

2025 Global Licensing Landscape: Jurisdiction Comparison Report



TGB Practical Toolkit | Licensing & Regulation Vertical

Document Update Notes

Last Updated: January 2026

Next Review: July 2026

- 📌 **Important:** Gambling regulations evolve frequently. Always verify current requirements with official regulatory sources and local legal counsel before making licensing decisions.

This toolkit is based on publicly available official regulatory information as of January 2026. Operators must verify current requirements with regulatory authorities and engage licensed legal counsel in their chosen jurisdiction. TGB is an independent platform and does not provide legal or regulatory advice.

The Decision Layer

Your board just asked, "Which jurisdiction should we target for our gambling license?"

You need to present a defensible recommendation that accounts for licensing costs, time to market, regulatory requirements, tax implications, market access, and ongoing compliance burden.

This isn't about choosing the "cheapest" or "fastest" option. It's about **strategic fit** between your business model, target markets, budget capabilities, and reputation objectives.

This report provides verified, official data on tier-1 regulated gambling licensing jurisdictions to help you make that decision.

How to Use This Report

01

Identify your primary objectives

- Market access requirements (which markets must you serve?)
- Budget capacity (setup + annual ongoing)
- Reputation tier needed (who needs to trust your license?)
- Operational model (B2C, B2B, or both)

02

Review jurisdiction profiles

- Compare costs, timelines, regulatory requirements
- Identify deal-breakers (local presence, restricted markets, tax burden)

03

Shortlist 2-3 jurisdictions

- Match regulatory requirements to your capabilities
- Calculate Year 1 and Year 3 total cost of operation

04

Conduct deeper due diligence

- Engage local legal counsel in shortlisted jurisdictions
- Verify current requirements (regulations evolve continuously)

Jurisdiction Quick Reference Matrix

Jurisdiction	Application Fee	Annual Licence Fee	Timeline	Gaming Tax Rate	Reputation Tier
United Kingdom	£4,224-£91,686*	£4,199-£793,729*	16 weeks	21% GGY	Tier 1 (Global Gold Standard)
Malta	€5,000	€15,000-€600,000**	12-16 weeks	5% + compliance contribution	Tier 1 (EU Leader)
Gibraltar	£30,000 (registration)	£100,000 (5-year B2C); £85,000 (5-year B2B)	8-12 weeks	1% revenue (cap £425K/min £85K)	Tier 1 (Premium)
Sweden	Application included in annual	SEK 264,000 (~€23,760)	8-16 weeks	18% GGR	Tier 1 (Strict, Local Market)
Ontario (Canada)	CAD \$100,000/site	CAD \$100,000/site	8-12 weeks	20% GGR	Tier 1 (Emerging, North America)
Isle of Man	Variable by application	£35,000-£100,000+	12-16 weeks	0.1%-1.5% GGR or £35K min	Tier 1 (High Standard)

*Fee scales based on Gross Gambling Yield (GGY)

**Plus compliance contribution (scale-based)

Detailed Jurisdiction Profiles

1. UNITED KINGDOM

Regulatory Authority: UK Gambling Commission (UKGC)

Primary Legislation: Gambling Act 2005

Official Source: www.gamblingcommission.gov.uk

Why Choose the UK?

Strengths:

- Global gold standard reputation - Most internationally recognised and respected gambling licence
- Market access: Full access to UK market (£14B+ annual GGY; high-value players)
- B2C and B2B: Separate licensing for operators and suppliers
- Regulatory clarity: Established, predictable framework with 20+ years maturity

Ideal For:

- Operators targeting UK customers (licence mandatory)
- Companies prioritising reputation over cost
- Established businesses with compliance resources
- Operators comfortable with active regulatory oversight

Licensing Structure

Three main components:

1. **Operating Licence** - Required for gambling activities (B2C operators)
2. **Personal Management Licence (PML)** - For key individuals
3. **Premises Licence** - Land-based only (local authority issued)

Operating Licence Categories:

- Remote (online casino, betting, bingo, peer-to-peer)
- Non-remote (land-based operations)
- Gambling software (B2B suppliers)

Verified Costs (2025)

Application Fees - Scale-based on projected Gross Gambling Yield (GGY):

GGY Range	Application Fee
Under £550,000	£4,224
£550K - £1M	£11,686
£1M - £5M	£22,844
£5M - £10M	£34,004
£10M - £50M	£56,844
£50M - £100M	£68,004
Over £1B	£91,686

Annual Licence Fees - Scale-based on actual GGY:

