



# Romania's regulatory crossroads

**ANA-MARIA BACIU AND ANDREI COSMA** PROVIDE UPDATES ON SWEEPSTAKES VS RAFFLES AND NEW COMPLIANCE FRONTIERS FOR THE INDUSTRY

## Introduction

The Romanian regulatory framework applicable to gambling goes beyond traditional verticals such as sports betting or casino games. Certain promotional mechanisms – such as sweepstakes (or advertising lotteries) and raffles – are also subject to specific legal requirements, yet their practical application has long been unclear or underutilized. In parallel, legislative amendments adopted in 2024 and emerging legislation in 2025 have introduced (or will further impose) significant compliance requirements for both B2C operators and their B2B suppliers. This piece aims to provide an overview of two sensitive regulatory areas: (i) the legal treatment of promotional prize mechanisms, including advertising lotteries and raffles, and (ii) the implications of newly-introduced restrictions for B2B license holders operating in the Romanian market, together with the Romanian regulator's new legislative initiative on self-exclusion that will impact the entire B2C sector.

## Sweepstakes aka advertising lotteries

Romanian law distinguishes between games of chance – which are regulated under a specific regime where the primary legislation is represented by Government Emergency Ordinance no. 77/2009 (“GEO 77/2009”) – and promotional campaigns which may involve prize draws. Sweepstakes-like promotions are generally understood to fall outside the scope of the gambling framework, provided, however, that they comply with a separate set of rules laid down in a different piece of legislation, namely Government Ordinance no. 99/2000 (“GO 99/2000”) on the commercialization of products and services on the market.

GEO 77/2009 stipulates that any activity which fulfils the defining criteria of a game of chance – monetary participation fee, prize and randomness – must be licensed and authorized by the local gambling regulator, namely the National Gambling Office (ONJN). On the other hand, GO 99/2000 defines an advertising lottery as a promotional practice aimed

at encouraging the sale of goods or services, in which winners are selected by random draw and no payment is required to enter, except for ancillary costs such as postage or normal telephone fees. While the GO 99/2000 framework was not designed at all to focus on the gambling sector, it has at times interfered with various marketing campaigns configured by gambling operators.

In theory, the distinction between gambling and sweepstakes is straightforward because gambling entails by design an entry/participation fee, while sweepstakes are fundamentally organized as free-of-charge marketing campaigns. In practice however, the Romanian legislation raises several interpretative challenges.

First, the applicability of GO 99/2000 also to gambling operators is questionable. This ordinance sets out in explicit terms that it applies only to a finite number of activities listed as an annex to the act, which covers various retail and commercial sectors. However, gambling activities, coded under NACE 9200, are not listed in this annex. Moreover, article 3(3) of GO 99/2000 expressly excludes from its scope any marketing activity that is governed by special legislation and it goes without saying that GEO 77/2009 represents a special piece of legislation aimed at regulating gambling operations.

Given these explicit legal texts enacted to define and regulate sweepstakes, a reasonable argument arises that GO 99/2000 should not apply at all to advertising lotteries/sweepstakes that are organized by gambling operators licensed in Romania.

Nevertheless, most of the time practice beats theory. In this vein, we have seen cases where ONJN adopted a conservative approach (albeit while under previous management) and asked gambling operators to comply with GO 99/2000, even though the above argument was invoked in front of the authority. The position adopted by ONJN in the past seems to have been driven less by a technical legal interpretation and more by the regulator's position that the regime for sweepstakes should apply without distinctions for gambling operators as well as operators from other industries.

Given these precedents, certain gambling operators have opted for a prudent approach. In some cases, they have

voluntarily elected to comply with GO 99/2000 and, among others, submitted the terms and conditions of the sweepstake to be notarized in advance.

It is important to emphasize that the burden imposed by the mechanical application of GO 99/2000 to the gambling sector lies more in formal requirements, rather than making it impossible to organize a sweepstake. In essence, GO 99/2000 imposes the following content and procedural requirements for advertising lotteries:

- The rules/terms and conditions must be authenticated by a public notary before the start of the campaign. This is probably the most cumbersome formality. Sometimes the marketing objective is to create simple campaigns around live and dynamic events, so having to observe the notarization requirement in advance can prove difficult;
- Entry must be free of charge, with no indirect or hidden costs, apart from minimal communication or postage expenses;
- Promotional materials must include clear information on the number, nature, and commercial value of the prizes;
- Organizers must state that the rules of the competition are available free of charge to any applicant and provide a contact address or phone number for access;
- The organizer must publicly disclose the identity of winners and awarded prizes. In the recent practice of the data protection authority, certain operators (although not from the gambling industry) have been sanctioned for excessive disclosure of personal data of winners that participated in sweepstakes;
- Prizes must match exactly the information provided in the promotional announcements, brochures, or terms.

