

Gambling regulations in Singapore – a recap for the Lunar New Year

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I. Introduction

During the Chinese New Year (**CNY**) holiday period, many will indulge in some light-hearted gambling when visiting relatives and friends, perhaps in the form of Mahjong rounds or other popular gambling card games such as Poker.

For many businesses, CNY presents an opportunity to bring about new promotions and marketing ideas aiming at increasing sales and revenue, in the form of raffles for a chance to win prizes and money, or offering mystery boxes for sale.

However, whether it is the ubiquitous sounds of the shuffling of Mahjong tile pieces or the promotional opportunities to win a prize in a raffle, such activities will need to be carried out within the parameters of Singapore's gambling laws.

This article aims to provide a recap of the regulations governing gambling in Singapore specifically pertaining to gambling activities during CNY.

II. Overview of the regulatory regime governing gambling activities in Singapore

Gambling in Singapore is regulated by several statutes, namely the Gambling Control Act 2022 (the **GCA**), the Casino Control Act 2006 (the **CCA**) and the Gambling Regulatory Authority of Singapore Act 2022 (the **GRASA**).

With the GRASA, the Gambling Regulatory Authority of Singapore (the **GRA**) is established as the sole regulator for all forms of gambling activities in Singapore. The GRA is also responsible for ensuring that the management and operation of the casinos in Singapore remains free from criminal influence or exploitation.

The GCA consolidates unlawful gambling offences and the regulation of authorised gambling services (other than casinos) under a single Act. The GCA regulates gambling activities in a risk-calibrated approach, as follows:

- (a) The GCA authorises the GRA to grant gambling operator licences for gambling services such as betting and lottery, gaming machine rooms, and gambling in private establishments.
- (b) The GCA introduces class licensing regimes for lower-risk gambling products, such as business promotion lucky draws and mystery boxes. An operator offering such activities does not need to be individually licensed by the GRA, but it must meet the requirements of the class licence in order to offer the relevant activity.

- (c) The GCA permits “social gambling” among family and friends in homes. However, this allowance for social gambling in homes does not extend to online platforms.

With respect to casinos, the CCA provides for the operation and regulation of casinos and gaming in casinos.

III. Engaging in gambling activities in Singapore

In Singapore, the general rule is that gambling, whether taking place physically or via online means, is prohibited unless licensed or exempted. Where there is no exemption that applies, a person must not conduct any betting operation, or conduct gaming or any lottery, unless that person:

- (a) has been granted a licence authorising that person to provide a gambling service involving, as the case may be, the conducting of that betting operation, the conducting of that relevant gaming, or the conducting of that lottery;
- (b) is a class licensee authorised under a class licence to provide a gambling service involving, as the case may be, the conducting of that betting operation, the conducting of that relevant gaming, or the conducting of that lottery;
- (c) is an employee of a licensee mentioned in paragraph (a) or a class licensee mentioned in paragraph (b), who is conducting the relevant betting operation, gaming or lottery (as the case may be) on behalf of his or her employer, and in connection with the authorised gambling service that is authorised by the licence or class licence; or
- (d) is a person granted a casino licence to conduct that betting operation, gaming or lottery within a casino.

Unlawful conduct of betting operations, gaming or lotteries

A person who contravenes the GCA by conducting any betting operation, or conducting gaming or any lottery, without being properly licensed or authorised under a class licence to do so, shall be guilty of an offence, and such person shall be liable on conviction to both a fine not exceeding SGD500,000 and imprisonment for a term not exceeding seven (7) years. A repeat offender shall be liable on conviction to a fine not exceeding SGD700,000 and shall also be punished with imprisonment for a term not exceeding ten (10) years.

In addition to punishing those who provide a gambling service in contravention of the GCA, the GCA also provides that an individual will have committed an offence if he or she gambles with another person (referred to as, the **Gambling Operator**), using a gambling service provided by the Gambling Operator, where the gambling service is not properly licensed under the GCA, and he or she knows, or ought reasonably to have known, that the Gambling Operator is providing the gambling service in contravention of the GCA. An individual who is guilty of such an offence shall be liable on conviction to a fine not exceeding SGD10,000 or to imprisonment for a term not exceeding six (6) months or to both. Such an offence is also an arrestable offence.

Unlawful gambling places

The place or location at which the gambling is being carried out must also be an “approved gambling venue”, which is a place or premise that the GRA has approved for use in connection with the provision of a gambling service. Under the GRA, a person commits an offence if the person is an owner or an occupier of a place or premises, and that person uses, or allows the place or premises to be used, as an unlawful gambling place. Where an individual organises or manages, or assists in organising or managing, any unlawful gambling place, that person will be guilty of an offence.

IV. Class licences for lower-risk gambling services

The GCA provides for lower-risk gambling services (such as lucky draws) to be offered under a class licence regime. Under a class licence regime, there is no need for a person or an entity to apply for a licence from the GRA or submit any notification or documents to the GRA, provided that all applicable requirements specified in the class licence order are met.