GGY Range	Annual Fee
Under £550,000	£4,199
£550K - £1M	£11,464
£1M - £5M	£22,624
£5M - £10M	£33,799
£10M - £50M	£56,624
£100M - £1B	£395,614
Over £1B	£793,729

Source: UK Gambling Commission Official Fee Calculator (2025)

Personal Management Licence: £370 per individual (non-refundable)

Timeline

- Standard processing: 16 weeks from complete application
- Common delays: Incomplete applications, UBO verification issues
- No fast-track available

Key Requirements

Entity:

- Must operate from Great Britain OR hold licence in white-listed jurisdiction
- Corporate registration in UK or recognised jurisdiction
- If operating remotely to UK from outside GB: must demonstrate adequate controls

Financial:

- Demonstrate adequate financial resources
- Source of funds verification for all UBOs (Ultimate Beneficial Owners)
- Robust AML/CFT procedures

Technical:

- Gaming systems tested by UKGC-approved labs
- RNG certification where applicable
- Technical standards compliance
- Player funds segregation

Compliance:

- Designated Person (compliance officer) - PML required
- Comprehensive internal controls
- Responsible gambling measures:
 - GAMSTOP integration (self-exclusion)
 - Affordability assessments
 - Customer interaction requirements
 - Reality checks and deposit limits

Ongoing:

- Quarterly/annual compliance returns
- Regular audits
- Licence Conditions and Codes of Practice (LCCP) compliance

Taxation

- **Remote Gaming Duty:** 21% of Gross Gaming Yield (online casino, poker, bingo)
- **General Betting Duty:** 15% of profits (pool betting)
- No tax for B2B suppliers (corporate tax only: 25%)

Market Access

- Full UK market: All customer-facing activities permitted
- Advertising: Can advertise in UK (subject to ASA rules)
- White-label: Can operate under another operator's license
- Other markets: Some jurisdictions recognise UK licenses; many require local licensing

Ongoing Compliance Burden

HIGH - UKGC is active, interventionist regulator

- Frequent regulatory guidance updates
- Active enforcement (financial penalties common: £100K-£17M+)
- Social responsibility requirements strengthening annually
- Affordability checks increasingly stringent
- Regular compliance audits and reviews

Cost Example: Mid-Sized Operator

Year 1 (£10M GGY projected):

- Application fee: £34,004
- Annual license fee: £33,799
- PML fees (3 persons): £1,110
- System testing: ~£15,000
- Legal/consulting: ~£25,000
- **Total setup: ~£109,000**

Annual ongoing (£15M GGY actual):

- License fee: £44,799
- Gaming duty (21%): £3,150,000
- Compliance costs: ~£50,000
- **Total annual: ~£3,245,000**

Pros

- Global gold standard reputation
- Access to high-value UK market
- Clear, established regulatory framework
- Strong player protection increases customer trust

Cons

- High cost (fees + 21% gaming duty)
- Strict, evolving compliance requirements
- Active enforcement with significant penalties
- Time-consuming application process

2. MALTA

Regulatory Authority: Malta Gaming Authority (MGA)

Primary Legislation: Gaming Act (2018)

Official Source: www.mga.org.mt

Why Choose Malta?

Strengths:

- EU gold standard - Most reputable EU/EEA gambling jurisdiction
- Market access: EU passport rights enable pan - European operations
- Favourable tax: 5% gaming tax (lowest in tier-1 EU jurisdictions)
- Established ecosystem: 500+ licensed operators; mature infrastructure

Ideal For:

- Operators targeting European markets
- Companies seeking EU licensing for cross-border operations
- Balance of reputation and cost-effectiveness
- B2C and B2B operators

Licensing Structure

B2C Licences (Business to Consumer):

- **Type 1:** Casino-style games (slots, table games, RNG-based)
- **Type 2:** Fixed-odds betting (sports, events)
- **Type 3:** Peer-to-peer games (poker, bingo)
- **Type 4:** Lotteries, promotional games

B2B Licences (Business to Business):

- **Critical Gaming Supply:** Game developers, platform providers

Corporate Group Licence: Available where parent controls 90%+ of group

Verified Costs (2025)

Application Fee:

€5,000 (one-time, non-refundable for all licence types)

Annual Licence Fees (Fixed Component):

Licence Type	Minimum Annual Fee	Maximum Annual Fee
B2C Type 1 (Casino)	€15,000	€375,000
B2C Type 2 (Betting)	€25,000	€600,000
B2C Type 3 (Peer-to-peer)	€25,000	€500,000
B2C Type 4 (Lotteries)	€5,000	€500,000
B2B (Critical Supply)	€10,000	€40,000

