

Gaming and Data Protection Compliance: - Implication for Regulators, Operators and Stakers; The Future of Data Security

by

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NIGERIA DATA PROTECTION BUREAU (NDPB)





National Commissioner's Profile

OLATUNJI, VINCENT O. (DR) , CPPPS, CDPO, FIIM

Bsc, MSc, PhD (Geography and Planning)

EDUCATION

- 2021 - **Professional Evaluation and Certification Board (PECB)**
Certified Data Protection officer
- 2019 - **Institute of Public Private Partnership (IP3), Arlington, Virginia, USA**
Certified Public Private Partnership (PPP) Specialist
- 2008 - **University of Lagos**
P.h.D (Geography and Planning)
- 1997 - **Federal College of Education (Technical) Yaba, Lagos**
Advanced certificate in Computer Studies
- 1994 - **University of Lagos**
M.S.c (Geography and Planning)
- 1989 - **Ondo State University, Ado Ekiti**
B.S.c (Geography and Planning)

ACHIEVEMENTS IN NITDA

- Director, Compliance Institute of Nigeria
- Chairman, NITDA Regulatory Instruments Compliance and Enforcement Committee, June 2021 to February, 2022
- Chairman, Digital Transformation National Working Committee, August 2020 to February, 2022
- Chairman, National Data Protection Implementation Committee, January 2019 to February, 2022
- Member, Inter-Ministerial Committee on Virtual Conferencing/Meeting Guidelines and Policy Directives for Public Service, May-June, 2020
- Chairman eNigeria Organising Committee, 2003 to 2021
- Chairman GITEX Organising Committee, 2013 to 2021

DATA PROTECTION TRAININGS

- Privacy Information Management System training, Digital Encode, 19 August 2022.
- Soft Skills Training facilitated by Dr. Noel Akpata, 8th June 2022
- Institute of Information Management Training in Records and Information Management, 8th June 2022.
- Mastercard Training on Data Protection and Cyber-Security, 27th – 28th May, 2022
- Huawei Training on Government Cloud Implementation and Data Protection Implementation Regulation, 25th February, 2022.
- Training on Public Service Regulatory Framework by Oluwole Edun, 9th May, 2022
- Infoprive Training on Data Protection and Data Privacy, 13th & 15th April 2022.
- Certified Data Protection Officer Course by Digital Jewels, Lagos, 25th January to 5th February, 2021
- Data Protection Certification for Executives by T&Y Information Management Academy, 30th November, 2020
- Personal Information Management System (PIMS). 8th - 9th September, 2020
- General Data Protection Regulation Training, Cruitt H.R. Enterprise Solutions Limited and Wudo Solutions, London UK, 2nd -13th March, 2020

EXPERIENCE

- Feb 2022 - Present** CEO/ National Commissioner, NDPB
- Oct 2016 – Feb 2022** Director, eGovernment Development & Regulations, NITDA
- Jan 2016 – Sept 2016** Acting Director General, NITDA
- Jan 2014 – Dec 2016** Director, Corporate Strategy & Research, NITDA

MEMBERSHIP OF PROFESSIONAL ASSOCIATIONS

- IAPP
- Member Nigeria Computer Society
- Member Information Technology Systems and Security Professionals
- Fellow Institute of Information Technology

Introduction

- The world is witnessing historic technological disruptions enabled by data. According to Forbes more than **2.5 quintillion** bytes of data are created on daily basis (Oct 2021). Brookings Institution puts the worth of global digital economy at **\$11.5 trillion**. The foundation of the global digital economy which is equivalent to **15.5%** of global GDP is **Data**.

