Icelanders Spend 36 Billion on Illegal Gambling Sites All indications are that Icelanders will spend around 36 billion krónur on foreign gambling sites this year. This

is three times higher than the amount the Minister of Justice mentioned in parliament in September. Little to none of this money will remain in the country. KRISTÍN SIGURÐARDÓTTIR, INGVAR HAUKUR GUÐMUNDSSON AND JÓHANN BJARNI KOLBEINSSON OCTOBER 21, 2025 AT 20:15 GMT, UPDATED OCTOBER 22, 2025 AT 14:50 Icelanders are illegally conducting business with nearly

600 foreign gambling sites, according to a new American study. Money is flowing out of the country for gambling

that takes place 24/7, all around the world. In some cases, those who gamble struggle with addiction. One of them, football coach Kristinn Aron Hjartarson, told his story on the news discussion program Kveik tonight. He described how gambling pursued him from the moment he woke up in the morning until he went to bed at night.

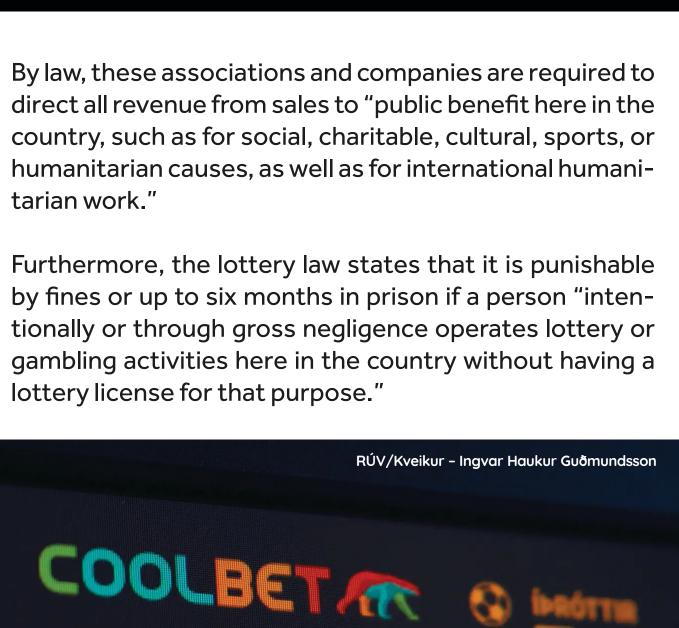
Fine or Prison In Iceland, six companies are licensed by the authorities to operate lotteries or gambling activities. These are the University of Iceland Lottery, the DAS Lottery, the SÍBS Lot-

RÚV - Kolbrún Þóra Löve das HAPPDRÆTTI **HAPPDRÆTTI** HAPPDRÆTTI HÁSKÓLA ÍSANDS DAS SÍBS

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tery, Íslenskar Getraunir, Íslensk Getspá, and Íslandsspil.



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Despite this, many foreign companies have established



Ismail Vali, CEO of the American company Yield Sec, which conducted an assessment of the gambling market in Iceland. The University of Iceland Lottery hired an American company, Yield Sec, to conduct an assessment of the situa-

tion in the country. The company specializes in consul-

ting regarding illegal online gambling activities. Its clients

include institutions, companies, and governments arou-

"We help them understand that illegal gambling is a spe-

cific type of crime. Illegal gambling activity is supported

by criminal groups worldwide," says Ismail Vali, CEO of

"The problem in Iceland is that you have done nothing

regarding the implementation of market freedom and

have not established transparent rules and implemented

market oversight. So you are grappling with a problem

due to criminal activity in Iceland. Hundreds are involved

in criminal activity. Yield Sec identified five hundred and

Vali is referring to the fact that Icelanders conducted bu-

sixty-one in its investigation."

nd the world.

Yield Sec.

illegal site.

sites.

siness with 561 foreign gambling sites, illegally, in the first three months of this year. **Epicbet - Advertisement**

by wearing clothing marked with the companies' logos. Furthermore, some foreign gambling sites offer an interface in Icelandic. Yield Sec's research revealed that 56% of the nation interacted with legal or illegal online gambling in one way or another in the first half of this year, including children. Vali says that means 56% of the nation have engaged with a social media post from a gambling site, clicked on advertisements, visited the sites, or placed a bet on a legal or

Many well-known Icelanders have advertised gambling

Numerous gambling sites advertise in Iceland, whether

through social media or YouTube, and Icelandic influen-

cers advertise the activity on social media, for example

sites and worn clothing branded with their logos.

RÚV/Kveikur Ingvar Haukur Guðmundsson 88 ICELAND CUP Money Line Sindri 8.00 IR Reykjavík 1.06

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Álftanes

In a parliamentary discussion about gambling at the end

of September, Minister of Justice Porbjörg Sigríður Gun-

nlaugsdóttir said it was a rough estimate that Icelanders

spend around ten to twelve billion krónur on gambling on

foreign gambling sites each year. However, everything

indicates that these figures are incorrect, and that Ice-

landers spend much higher amounts on foreign gambling

1.07

Parliament

Þorbjörg Sigríður Gunnlaugsdóttir, Minister of Justice.