It at nutshell, sweepstakes should be seen as a marketing tool that are different in substance from games of chance, because one core characteristic of gambling (the participation fee) is not present. Essentially, the only similarity between the two types of activities is that in both cases consumers may win a randomly awarded prize.

While these two activities should be seen as conceptually distinct, and hence subject to different legal requirements (as also happens in Romania), there is still some debate locally

as to whether or not gambling operators that configure sweepstakes as marketing tactics should be subject to the requirements applicable for advertising lotteries (where the advance notarization requirement of the campaign rules tends to be difficult to observe).

### Raffles: defined in law, absent in practice

While the application of the legal regime for advertising lotteries to gambling operators licensed in Romania remains debatable, a different story unfolds when we analyze raffles/tombola.

Raffles are expressly included in the catalogue of games of chance regulated under GEO 77/2009, being defined as “the activity of extracting numbers, letters or other symbols, regardless of the characteristics of the mechanical, electronic, digital or video devices used to generate them or to carry out the draws – cups, urns, wheels and other such means, where the prizes awarded are fixed and do not depend on the number and price of tickets sold, coupons, tokens and other means attesting participation in the raffle. The winners – a predetermined number of participants – will be determined by random drawing in accordance with a regulation published in advance and approved by the ONJN Supervisory Committee. The raffle can be organized as a remote game of chance or as a land-based game of chance with the possibility of the physical presence of the players, and the prizes can only be in kind, their value cannot be less than 50% of the total value of the tickets issued for the purpose of carrying out the game.”

Based on the above definition, it is clear that raffles represent a game of chance and the core feature of this product under Romanian law is that prizes may only be awarded in kind – they cannot consist of cash or cash equivalents. Moreover, the gambling legislation requires that the total value of prizes awarded must represent at least 50 percent of the total value of tickets issued (although not necessarily also sold) for the draw.

Therefore, by comparison to sweepstakes where no participation fee is involved by design and the fundamental purpose of the activity is to boost the sales of the core business, raffles represent a regulated game of chance (so a gambling business in itself), involving, by definition, an entry fee and

where prizes can be awarded in kind only (this limitation does not exist in Romania when it comes to sweepstakes).

In Romania, raffles can be organized either as traditional (land-based) games or as a remote (online) activity. However, since raffles represent a regulated gambling activity, these are subject to the licensing and authorization regime imposed by GEO 77/2009. Therefore, to offer a raffle on the Romanian market, the operator must obtain:

- A Class I license (granted for 10 years) which is subject to an annual license fee of €20,000 (for land-based activity) or €300,000 (for online activity);
- An authorization to operate (valid for one year and which must be renewed on an annual basis), subject to an annual fee of €85,000/location plus five percent from the nominal values of the tickets (for land-based activity) or 21 percent of the GGR, but no less than €400,000/year (for online activity);

The above license and authorization fees are not negligible, especially in case of online raffles. Unfortunately, there are other fees and financial obligations that make the operation even more prohibitive. Thus, any gambling operator who wishes to obtain a license and authorization in Romania must setup a guarantee meant to secure against the risk of non-payment of tax duties. In the case of land-based raffles, this guarantee is set at €1,000,000, while for online-raffles the amount is €2,000,000. On top of this, an operator offering online raffles is also required to pay a responsible gambling contribution of €500,000 which is due every year. It is odd that the legislator seems to have missed the amount of contribution due for land-based raffles.

The above financial obligations are supplemented by numerous other operational and technical requirements (including other administrative fees, minimum share capital requirements etc.) which must all be observed in order to acquire the license and authorization from ONJN. For an activity that is constrained by law to award only physical prizes and operate within a low-margin structure, this financial burden seems disproportionate.

In addition, unlike games of chance where the prize structure is flexible and demand-responsive, raffles require detailed and



fixed prize planning in advance. This makes them less adaptable for dynamic or short-term marketing campaigns. As a result, while the gambling framework in Romania was reformed almost ten years ago, no license for raffles has been awarded to date, according to information published on the ONJN website. While the law clearly allows this gambling product to be offered under the appropriate license, the combination of limited profitability and significant upfront costs has deterred market entry. This category remains regulated in theory but inactive in practice (even though it may have huge potential and adoption among Romanian consumers).

## New and emerging legislation in Romania

### New obligations for B2B licensees

In April 2024, a new amendment to GEO 77/2009 introduced an important compliance requirement for B2B providers. Through the entry into force of Law no. 107/2024, a new paragraph – article 1(5<sup>2</sup>) – was added to GEO 77/2009. This provision imposes a direct prohibition on Class II (B2B) license holders, preventing them from providing services to operators that:

- Do not hold a Romanian Class I gambling license, and
- Allow access to gambling services offered on their online platforms to individuals located in Romania, or to Romanian citizens who do not have fiscal residency in another country.