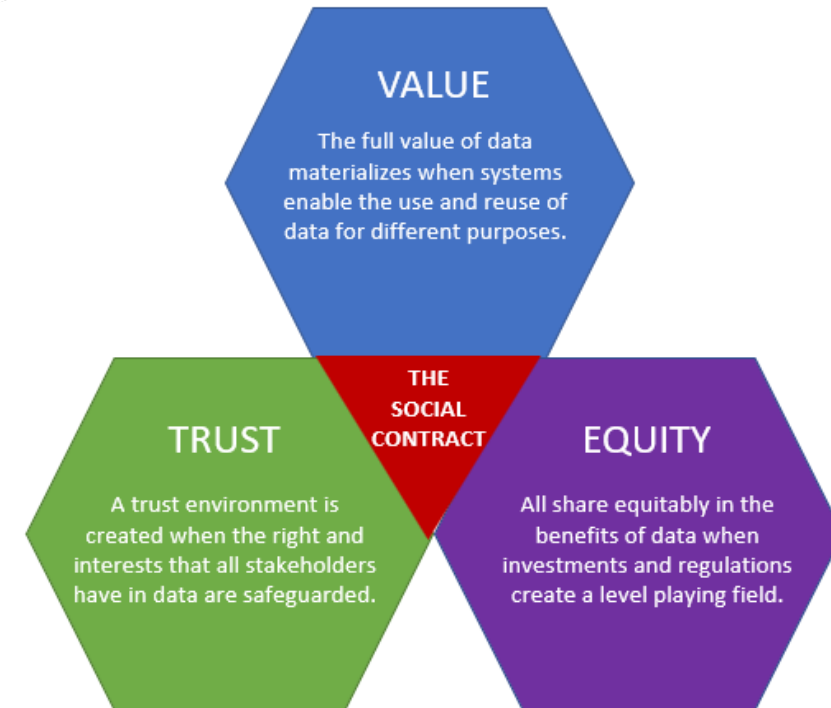


Fig 1. A social contract for data founded on value, trust and equity

Source: The World Development Report (2021), World Bank Group

Introduction (contd.)

- Over the years, the value of data has proven to be inestimable due to its diverse use case across various industries. Data has directly and indirectly translated to profit for companies in recent years. Below are the values of FAGAM, Cryptocurrency, NFTs which operate with data as their core element for the first quarter of 2022

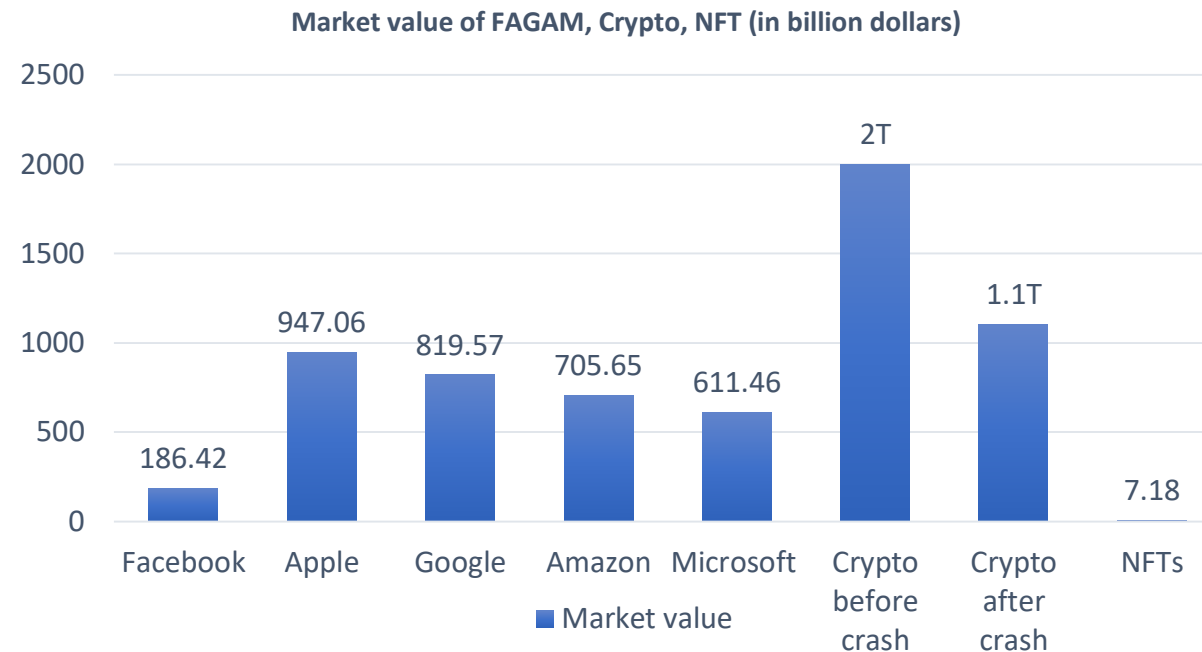


Fig 2. Market Value of FAGAM, Crypto, NFT (2022)

