Center (WTC) on the Rock has led Gibtelecom onto the next stage of their DC services journey, with a new 100-rack facility becoming operational at the WTC premises in February of this year.

All of these steps by Gibtelecom have greatly contributed to the success of Gibraltar as an ecommerce jurisdiction. Further planning and investment in technology will ensure that this continues to be the case for years to come. You can safely bet on Gibtelecom. ◆



As organisers of two annual eGaming Summits, we're at the Heart of the sector.

We're also founding members of the offshore **eClub** networking community.

Our many international sector specialists have gaming expertise in **Spades**.

With us, you can be sure of a **Diamond** service.

KPMG: the whole pack (except the Jokers).

To find out more contact Isle of Man:
+44 (0) 1624 681000
eGaming@kpmg.co.im
kpmg.co.im

or Gibraltar:
+350 200 48600
eGaming@kpmg.gi
kpmg.gi



Over 25 Connected Locations • 3 Continents • 1 Global Network

A comprehensive suite of managed hosting solutions tailored specifically for eGaming

- Co-location Services
- Global Private Network
- Secure Networks
- DDoS Mitigation
- Managed Services
- Cloud Backup
- Cloud Connect
- Disaster Recovery
- Project Management
- Professional Services



eGaming's multi-jurisdictional hosting & connectivity solution

continent8.com