Many companies and businesses may see the CNY celebrations as an opportunity to entice consumers with marketing and promotional opportunities to participate in games of chance and lotteries. To assist businesses in understanding the types of lower-risk gambling services that can be provided under a class licence, we set out below, information on some of the relevant class licences:

A. Class Licence for Remote Games of Chance

The Minister for Home Affairs, in making the Gambling Control (Remote Games of Chance — Class Licence) Order 2022 (**Remote Games of Chance Order**), has granted a class licence for persons who offer remote games of chance. There are two (2) types of this class licence available under the Remote Games of Chance Order, the qualifying conditions for which we set out below. Additionally, there are conditions subsequent to be complied with.

Type 1 Class Licence	Type 2 Class Licence
Qualifying Conditions	
<ul style="list-style-type: none">• Involves an interactive game of chance that is played for a prize.• Is conducted, or can be accessed by or delivered to players who are physically, in Singapore.• The game is free of charge.• Must not involve the use, design elements or mechanics of prohibited games specified in the First Schedule of the Remote Games of Chance Order (for example, Mahjong, 4D, Toto) or any image of gambling articles specified in the Second Schedule of the Remote Games of Chance Order (for example, Mahjong tiles, roulette wheels).	<ul style="list-style-type: none">• Involves an interactive game of chance that is played for a prize.• Is conducted, or can be accessed by or delivered to players who are physically, in Singapore.• The prize:<ul style="list-style-type: none">○ is not money;○ may be won or acquired only from in-game microtransaction or by playing the game; and○ is designed primarily for use in the same or related interactive games.

B. Class Licence for Trade Promotion Gambling

The Minister for Home Affairs, in making the Gambling Control (Trade and Other Promotional Games and Lotteries — Class Licence) Order 2022 (**Trade, Promotional Games and Lotteries Order**), has granted a class licence for persons who offer trade promotion gambling services. We set out the qualifying conditions below. Additionally, there are conditions subsequent to be complied with.

Class Licence for Trade and Other Promotional Games and Lotteries

Qualifying Conditions

- This class licence is open to entities.
- This class licence permits games and lotteries that are conducted primarily to promote trade in any goods or services that are not related to gambling **AND** participation in such games and lotteries must be free or dependent on the purchase of the promoted goods and services.
- The games and lotteries must not involve the use, design elements or mechanics of prohibited games specified in the First Schedule of the Trade, Promotional Games and Lotteries Order (for example, Mahjong, 4D, Toto) or the use of variants of such prohibited games.

C. Class Licence for Incidental Gambling

The Minister for Home Affairs, in making the Gambling Control (Minor Gambling — Class Licence) Order 2022 (**Minor Gambling Order**), has granted a class licence for persons who offer incidental gambling services. We set out the qualifying conditions below. Additionally, there are conditions subsequent to be complied with.

Class Licence for Incidental Gambling

Qualifying Conditions

- This class licence is open to any person.
 - This class licence permits games and lotteries that are conducted during a non-gambling event*:
 - as a form of entertainment or amusement for participants attending the non-gambling event; **AND**
 - participation in such games and lotteries must be free other than payment of a fee to attend the non-gambling event.
- *A non-gambling event means any of the following that does not have any gambling as its main or primary object:
- any type of private social function such as a birthday celebration, dinner and dance, or wedding;
 - a business event;
 - a live performance of arts entertainment in a place in the presence of an audience in the same place;
 - any ceremony or rite or celebration lawfully conducted by priests or ministers of religion outside of any place of worship or premises consecrated or dedicated generally or specifically for the conduct of religious services; or
 - a sporting event.
- The games and lotteries must not involve:
 - a game played with a gaming machine;
 - the use, design elements or mechanics of prohibited games specified in the First Schedule of the Minor Gambling Order (for example, Mahjong, 4D, Toto); or
 - the use of variants of such prohibited games.

V. The “social gambling” exception and things to take note of when gambling this CNY

Where the gambling constitutes “social gambling”, the GCA provides that it will not be unlawful. When partaking in gambling activities during this CNY, one must ensure that such gambling activities fall under the “social gambling” exception. For a gambling activity to constitute “social gambling”, the requirements which must be met include the following:

- (a) The gambling activity must take place in person (i.e. not occurring remotely, through the internet, for example). Participants must therefore be present physically and must not engage in the gambling activity remotely through electronic means or otherwise.
- (b) The gambling activity must be conducted in an individual's home. The term “home” is defined by the GCA as an individual's ordinary place of residence in Singapore. The gambling activity should therefore not be conducted in other private venues (such as clubs, hotels and chalets) and public recreational spaces (such as void decks, parks and community clubs).
- (c) The participants must be members of the same family, or individuals who know each other personally.
- (d) The gambling activity must be substantially spontaneous, even though it may occur regularly, habitually or by arrangement between the individuals involved.

VI. Concluding remarks

Given the serious ramifications in the case of breaches under the GCA, organisers and participants of gambling activities must be aware of the governing regulations; and when in doubt, should seek legal advice to ensure they do not unwittingly breach such regulations.

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