



AGCO

Alcohol and Gaming
Commission of Ontario

Ending Ontario's Transition Period for Unregulated iGaming Operators

Background

A seamless, business-like transition of igaming operators and suppliers from the unregulated to the regulated market was a priority for the government in the initial months following the April 4, 2022 igaming market launch in Ontario. This priority was established to support the province's overall goal of creating a safe, competitive and well-regulated iGaming market for the people of Ontario.

In turn, the AGCO established a regulatory framework that has provided for an initial transition period whereby existing operators and suppliers in the unregulated market can move into the regulated market without shuttering their operations, thereby channeling their Ontario customer base into the regulated market without significant interruption. (For further information see: <https://www.agco.ca/lottery-and-gaming/guides/internet-gaming-operator-application-guide>).

As the AGCO has previously confirmed, this transition period will be time-limited – operators and suppliers who are active in the unregulated market (or have dealings with those in the unregulated market) will not be able to continue their activities in the unregulated market indefinitely without jeopardizing their eligibility for registration in Ontario.

Proposal Overview

Under the *Gaming Control Act, 1992* (GCA) the Registrar is authorized to establish standards to regulate Ontario's gaming sector. For igaming, the [Registrar's Standards for Internet Gaming](#) have been developed and apply to igaming operators, OLG, iGaming Ontario, and gaming-related suppliers (where applicable).

To meet the objective of moving igaming operators and suppliers into Ontario's regulated market as expeditiously as possible, the AGCO is proposing a new Standard. The proposed Standard will create an obligation for operators and suppliers to cease any direct unregulated activities in Ontario, and to end any agreements or arrangements with third parties who are carrying out activities in the unregulated market. The implementation of this proposed Standard may require some applicants to shutter their gaming sites in Ontario until they have satisfied the requirements of both the AGCO and iGaming Ontario (iGO). If any registrant or applicant does not meet this Standard (once in force), they will be jeopardizing their eligibility to obtain or continue holding an AGCO registration.

In order to provide affected operators and suppliers with sufficient time to comply with the proposed new Standard, the Registrar proposes to bring the proposed new Standard into force on **October 31, 2022**. This will give affected operators and suppliers additional time to satisfy the requirements of both the AGCO and iGO and channel their Ontario customer base into the regulated market.

Proposed Standard

Operators and gaming-related suppliers must cease all unregulated activities if, to carry out those same activities in iGaming Ontario's regulated online lottery scheme, it would require registration under the GCA.

Operators and gaming-related suppliers shall not enter into any agreements or arrangements with any unregistered person who is providing the operator or gaming-related supplier with any goods or services if, to provide those goods and services in iGaming Ontario's regulated online lottery scheme, it would require registration under the GCA.

***Note:** For greater certainty, and without limiting the generality of any other Standard, this Standard applies to and governs applicants.*

Discussion Questions

- If you are an applicant or prospective registrant currently active in the unregulated market in Ontario, will you be ready to enter the regulated market by October 31, 2022?
- Are there key considerations the AGCO should be aware of related to the implementation of this Standard?
- Do you have any other feedback related to the implementation of this Standard?