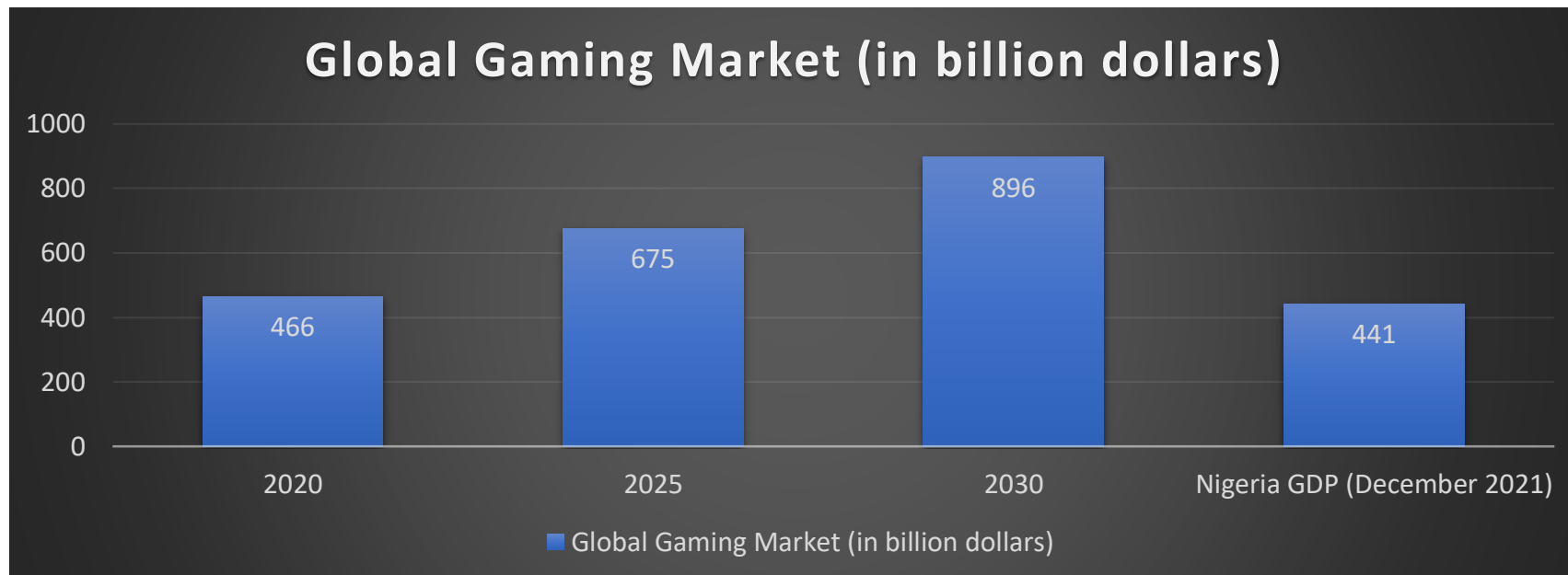
Never Stake Privacy!

- Call it gaming, staking, betting, wagering, etc. We can choose any name that we fancy. However, what we cannot choose are the rules to ignore as we carry on our business.
- The rules of Data Privacy and Protection are changing the rules of engagement in the gaming industry for good
- Making this a focus of this Symposium is highly commendable.