This legislative amendment marks a significant tightening of control in relation to the black market (that unfortunately has grown significantly in Romania in recent years). The rule effectively seeks to limit not just end-user access to unlicensed gambling, but also the backend infrastructure that enables it.

The legislative text requires that Class II licensees implement technical measures to prevent such access. An order of the ONJN President was expected to provide the specific technical standards to be applied, with a legal deadline of 90 days from the law's entry into force. That deadline – late July 2024 – has passed without the adoption of the order. Although a draft order was published on ONJN's website shortly after the deadline, it was never finalized or enacted.

In the absence of formal implementing rules, in May 2025 ONJN issued a press release reiterating that the legal prohibition introduced under article 1(5<sup>2</sup>) is fully enforceable and that licensees must apply “any available technical measures” to comply. The communication also underlined that failure to observe this prohibition constitutes a sanctionable offence, punishable by a fine of up to RON 200,000 (approximately €40,000), confiscation of the revenues obtained, and, most significantly, mandatory revocation of the Class II license.

Some Class II licensees are reportedly applying geo-blocking measures to restrict access from Romanian IP addresses. However, at this stage, it is unclear whether ONJN will consider such measures sufficient. The authority has announced its intention to send formal requests for information to Class II licensees, requiring them to disclose what technical solutions they have implemented. The response to these requests will likely serve as an informal benchmark for the market. Only after this data is collected and reviewed will stakeholders gain a clearer understanding of which measures are considered compliant and what additional safeguards, if any, may be expected.

This approach – regulating through retrospective evaluation and case-by-case review – might generate certain compliance uncertainty for B2B suppliers operating in the Romanian market. In the absence of clear technical specifications, suppliers must balance operational feasibility with regulatory risk, and ensure they maintain proper records of the measures adopted and the rationale behind them.

### (New) self-exclusion regime

Self-exclusion from games of chance has been the most debated topic in the Romanian market in 2024 and continues to be so in 2025. As a brief legislative recap, in case of online activities, the legislation imposed (and still imposes) obligations on operators to provide self-exclusion features for players since 2016. These self-exclusion options, however, apply only at the individual level of each online operator and there is no sharing of data regarding vulnerable players with other online operators or the retail sector. On the other hand, the legal framework reformed back in 2015 and 2016 did not comprise any robust guidelines about self-exclusion from land-based locations.

The legislator aimed to update the self-exclusion regime via certain amendments introduced in 2022 and 2023. In essence, at the end of 2023, GEO 77/2009 was modified saying that (i) ONJN must create a centralized database for all players that wish to self-exclude from gambling “locations” and (ii) operators (both online and land-based) must forward to the regulator all self-exclusion requests they receive so the centralized database can be populated.

By law, ONJN should have launched the live database by end of March 2024, but this has never materialized. Instead, in 2024 the regulator started to circulate spreadsheets containing the personal data of various self-excluded players. The dissemination was not consistent, with various online and land-based operators receiving such lists, even though the text of law stipulated in explicit terms that the database should cover only land-based self-exclusions. Furthermore, the former management of ONJN had quite contradictory public positions in 2024 and argued in certain press releases that the database/lists apply equally to online and land-based sectors.

This context fueled a social media movement at the beginning of 2025 where various players claimed refunds from (mostly online) operators. They argued that the current legislation also applies to them and that online operators breached the law because they did not action the lists shared by ONJN or should have been aware of all self-exclusions from the market. This perception is not backed by proper legal arguments, but the pressure was intense and certain online operators reportedly made a voluntary decision to give refunds even in the absence of a legal requirement.

In April 2025, a new ONJN President was appointed and shortly thereafter certain guidelines were communicated and an implementation plan for the future self-exclusion regime published. The president of the regulator stated that the current

law applies only to land-based activities and promised a new legislative proposal to modify GEO 77/2009 so that the central database will apply to both online and retail in future.

Nevertheless, it must be emphasized that the self-exclusion regime and its legislative amendment remains a sensitive and volatile topic and it is not excluded for the authorities to express other positions in the future. Being so, local advice on implementation measures (especially for online operators) remains highly recommended until the legislation will be clarified.

### The road ahead

As the Romanian gambling market evolves, new legislative initiatives and enforcement actions are shaping the compliance obligations of both operators and suppliers. While the regulation for raffles and advertising lotteries/sweepstakes reflects a legacy structure in need of clarification, the recent amendments targeting B2B licensees mark a shift towards stricter enforcement and broader territorial control.

ONJN’s future enforcement practice – together with the anticipated feedback loop following the collection of technical compliance data – will be critical in defining regulatory expectations moving forward.

Operators and service providers active on the Romanian market are well advised to closely monitor ONJN communications and to adopt a forward-looking, documented compliance posture, balancing regulatory caution with commercial agility.

Clearer articulation of regulatory expectations (which have started to materialize with the appointment of the new ONJN president) in the coming months would support better industry alignment and reduce the risks of divergent practices or inadvertent non-compliance.



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