

## Hungary Fast Tracks Eight New Casinos

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[Lina Sennevall, GamblingCompliance](#) [1]

Hungary has rushed through new gambling amendments that will allow eight new casinos to operate half the number of slot machines that were available before a ban was swiftly introduced last year.

The changes were approved by the National Assembly on Tuesday after the amendments were tabled only two days earlier.

The new legislation limits the number of casinos allowed in the country to 11, allowing for eight new to open as three are already operating in the country.

The new casinos will be smaller Class II venues and allowed to operate up to 300 slot machines each, which will bring the number of machines in the country to half of the amount available before a [ban on slot machines located outside casinos](#) [2] was introduced in October 2012.

The Ministry of National Economy told GamblingCompliance that the government had not given a reason as to why the bill was fast tracked, but added: "The measure certainly aims to improve transparency on the domestic gambling market and ensure strict, state-controlled operation which in turn demands that the bill is adopted and enacted as soon as possible."

It said that the new casinos could be operating as early as the first quarter of 2014.

Almost 7,000 machines were taken out of service as the ban came into force last year, but illegal gambling spiked in the country, and in July the government proposed a restricted tender process for the right to operate up to [ten new casinos](#) [3] to [bring customers back from the black market](#) [4].

In November, an amendment to the gambling law allowed for the minister of finance to grant casino licences outside the usual licensing procedure, removing the tender process altogether for operators fulfilling certain requirements as "a reliable gaming organiser".

Gábor Helembai, partner at Budapest-based Forgó, Damjanovic & Partners law firm, said that very few operators could fulfil all the requirements, which include already having organised gambling in the country for at least ten years.

He added: "It looks like the legislator didn't want to open up this possibility for a wide range of operators."

Operators would have the opportunity of running a maximum of five casinos, leaving the possibility of only two companies being granted a licence for the new casinos.

The concession fee for "reliable operators" would be double the regular fee but amendments adopted in November also enable operators to set off their licensing fees against their taxes.

Helembai said that a call for a concession tender for the eight new casinos is now likely to take place.

He added: "Unless all of the casinos will be operated by 'reliable gambling organisers', who do not have to take part in an open tender, a concession tender is required."

The law passed on Tuesday requires that five licences are granted for operations in the Pest area where the capital Budapest is located and three each for the western and eastern region of Hungary.

Local news reports last week indicated that 11 towns had expressed an interest to host a casino, but it is not been decided where they will be located.



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