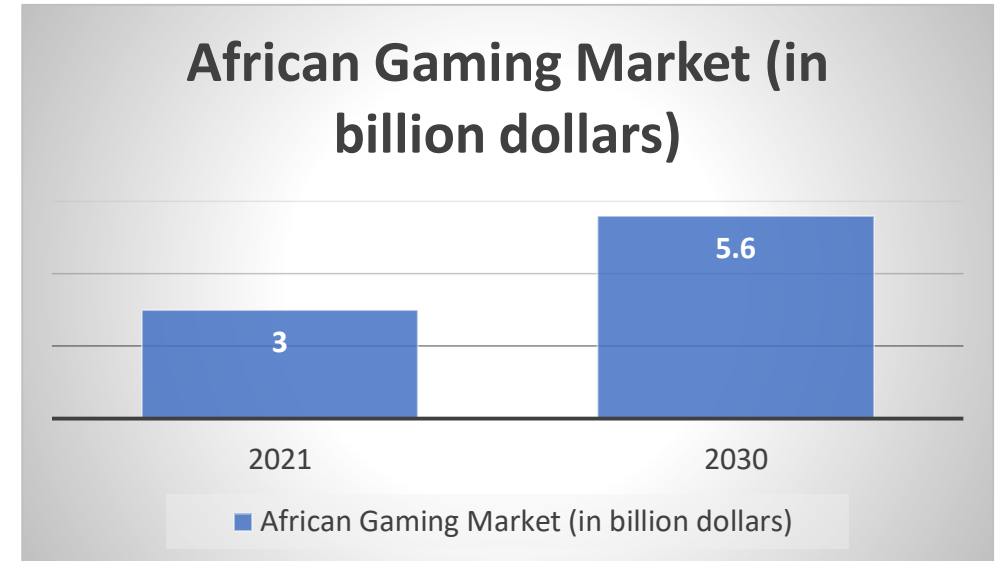
Global Gaming Industry

- According to GlobeNewswire, “**The global gambling market reached a value of nearly \$465 billion in 2020, having increased at a compound annual growth rate (CAGR) of 2.1% since 2015. The market is expected to grow from \$465 billion in 2020 to \$674 billion in 2025 at a CAGR of 7.7%. The market is expected to grow from \$674 billion in 2025 to \$895 billion in 2030 at a CAGR of 5.8%.**”



African Gaming Industry

The growth of the gaming industry in Africa can not be over-emphasized. In an article by Nigerian Tribune it was stated that **“From a \$3 billion revenue industry in 2021, African gambling is expected to deliver more than \$5.6 billion by 2030, a growth of 6.99% (CAGR) per year.”**



Nigeria Gaming Industry

- Over **N730 billion (\$1.7 billion dollars at official rate)** is generated annually by the gaming industry in Nigeria, particularly sports betting. This growth is largely attributable to Nigerians' intense love and passion for sports, particularly football, and technological advancements, which are reflected in the rise in GSM subscription and mobile penetration, among other things.

SOURCE: INVESTING IN THE NIGERIAN GAMING INDUSTRY by KORIAT LAW



Data: The Need for Privacy and Protection

- This is the 4th Industrial Revolution. It means that:
- It is possible to place a bet through your phone;
- Win a dollars; and
- Spend million every cent of it for 360 days without touching physical cash.
- Invest in stocks. The money may be won or lost in digital space forever without any physical asset for us to see, feel or touch in real life.
- This is the power of data. This, without any quantum of doubt, deserves protection.



Gaming & Big Data.

- According to A report by Mac Sources titled: ***“How Big Data Is Changing the Sports Betting Industry”***

“data scientists have been working at analytics associated with sports ... For example, Sportradar, a multinational company that collects and analyzes sports data (officially for the NBA, MLB, NHL, and NASCAR) paired with the Amazon ML Solutions Lab to create a Soccer Goal Predictor that can guess when a team will score a goal, within two seconds and with 75% accuracy.”



Gaming Data in Nigeria



- According to Business Wire in a report titled: ***“Nigeria Sports Betting Sector Report 2019/2020 - The Rapid Spread of Mobile Phones is Propelling Demand”***
- Gambling in Nigeria is regulated by the National Lottery Regulatory Commission. The National Lottery was legalized in Nigeria in 2005, under the National Lottery Act 2005. The commission is mandated to issue licenses and permits, set standards, guidelines, rules and promote transparency, integrity in the operation and business of lottery in Nigeria.
- Nigeria Data Protection Bureau is mandated with implementation of the Nigeria Data Protection Regulation which ensures the lawful processing of data in Nigeria
- There are 23 licensed gaming operators in Nigeria according to the National Lottery Commission
- 60 million Nigerians between the ages of 18 and 40 are involved in active sports betting.
- Every day, it gets easier to pay, play and win or lose. There are about 169 million cell phone subscribers and 100 million internet users in Nigeria, with 80% of this figure being able to access the internet on their phones.