Compliance Contribution (Variable Component):

- Calculated as percentage of Gross Gaming Revenue
- Tiered structure (descending rates as revenue increases)
- Combined total (licence fee + compliance): Typically €50,000-€600,000 annually depending on scale

Source: MGA Licence Fees and Taxation Guidance Note (2025)

Taxation

- **Gaming Tax:** 5% of gaming revenue from Malta-based players only
- **Corporate Tax:** 35% headline rate (refund mechanisms reduce effective rate to ~5%)
- No VAT on gaming services

Timeline

- Standard processing: 12-16 weeks from complete application
- Due diligence: Thorough UBO and key persons background checks
- System certification: Concurrent with application (can extend timeline)

Key Requirements

Entity:

- Maltese or EU/EEA incorporated entity
- If gaming "from Malta": Malta-based operations required
- Minimum share capital requirements (varies by licence type)

Physical Presence:

- Server infrastructure must be in Malta (critical requirement)
- Office presence required
- Key personnel accessible in Malta

Financial:

- Demonstrated financial stability
- Source of funds verification (all UBOs)
- Bank account with EU-licensed bank

Technical:

- Gaming systems certified by MGA-approved testing labs
- RNG certification (independent testing)
- Player funds segregation
- Technical infrastructure security

Compliance:

Designated key persons:

- Compliance Officer
- Internal Auditor
- Money Laundering Reporting Officer (MLRO)
- Data Protection Officer (DPO)
- AML/CFT procedures (Financial Intelligence Analysis Unit - FIAU oversight)
- Responsible gaming measures
- GDPR compliance (data protection)

Market Access

- **EU/EEA markets:** Passport rights enable cross-border operations (though some countries impose local licensing)
- **Third countries:** MGA licence widely recognised; some require additional local authorisation
- **Advertising:** Can advertise in EU markets (subject to local advertising regulations)

Ongoing Compliance Burden

MEDIUM-HIGH - MGA is proactive regulator

- Annual compliance audits mandatory
- System audits by approved auditors
- Regular reporting obligations
- Desktop reviews and on-site inspections (MGA conducts 50+ on-site audits and 200+ desktop reviews annually)
- FIAU AML/CFT oversight (separate from MGA)

Cost Example: Mid-Sized Operator

Year 1 (€10M GGR projected, Type 1+2 licenses):

- Application fee: €5,000
- Annual licence fees: €40,000
- Compliance contribution: ~€100,000 (estimate, scale-based)
- System certification: ~€20,000
- Malta server setup: ~€50,000
- Legal/consulting: ~€30,000
- **Total setup: ~€245,000**

Annual ongoing (€15M GGR actual):

- Licence fees: €40,000
- Compliance contribution: ~€150,000
- Gaming tax (5% on Malta players, ~2% of total): ~€300,000 (if 20% revenue from Malta)
- System audits: ~€15,000
- Compliance costs: ~€40,000
- **Total annual: ~€545,000**

3. GIBRALTAR & 4. SWEDEN

GIBRALTAR

Regulatory Authority: Gibraltar Gambling Commissioner; Gibraltar Licensing Authority

Primary Legislation: Gambling Act 2005 (new Gambling Act 2025 enacted October 2025)

Official Source: www.gibraltar.gov.gi/finance-gaming-and-regulations

Why Choose Gibraltar?

Strengths:

- Premium tier-1 reputation - British Overseas Territory with robust regulation
- Favourable tax: 1% on revenue (capped at £425K annually; minimum £85K)
- Long licence period: 5-year licences (vs annual renewals elsewhere)
- Selective licensing: ~35 licences issued (exclusivity enhances reputation)

Ideal For:

- Established operators seeking premium reputation
- Companies with proven track record in gambling
- Operators prioritising tax efficiency alongside credibility
- Long-term strategic market positioning

Licensing Structure

Current System (2005 Act):

- Remote Gaming Licence
- Remote Betting Licence
- Other Remote Gambling Products

New System (2025 Act - effective October 2025):

- B2C Gambling Operator's Licence
- B2B Gambling Operator's Licence
- Gambling Operator Support Services Licence (GOSS - new category)

GOSS Licence: Covers marketing/advertising services conducted from Gibraltar; estimated annual fee ~£50,000

Verified Costs (2025)

Current Licensing Fees:

Application/Registration Fee:

£30,000 (registration fee, all B2C licence types)

Licence Fees (5-year term):