According to information from Statistics Iceland, about

18 billion was spent on foreign gambling sites using Ice-

landic payment cards last year. This expenditure has ste-

adily increased in recent years and shows no signs of

slowing down, as it had already reached 10 billion by the

middle of this year. It is therefore projected to be around 20 billion this year, according to Statistics Iceland figures. This roughly corresponds with information from banks and financial institutions indicating that the expenditure will be around 22 billion this year. **New Payment Methods** These figures, however, are based solely on the turnover of Icelandic payment cards. The amounts processed through other payment methods, such as via Icelanders' foreign cards or cryptocurrency, are not included. Both of these payment methods have become very common - especially in gambling. Yield Sec has conducted an assessment of the gambling market in Iceland and estimated how much money flows

through foreign, illegal gambling sites. It takes into ac-

count the turnover of Icelandic payment cards and tur-

36.000.000.000 kr.

In the Yield Sec study, all payment methods are taken

into account. The conclusion is that Icelanders spend

According to the Yield Sec research, Icelanders spent 9.8

billion krónur on foreign gambling sites in the first quar-

"Annually, this is therefore a market of about 300 million

US dollars," says Vali, an amount equivalent to just over

ter of this year, and 9.1 billion in the second quarter.

Turnover of foreign betting sites in Iceland

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36 billion Icelandic krónur.

Ráðherra

transactions."

sites.

36 billion krónur on foreign gambling sites this year.

RÚV - Kolbrún Þóra Löve

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YIELD SEC

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nover through other payment methods.

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According to Yield Sec's research, about 80% of Icelan-

ders' gambling takes place on foreign sites, while 20%

is on domestic ones. "Eighty percent end up in criminal

activity," says Vali. "Twenty percent go to legal compa-

nies in Iceland. And due to the structure in Iceland, the

largest part of that money flows to good causes. But at

the same time, money streams from Iceland every single

day through electronic transfers and in foreign exchange

It is worth noting that top-level Icelandic football recei-

ves income from selling the exclusive right to collect sta-

tistics on matches of teams in the top football divisions.

An English company, Genius Sports, bought the exclusive

rights. The company specializes in statistics which it sells

on, among others, to companies that operate gambling

Icelandic top-level football refused to inform Kveik how

much the association receives for the statistical infor-

mation, but it is clear that it is only a tiny fraction of the

RÚV/Kveikur - Ingvar Haukur Guðmundsson

total turnover of Icelanders on illegal gambling sites.

Refuse to Provide Information

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Icelandic top-level football receives income from selling the exclusive right to collect statistics on matches of teams in the top football divisions.

Thirty-six billion krónur is a considerably higher amount

than has previously been mentioned in the discussion

here in the country. But can it be trusted that this figure

"We have been operating for five years and authorities,

regulatory bodies, and companies around the world trust

our numbers," says Vali. "No one has previously monito-

red participants in this way, being able to say how many

are on these websites or in apps and that these sites and

these apps are illegal, how much time they spend there,

and aggregate how much money is spent. This is certain-

ly an estimate, but generally our assessments have only

In any case, it is clear that the Icelandic nation is losing

large amounts of money that flow to foreign gambling

companies. According to information from the Icelandic

Tax Directorate, the general rule is that income, whate-

ver its name, is taxable. This also applies to income from

deviated by about one percent, plus or minus."

Fourteen Cases Before the Police

is close to accurate?

Much water has flowed under the bridge since people used pencils to fill out lottery slips. "In its research, Yield Sec has gained insight into how criminal organizations that profit from online gambling behave," says Vali. "They do not invest in pension funds, not in the community, not in road or bridge construction, or in cancer treatments. When illegal gambling activity generates money, it turns to further crimes, and those crimes reach the country through other channels. This includes money laundering and illegal capital movements worldwide."

Vali says the way to tackle this problem is not to go after the user, meaning those who gamble on the sites. "It is done by targeting the supply chain. Law enforcement, what needs to be followed up? Facebook posts, social media messages, access to illegal streams, web hosting companies. And by creating a fair environment for Icelandic companies to offer Icelandic consumers the

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information from the National Commissioner of Police. was dropped due to insufficient evidence.

The response also mentions that alleged illegal activity of a foreign gambling site was investigated, but that case

gambling activities. Fourteen cases have come before the police in the last five years concerning the laws on gambling and betting. None of these cases led to an investigation, according to RÚV

gambling activity they so clearly demand and want." He says actions can be successful. There are examples of countries where the proportion of illegal gambling activity dropped from over 90% to 50% within half a year after measures were taken. "Direct the benefit to the community through taxation, and revenue to good causes in Iceland. And protect Icelandic consumers because they should be unharmed. They should have access to a safe product. And children

should be excluded. And those who are vulnerable and

addicted. Nothing like that is being done today."