- Data and Gaming:
Vulnerabilities of the Digital
Space



Cybercrime at a Glance

- Since humans are the drivers of economy and security, PERSONAL DATA occupy a special place in data processing. It is vulnerable to all manners of abuses.
- According to the statistics supplied by Economic and Financial Crimes Commission (EFCC) **80%** of the **978** convictions it secured as at **September 2021** were based on cyber fraud. Cybercrimes take place due to willful breach of data privacy.
- Another report by Nigeria Inter Bank Settlement System (NIBSS) indicates that within **9 months** of **2020**, fraudsters made **46,126** attempts to breach data based systems. Sadly, **41,979** of these were successful - representing **91%** of the time!
- A Survey titled 'The State of Ransomware 2022', reveals that **71 per cent** of Nigerian businesses were hit by ransomware attacks in **2021** and that the cost of remediation of these attacks for **44%** of the businesses was **\$3.43 million**.



Addressing the Vulnerabilities: Data Privacy and Protection Regulatory Framework

- SOURCES: The Constitution, Treaty Obligations, Statutes, Case Laws, Regulations, Guidelines, Standards, Opinion Juris, etc. All these are EXPECTED TO COMPLEMENT one another. (See, also, “interoperability” and “free flow of data”)
- Examples from our legal Framework: see Section 37 of the 1999 Constitution of the Federal Republic of Nigeria (CFRN, as amended); Article 12 of the Universal Declaration of Human Rights; Article 17 of the International Covenant on Civil and Political Rights (ICCPR); Section 8 of Child Rights Act; Sections 1 & 38 of Cyber Crime Act 2015; Nigeria Data Protection Regulation 2019, Part IV of Consumer Code of Practice Regulations (Nigerian Communications Commission); and Article 5.4 of Consumer Protection Regulation (Central Bank of Nigeria).



The Entry Point: Data Processing Principles

- Lawfulness, Fairness and Transparency.
- Purpose limitation.
- Data minimization.
- Accuracy.
- Storage limitation.
- Integrity and confidentiality (security)
- Accountability.



Just So We Are Clear! Recourse to Common Law

- Anyone who is entrusted with Personal Data of a Data Subject or who is in possession of the Personal Data of a Data Subject owes a duty of care to the said Data Subject;
- Anyone who is entrusted with Personal Data of a Data Subject or who is in possession of the Personal Data of a Data Subject shall be accountable for his acts and omissions in respect of data processing, and in accordance with the principles contained in this Regulation.
- (PART TWO 2.1 GOVERNING PRINCIPLES OF DATA PROCESSING)



Data Protection and Gaming Industry: Recommendations

World Development Report 2021 published by the World Bank made five recommendations, namely:

- forge a new social contract for data that
- increases data use and reuse to realize greater value;
- creates more equitable access to the benefits of data;
- fosters trust through safeguards that protect people from the harm of data misuse; and
- paves the way for an integrated national data system.

Data Protection and Gaming Industry: Recommendations

Data controllers/ processors must demonstrate accountability by complying with the accountability process of the NDPR. Thus, each data controller is to:-

- Process Data in line with the Principles of the NDPR:-
 - **Respect for the Rights of Data Subjects** (Right to be Informed, Right to be Forgotten, Right to Restrict Processing, Right to Data Portability, Right of Access, Right to Object to Processing)
 - **Lawful basis of Data Processing** (Consent, Contract, Legal Obligation, Vital Interest, Public Interest, Legitimate Interest)
 - **Transparency**
 - **Security**
 - **Accountability, etc.**
- Designate a senior officer as a Data Protection Officer (DPO) Article. 4.1(2) NDPR;
- Send the name and contact of its DPO to NDPB (as implied in Article. 4.1(2));
- Engage a Data Protection Compliance Organisation (DPCO) Article. 4.1(4) NDPR; DPCOs are licensed to assist organizations in compliance processes.
- Develop a Data Privacy Policy in line with NDPR (Nigeria Data Protection Regulation) Articles 2.5 & .4.1(1) NDPR;
- Direct its contractors, vendors or licensees to comply with the NDPR Article 2.4 (b) NDPR; and
- File annual NDPR Compliance Audit Returns with NDPB. Article 4.1 (7) NDPR.