- B2C Licences (Remote Gaming, Remote Betting, Other Remote Products): £100,000 (covers 5 years)
- B2B Support Services: £85,000 (covers 5 years)

Effective Annual Cost: £20,000/year (B2C); £17,000/year (B2B)

 **Note:** New tiered fee structure expected under 2025 Act for smaller operators; final regulations pending

Source: Gibraltar Government Official Guidance (2025)

Taxation

Gambling Business Tax: 1% of revenues

- Minimum: £85,000 annually
- Maximum: £425,000 annually
- Highly favourable for large operators (capped at £425K regardless of revenue)
- **General Gaming Duty:** 0.15% on yearly betting event revenue
- **Corporate Tax:** 12.5% (no VAT on remote gambling)

Timeline

- Standard processing: 8-12 weeks (fast for tier-1 jurisdiction)
- Pre-licensing consultations: Available (can shorten process)
- New 2025 Act: Two-phase process
 - Phase 1: UBO and key persons assessment
 - Phase 2: Compliance verification

Key Requirements

Entity:

- Registered office in Gibraltar mandatory
- Significant operations in Gibraltar (substance requirements)
- From 2025: Enhanced "substantive presence" expectations

Applicant Profile:

- Selective licensing: Gibraltar Licensing Authority traditionally licenses "blue chip companies with proven track record"
 - Demonstrated gambling experience in other reputable jurisdictions
 - Strong financial backing
 - Clean regulatory history
-

SWEDEN

Regulatory Authority: Spelinspektionen (Swedish Gambling Authority)

Primary Legislation: Gambling Act (2018)

Official Source: www.spelinspektionen.se

Why Choose Sweden?

Strengths:

- Tier-1 reputation - Strict, well-regulated market
- High-value market: Sweden has affluent player base
- Clear regulations: Comprehensive framework since 2019
- Closed-loop system: Only licensed operators and suppliers can transact

Ideal For:

- Operators targeting Swedish market specifically (licence mandatory)
- Companies with strong compliance capabilities
- Operators comfortable with strict responsible gambling requirements
- B2C and B2B businesses

 **Critical Note:** Swedish licence is primarily for operating in Sweden. It does not provide multi-market access like Malta or Gibraltar.

Licensing Structure

B2C Licences:

- Commercial online gambling and betting licence
- Land-based casino licence
- Bingo licence
- Lottery licences (charity/commercial)

B2B Licences:

- Gambling software provider permit (mandatory for suppliers serving Swedish operators)

Closed-Loop System: Licensed operators can only use software from licensed Swedish suppliers; suppliers can only serve Swedish-licensed operators.

Verified Costs (2025)

Application Fee:

Included in annual supervision fee (no separate application fee)

Annual Supervision Fees (effective January 1, 2025):

Licence Type	Annual Fee
Online gambling & betting operators	SEK 264,000 (€23,760 / ~£20,000) per licence
B2B software providers	SEK 16,500 (€1,485 / £1,250)
Lotteries (charity) - turnover up to SEK 3M	SEK 15,000 (€1,350)
Lotteries (charity) - turnover SEK 3M-10M	SEK 30,000 (€2,700)
Lotteries (charity) - turnover over SEK 1B	SEK 350,000 (€31,500)
Land-based casinos (up to 5 venues)	SEK 3,000 (€270)
Land-based casinos (over 100 venues)	SEK 850,000 (€76,500)
Bingo (permanent halls)	SEK 20,500 (~€1,845)

Source: Spelinspektionen Official Fee Schedule (2025)

Payment: Fees payable in advance for each 12-month period (in Swedish Kronor only)

Taxation

- **Online gambling:** 18% of Gross Gaming Revenue (GGR)
- **Land-based gambling:** 13-18% (varies by type)
- **Mandatory RG contribution:** 0.3% of GGR to licensed gambling treatment/research

Timeline

- Standard processing: 8-16 weeks
- Language requirement: All documentation must be in Swedish
- Website requirement: Swedish-language landing page mandatory

📌 **Note:** Process can take up to 12 months including translation, documentation preparation, and review.

