

BRAZILIAN **GAMING MARKET**

1 OVERVIEW

BRAZILIAN GAMING MARKET | HIGHLIGHTS

/01 Lottery, sports betting, and online gaming are permitted by law.

/02 Sports betting and online games are classified as forms of lotteries.

/03 All forms of lotteries, such as sports betting and online games, are classified as public services and are regulated and monitored by the government.

/04 Both federal and state governments have the option to either offer lottery services themselves or outsource them to private firms.

/05 Each state is restricted to operating within its own borders, while a federal license is necessary for conducting operations across the entire country.

/06 Only businesses that are based in Brazil are eligible to apply for operations related to lotteries, sports betting, and online gaming.

/07 Systems and platforms are required to obtain certification from accredited laboratories.

/08 Payments must be processed using Pix (a payment method) and debit cards. The use of credit cards and cryptocurrencies is prohibited.

/09 Within the Federal Government, the Ministry of Finance oversees the Secretariat of Prizes and Betting (*Secretaria de Prêmios e Apostas*).

/10 As of January 1st, only companies that hold licenses are permitted to engage in sports betting and online gaming in Brazil. The Federal Government has the authority to block unlicensed companies, which are also prohibited from using Pix or advertising their services.

BRAZILIAN GAMING MARKET | **FEDERAL LICENSE**



Companies are required to obtain a federal license from the Secretariat of Prizes and Betting (*Secretaria de Prêmios e Apostas – SPA*).



Ordinance No. 827/2024 from SPA outlines the procedures and regulations for applying for the license. Additionally, companies are required to adhere to other relevant laws and regulations.



Every license permits the company to manage a maximum of three brands for a duration of up to five years.



Companies can apply for a license to operate solely in sports betting, online gaming, or a combination of the two.



Companies involved in sports betting and online gaming in Brazil are required to have a Brazilian shareholder entity that holds a minimum of 20% of the shares.



A fee of 30 million Brazilian Reais is necessary for every license – due after the notification from SPA.



Companies are required to maintain a financial reserve of 5 million Brazilian Reais in the form of Brazilian bonds, along with a paid-in capital stock of 30 million.



So far, SPA has issued 66 licenses.

BRAZILIAN GAMING MARKET | SPA REGULATIONS

01 [Ordinance No. 827/2024](#) – provides rules and procedures for requesting the license (*English Version*).

02 [Ordinance No. 722/2024](#) – general rules for the systems and platforms (*English Version*).

03 [Ordinance No. 1143/2024](#) – AML rules (*English Version*).

04 [Ordinance No. 1207/2024](#) – Online gaming rules (*English Version*).

05 [Ordinance No. 1225/2024](#) – Monitoring rules (*English Version*).

06 [Ordinance No. 1231/2024](#) – Sanctioning rules (*English Version*).

07 [Ordinance No. 1233/2024](#) – Responsible game (*English Version*).

The updated list of regulations can be found on the [SPA website](#) (in Portuguese).

2 GAMING & E-SPORTS

PRACTICE AREA | **GAMING & E-SPORTS**

TozziniFreire's Gaming & E-sports practice group excels in the rapidly growing industry, guiding clients through an ever-changing legal landscape. Our team stays ahead of regulatory developments and significant transactions, understanding what works in the sector.

We represent various stakeholders, from national startups to international conglomerates, including lottery and sports betting operators, gaming hardware and software manufacturers, e-sport entities, and service providers like payment processors and marketing affiliates.

Our practice offers multidisciplinary assistance covering regulatory, transactional, tax, criminal law, IP, governmental affairs, compliance, privacy, litigation, and more. We leverage our full-service infrastructure and collaborate with other teams specializing in Media & Entertainment, Private Equity & Venture Capital, and Telecommunications & Information Technology, supported by TozziniFreire Advogados' innovation program, ThinkFuture.

/ Recognition



/ Meet our team

Gaming & E-sports co-heads



Jun Makuta

[View Profile](#)



Caio Loureiro

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Additional details about TozziniFreire's Gaming & E-Sports Practice can be found [here](#).

TAILOR-MADE SERVICES | **GAMING & E-SPORTS**



Legal risk analysis of lotteries, gambling, betting and gaming operation and all legal assistance to set up operations in Brazil;



Legal and regulatory follow-up, advocacy and government relations, interaction with governments, regulatory agencies and controlling entities;



M&As, Joint-ventures, investments, partnerships and other strategic projects;



Tax Advisory and tax planning;



Structuring of internal policies, review of internal practices and training (compliance, anti money laundering, financing of terrorist activity, responsible gaming, child protection Legislation, etc.);



Structuring, drafting and negotiating of all agreements for the local operation, such as distribution, software licensing, payment processing, with marketing affiliates, media partners;



Advice on labor issues involving hiring of staff and third parties, appointment of board members, internal policies, etc.



Personal data and privacy protection;



Advisory and litigation assistance, including in consumer, labor, and tax areas; and



IP-related matters, including registries, consultancy and disputes.

OUR CLIENTS | GAMING & E-SPORTS

