

Double identification discontinued

June 2019

On June 18, 2019 the Russian Federation State Duma approved a draft law that is intended to simplify the process of identifying gamblers (“**Gamblers**”). Passed in its third reading, draft federal law No. 423799-7 on Amendments to the Federal Law on State Regulation of Gambling Activities and on Amending Various Legislative Acts of the Russian Federation (the “**Gambling Law**”), the Federal Law on Counteracting Money Laundering and Financing of Terrorism (Clarifying Issues Related to Identification of Gamblers) and other Legislative Acts of the Russian Federation (the “**Draft Law**”) will use the Interactive Betting Processing Center (“**TSUPIS**”) to simplify identification.

The current version of the Gambling Law limits the development of the gambling business considerably by setting up a two-step process for identifying Gamblers. The identification process currently involves:

- Identification of Gamblers by TSUPIS and
- Identification of Gamblers by bookmakers themselves

The Draft Law enables a bookmaker to delegate identification or simplified identification to TSUPIS by entering into an agreement with the bookmaker.

The Draft Law also makes it possible for TSUPIS to get information about Gamblers (with their consent) from the Unified System of Identification and Authentication (USIA).¹

The changes proposed in the Draft Law are generally intended to stop the duplication of efforts by TSUPIS and bookmakers both doing identification of Gamblers.

Simplification of the process of identifying Gamblers will increase the accessibility and number of interactive bets considerably. This will in turn create the conditions needed to boost Russian Federation tax revenues.

The table below presents the key changes proposed by the Draft Law in a convenient form.

IDENTIFICATION BEFORE THE DRAFT LAW	IDENTIFICATION AFTER THE DRAFT LAW
Gamblers must undergo identification with both TSUPIS and the bookmaker.	The bookmaker may delegate identification or simplified identification to TSUPIS under the relevant agreements.

Contacts:

Alex Skoblo

Partner

T: +7 495 644 05 00

E: alexander.skoblo@dentons.com



Ilya Machavariani

Associate

T: +7 495 644 05 00

E: ilya.machavariani@dentons.com



¹ For example, authorization is done on the Russian Federation Government Services Portal using this system (<https://www.gosuslugi.ru/>).