Key Requirements

Language:

- All application documents must be translated into Swedish
- Swedish-language website/landing page required
- Communications with regulator in Swedish

Compliance:

Strict responsible gambling requirements:

- Mandatory deposit limits
- Session time limits
- Reality checks
- Affordability assessments
- Player interaction procedures
- AML/CFT procedures
- Duty of care obligations (active player protection)
- Marketing restrictions (no targeting minors or self-excluded players)

Ongoing Compliance Burden

VERY HIGH - Spelinspektionen is a strict, active enforcer

- Regular compliance audits
- Heavy fines for breaches (reaching tens of millions SEK)
- Active enforcement against unlicensed operators
- 2025 enforcement examples: Blocked EOD Code SRL, Igloo Ventures SRL, MIBS NV, ASG 360 Services
- Responsible gambling and AML breaches result in severe penalties
- Close monitoring of advertising compliance

5. ONTARIO (CANADA)

Regulatory Authority: Alcohol and Gaming Commission of Ontario (AGCO); iGaming Ontario (iGO)

Primary Legislation: Gaming Control Act (1992) as amended

Official Source: www.agco.ca

Why Choose Ontario?

Strengths:

- Tier-1 North American market - First Canadian province with regulated iGaming
- Large market: Ontario population ~15M; robust player base
- Clear framework: Modern regulation (launched April 2022)
- North American access: Positioned for potential expansion to other Canadian provinces/US states

Ideal For:

- Operators targeting North American markets
- Companies seeking Canadian/US market presence
- B2C operators (sports betting, casino, poker)
- Established operators with strong compliance

❏ **Critical Note:** Ontario licence permits operations in Ontario only (players must be physically located in Ontario during gameplay).



Licensing Structure

Three registration categories:

1. Internet Gaming Operator Registration

- Required for entities operating igaming sites in Ontario
- Separate registration per gaming site/domain

2. Gaming-Related Supplier Registration

- For suppliers of gaming software, equipment, services
- Fee: CAD \$15,000 (application) + CAD \$15,000 (annual)

3. Non-Gaming Related Supplier Registration

- For support services not directly linked to gaming outcomes

Verified Costs (2025)

Internet Gaming Operator:

- Application Fee: CAD \$100,000 per gaming site (non-refundable)
- Annual Regulatory Fee: CAD \$100,000 per gaming site per year
- Additional investigative charges: ~CAD \$15,000 (background checks, cybersecurity reviews)

Gaming-Related Supplier:

- Application Fee: CAD \$15,000 (equipment/services) or CAD \$3,000 (non-manufacturers)
- Annual Fee: CAD \$15,000 or CAD \$3,000 (depending on type)
- Term: 4 years

Source: AGCO Official Fee Schedule (2025)

Total Year 1 Cost (Single Site Operator):

- Application: CAD \$100,000
- Annual fee: CAD \$100,000
- Investigations: ~CAD \$15,000
- System certification: CAD \$5,000-\$50,000
- Legal/consulting: ~CAD \$50,000
- **Total: ~CAD \$270,000-\$315,000**

Taxation

- **Gaming Revenue Tax:** 20% of Gross Gaming Revenue (GGR)
- Plus municipal contributions (negotiated with iGaming Ontario)
- Revenue sharing: Operators enter commercial agreement with iGaming Ontario

Timeline

- Standard processing: 8-12 weeks from complete application
- AGCO approach: Cooperative (rarely rejects outright; provides feedback for corrections)
- Pre-application: Operators can engage AGCO for guidance

Two-Step Process:

1. Register with AGCO (8-12 weeks)
2. Enter operating agreement with iGaming Ontario (concurrent)

Key Requirements

Geo-Location:

- Players must be physically in Ontario during gameplay
- Robust geo-location technology required
- Player residency/citizenship irrelevant (location matters)

Entity:

- No requirement for Canadian residency of operator
- However: Canadian insurance coverage required (typically necessitates Canadian incorporation)
- Must maintain Ontario-based operations/contacts

Technical:

- Gaming systems certified by AGCO-approved testing lab
- Player authentication and verification
- Age verification (19+ in Ontario)
- Geo-location technology
- Player funds held in segregated accounts

Compliance:

- Registrar's Standards for Internet Gaming (comprehensive compliance framework)
- Gap analysis required
- Control Activity Matrix
- AML/CFT procedures
- Responsible gambling measures:
 - Self-exclusion integration
 - Deposit limits
 - Reality checks
 - Safer gambling tools
- Marketing compliance (strict advertising rules)
- Data protection and privacy

Training:

- AGCO mandatory training required for key personnel

Market Access

- **Ontario only:** Licence permits serving players physically in Ontario
- **Cannot serve:** Other Canadian provinces (separate licensing required)
- **Cannot serve:** US states (separate licensing required)
- **Future potential:** Ontario seen as gateway for Canadian/North American expansion

Ongoing Compliance Burden

MEDIUM-HIGH - AGCO is active but cooperative regulator

- Regular audits and compliance reviews
- Quarterly/annual reporting
- Revenue sharing reports to iGaming Ontario
- Marketing compliance monitoring
- Active enforcement against unregulated operators
- AGCO provides guidance and works with operators to achieve compliance