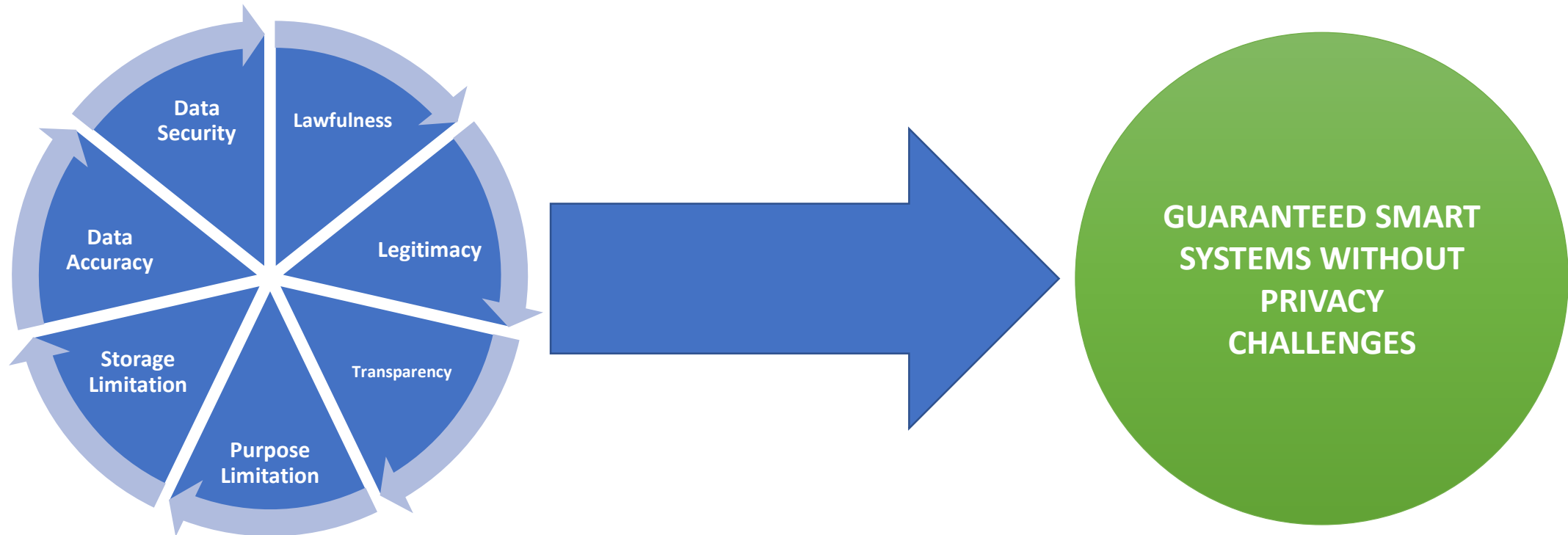
Need for Compliance with the NDPR

It is very important for corporate entities and government institutions carrying out operations with smart systems to comply with the NDPR. This is a bid to ensure that basic data protection mechanisms are in place to protect the data of subjects. As on organization that has more than **1,000 (One Thousand) Data Subjects** in the last 6 months or more than **2,000 Data Subjects** in the last 12 months should:

- file annual audit reports
- report data breaches within 72 hours
- appoint Data Protection Officers
- develop a clear and concise privacy policy

Next Steps

- It is in the interest of all data controllers to operate within an economic environment where data is processed on the principles showcased below which will ultimately result in a Guaranteed Smart systems without Privacy Challenges



*Thank
you*



Any Questions?

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