

More online gambling firms decide to move to Malta

Making the UK Gambling Commission's „white list“ for jurisdictions whose gambling companies will be allowed to advertise in the United Kingdom ended up being a big boon for Malta.

The U.K. Gambling Act of 2005 went into effect September 1, and one of the new laws permits only those companies based in the European Economic Area or countries given special approval from the Department for Culture, Media and Sports to advertise their online gambling ventures.

Given that Malta is a member of the EEA, online gambling companies headquartered there will be allowed to advertise. Since the announcement of the law and the white list, 27 companies have decided to shift their online operations to the island nation by the end of this month, according to The Times of Malta.

The nation already licenses 84 Internet gambling operators. That's just the tip of the iceberg as letters of intent have been issued to 76 other online gambling businesses, while 36 companies have applications still pending to operate on the island. „Malta's becoming the natural hub of online gaming,“ Mario Galea, Lotteries Gaming Authority chief executive, said in The Times.

Another factor in the growth of the industry in Malta is the online gambling ban in the United States. Since more laws were passed to further restrict the industry in what was the most lucrative market for online gambling, companies have been shifting to focus on other international markets.

Right now, just the online operations are moving to the island. This will raise substantial revenue in license fees

and taxes, but Galea said the real benefits will come when the companies actually transfer their bricks-and-mortar operations to Malta as well.

„Our regulations are very much in line with the EU's, and we have shown that we are capable of protecting our operators,“ Galea said in The Times. „So it won't be long before the physical operations move to Malta.“