Cost Example: Single-Site Operator

Year 1 (CAD \$20M GGR):

- Application fee: CAD \$100,000
- Annual regulatory fee: CAD \$100,000
- Investigations: CAD \$15,000
- System certification: CAD \$25,000
- Legal/consulting: CAD \$50,000
- **Total setup: CAD \$290,000**

Annual ongoing (CAD \$25M GGR):

- Regulatory fee: CAD \$100,000
- Gaming revenue tax (20%): CAD \$5,000,000
- iGaming Ontario revenue share: CAD \$TBD (commercial agreement)
- Compliance costs: CAD \$50,000
- **Total annual: ~CAD \$5,150,000+**

Pros

- Access to large North American market (15M population)
- Tier-1 reputation (modern, clear regulatory framework)
- AGCO cooperative approach (works with operators)
- Positioned for Canadian/North American expansion
- Fast processing (8-12 weeks)

Cons

- Ontario market only (no multi-province access)
- 20% gaming revenue tax (high)
- CAD \$100,000 per site annually (expensive for multi-site operators)
- Geo-location restricted (players must be physically in Ontario)
- Canadian insurance requirement (typically requires Canadian entity)

Jurisdiction Selection Framework

Decision Tree: Which Jurisdiction Fits Your Business?

START HERE:

Q1: Which market(s) must you access?

- UK market mandatory → **United Kingdom** (UKGC licence required)
- Swedish market mandatory → **Sweden** (Spelinspektionen licence required)
- Ontario market mandatory → **Ontario** (AGCO registration required)
- EU markets (multiple countries) → Continue to Q2
- Global markets (flexible) → Continue to Q3

Q2: Targeting EU markets - what's your priority?

- Maximum EU access + reputation → **Malta** (EU passport rights)
- Premium reputation + tax efficiency → **Gibraltar** (but requires proven track record)
- Return to Q3 if unsure

Q3: What's your primary constraint?

- Reputation is paramount → **Gibraltar** (if eligible) or **Malta**
- Tax efficiency is critical → **Gibraltar** (1% capped) > **Malta** (5%) > UK (21%)
- Market access breadth → **Malta** (EU access)
- Time to market → **Gibraltar** (8-12 weeks) or **Ontario** (8-12 weeks)

Q4: Do you have gambling industry track record?

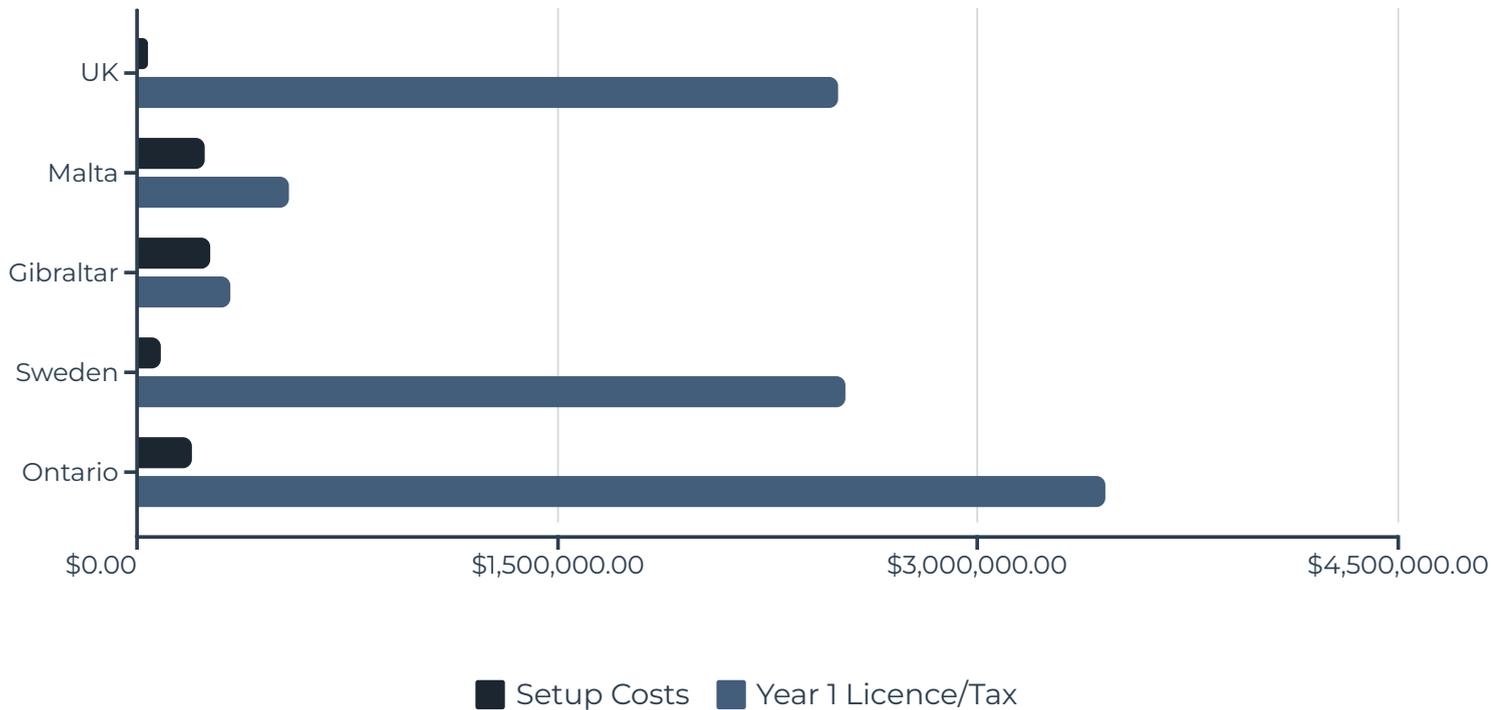
- YES (existing licence, proven operations) → **Gibraltar** (eligible) or **Malta**
- NO (startup, first licence) → **Malta** or **UK**

Q5: Can you meet local presence requirements?

- Malta: Server in Malta + office + key personnel → YES/NO?
 - Gibraltar: Office + substantive operations in Gibraltar → YES/NO?
 - If NO to both → **UK** (can operate remotely to UK market)
-

Cost Comparison: Year 1 Total Cost

Scenario: Mid-sized B2C operator, €10M GGR



Key Insight: While licence fees vary significantly, gaming tax is the largest cost driver. Malta's 5% and Gibraltar's 1% (capped) are highly favourable vs UK's 21%, Sweden's 18%, or Ontario's 20%.

Reputation Tiers: Market Perception

Tier 1-A (Global Gold Standard)

- **United Kingdom** - Most internationally recognised
- **Malta** - EU gold standard
- **Gibraltar** - Premium selective licensing

Impact: Easiest payment processor relationships, highest customer trust, widely recognised by other regulators, premium brand positioning

Tier 1-B (High-Quality Regional)

- **Sweden** - Strict, respected (Scandinavian focus)
- **Ontario** - Modern, respected (North American focus)
- **Isle of Man** - High standards (not detailed in this report)

Impact: Strong regional credibility; good PSP acceptance; suitable for operators prioritising compliance; growing international recognition

Critical Selection Factors & Next Steps

Critical Selection Factors by Business Model

For Established Multi-Market Operators

Best Fit: Malta or Gibraltar

Rationale:



- **Malta:** EU passport enables multi-country operations; 5% tax favourable
- **Gibraltar:** Premium reputation; 1% tax capped at £425K (highly favourable for large operators); but requires proven track record

Avoid: Single-market licences (Sweden, Ontario, UK) unless targeting those specific markets

For UK-Focused Operators

Only Option: United Kingdom (UKGC)

Rationale:



- Mandatory for serving UK customers
- 21% gaming duty is high, but UK market value justifies the cost.
- Cannot use Malta/Gibraltar licence to serve UK market

Consider: If also targeting EU, obtain Malta licence alongside UK licence for multi-market approach

For Cost-Conscious Operators with Scale

Best Fit: Gibraltar

Rationale:



- 1% tax capped at £425K annually
- For operators with £42.5M+ revenue, this is most tax-efficient tier-1 option
- Premium reputation maintained
- 5-year licence reduces renewal burden

Requirement: Must have proven gambling track record (existing licence, demonstrated operations)

Critical Selection Factors & Next Steps

Critical Selection Factors by Business Model

For EU-Market Focus

Best Fit: Malta

Rationale:

- EU passport rights enable serving multiple EU markets
- 5% gaming tax (favourable vs UK/Sweden)
- Mature ecosystem with service providers
- Widely recognised by EU countries

Note: Some EU countries (Germany, Netherlands, Sweden) still require local licensing despite Malta licence

For B2B Suppliers

Best Fit: Malta or UK

Rationale:

- **Malta:** EU supplier hub; many operators licensed here; B2B fees lower than B2C
- **UK:** Can supply to UKGC-licensed operators globally; no gaming tax for B2B (corporate tax only)
- **Sweden:** Also option if supplying to Swedish market (closed-loop system requires Swedish B2B licence)

For North American Strategy

Best Fit: Ontario (Canada)

Rationale:

- First mover in Canadian regulated market
- Positioning for potential expansion to other provinces
- Proximity/relevance for potential US state expansions
- Modern regulatory framework

Limitation: Ontario market only currently; 20% gaming tax high

Common Mistakes to Avoid

Choosing based on licence fee alone

Problem: Gaming tax is typically the largest cost (not licence fees)

Example: Gibraltar £20K annual licence fee but 1% tax vs UK £35K licence fee but 21% tax

Solution: Calculate total cost including gaming tax over 3-5 years

Ignoring local presence requirements

Problem: Malta requires server in Malta; Gibraltar requires substantive operations

Example: Budgeting €30K for Malta licence but not €50K+ for Malta server setup

Solution: Factor infrastructure costs into jurisdiction selection

Assuming EU licence enables all EU markets

Problem: Malta passport rights exist in theory, but many EU countries impose local licensing

Example: Malta licence doesn't enable serving Germany, Sweden, Netherlands without additional local licence

Solution: Verify target market recognition of chosen licence before applying

Underestimating compliance burden

Problem: High-maintenance jurisdictions (UK, Sweden) require significant ongoing compliance investment

Example: UK operators need dedicated compliance team for UKGC requirements

Solution: Budget for compliance personnel, systems, audits beyond licence fees

Applying without proven track record

Problem: Gibraltar selectively licenses "blue chip" operators with proven gambling experience

Example: Startup applying to Gibraltar without existing licence from reputable jurisdiction

Solution: Establish track record in Malta/UK first, then pursue Gibraltar if desired

Next Steps Checklist

Before Making Your Decision:

1. Define target markets - Which countries must you legally serve?
2. Calculate 3-year total cost - Licence fees + gaming tax + compliance costs + infrastructure
3. Assess compliance capabilities - Do you have personnel/systems for high-maintenance jurisdictions?
4. Verify local presence feasibility - Can you meet Malta server/Gibraltar office requirements?
5. Check payment processor acceptance - Will PSPs work with your chosen jurisdiction?
6. Research target market recognition - Does your target market recognise the licence?
7. Evaluate competitor jurisdictions - Where are successful competitors licensed?
8. Engage local legal counsel - Consult lawyers in 2-3 shortlisted jurisdictions
9. Prepare financial projections - Model costs under different licensing scenarios
10. Review recent regulatory changes - Verify requirements haven't changed since this report

After Selecting Jurisdiction:

1. Engage licensing consultant - Work with specialists in chosen jurisdiction
 2. Begin document preparation - Corporate docs, financial statements, UBO disclosures
 3. Start technical compliance - System testing, RNG certification, integrations
 4. Establish local presence (if required) - Office, servers, personnel
 5. Develop compliance framework - Policies, procedures, internal controls
 6. Submit application - Via official regulator portal
 7. Maintain communication - Respond promptly to regulator queries
-

Final Considerations

Reputation vs Cost Trade-off

All jurisdictions in this report are tier-1 regulated markets. The choice isn't "good vs bad" – it's strategic fit:

- **Malta:** Best balance of reputation, cost, and market access for most operators
- **Gibraltar:** Premium option for established operators seeking tax efficiency
- **UK:** Mandatory for UK market; high cost but highest reputation globally
- **Sweden/Ontario:** Essential for those specific markets; high compliance/tax burden

Multi-Licensing Strategy

Many successful operators hold multiple licences:

Common combinations:

- **Malta + UK:** EU markets (Malta) + UK market (UKGC)
- **Malta + Sweden:** EU markets (Malta) + Swedish market (Spelinspektionen)
- **Gibraltar + UK:** Tax efficiency/EU (Gibraltar) + UK market (UKGC)

Rationale: Different licences serve different strategic purposes (market access, tax optimisation, reputation)

Long-Term Considerations

Regulatory trends 2025-2027:

- Increased responsible gambling requirements across all tier-1 jurisdictions
- Stricter affordability assessments (UK leading, others following)
- Enhanced AML/CFT scrutiny (FATF influence growing)
- Source of funds verification becoming standard everywhere
- Marketing restrictions tightening (Sweden strictest, UK following)

Strategic implication: Choose jurisdiction where you can sustainably meet evolving compliance standards, not just current requirements.
