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LatAm

Sports Betting

Big changes are on the way in the Latin America sports betting market. There are only a few markets where there has been little to no significant developments over the last year and government willingness to open up the market has extended not only to large markets but smaller jurisdictions as well.





In August 2021 the Government of the Province of Buenos Aires signed four of the seven licenses it granted for online gaming in its territory. BetWarrior (made up of local bingo operator Binbaires and Intralot) Bplay, (local gaming company Boldt Group and 888) William Hill (local bingo operator Bingo Moreno and William Hill) and Bet365 (Bet365 and local bingo operator Bingo Berazategui) were given permission to operate in the province.

Argentina

The liberalisation of sports betting in Latin America is further evidence that Colombia's successful roll of the industry has had a hugely positive impact on the region. Governments are finally (albeit reluctantly) letting go of sports betting monopolies while an ever growing number of sponsorship deals with top football clubs and leagues means that sports betting's visibility in the mainstream media is growing at a fast pace. So what have been the major changes over the last year and what can we expect to see in the ever evolving Latin American sports market in the coming months?

ARGENTINA

Buenos Aires Province and the Autonomous City of Buenos Aires are the two most populous areas of Argentina. Gambling is regulated by each jurisdiction separately. A total of 14 companies were scheduled to contend for the seven online gambling licences for the province of Buenos Aires. International interest was high with a number of well known online operators teamed up with local companies in order to make a bid. Governor Axel Kicillof ultimately granted licences to seven companies to operate online gambling with the news published in the Provincial Official Gazette on the last day of 2020. Companies had to present themselves in groups, one international together with one local company.

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licences it granted for online gaming in its territory. BetWarrior (made up of local bingo operator Binbaires and Intralot), Bplay (local gaming company Boldt Group and 888), William Hill (local bingo operator Bingo Moreno and William Hill), and Bet365 (Bet365 and local bingo operator Bingo Berazategui) were given permission to operate in the province. There are three more companies authorised to operate in the Province of Buenos Aires, which have still yet to sign their licences: Playtech, PokerStars and Betsson. All three have also formed partnerships with local land based operators.

Other companies are beginning to take their first steps in the capital. Jugadón (GrupoSlotsS.A and Gaming Innovation Group GiG); Bplay, Super7 (Grupo Ivisa de Argentina), BetWarrior and Codere.

Codere has long been a market leader in Argentina and has weathered out some of Argentina's most turbulent economic times. It is already making its presence felt via football. Ahead of its online launch in Buenos Aires, Codere reached a jersey sponsorship agreement with one of Argentina's most popular football clubs: River Plate. The deal comes into effect in August and will run until the 2024/25 season. Codere has been present in Argentina since 1992, currently operating thirteen bingo halls and slot machines located in important districts of Greater Buenos Aires and in the city of Mar del Plata.

Sports betting companies are making their presence felt in other clubs too. Bplay now sponsors top football clubs: Estudiantes de la Plata in the capital of Buenos Aires and Club Atlético Vélez based in Liniers, Buenos Aires.

Meanwhile online gambling in Argentina is regulated on a province by province basis. Overall, there is a shift towards online regulation. In January, the Argentine province of Córdoba approved an online gambling bill. The next step will be the regulation of the proposal by the Executive Power, although the ruling party is already believed to be in favour of the new measure. If approved the bill will allow for online lotteries, casinos and sports betting by as many as ten operators who will vie for a licence via a tender. Licences will be valid for 15 years and the Córdoba Lottery may expand the number of operators if the market grows.

In October 2020, the government of Mendoza approved online gambling bill. Seven licences will be allowed. The bidders must be located in the province and unlicensed operators will be blocked through requests to the National Communications Agency (Ena. com). Online gambling is already also permitted in the provinces of Santa Fe, Corrientes, Chaco, Misiones, San Luis, Tucumán, Entre Ríos, La Pampa, Neuquén, Río Negro and Santa Cruz. However, most offer only a limited offer of online casino games and sports betting is often excluded from regulations. Indeed, land-based sports betting shops are still not permitted by the vast majority of provinces with only a limited offer of off track horse race betting. Unfortunately for now it looks like Argentina is closed to any kind of land based sports betting expansion in the short term.

The growth of online sports betting in Buenos Aires, plus increasing visibility of sports betting sponsorship of top clubs based in Buenos Aires, will in all likelihood see an expansion of online sports betting going forwards.

BRAZIL

Particularly hard hit by of COVID-19, the government has had to postpone the drafting of its sports betting rules but there is growing speculation that they could be permitted by the beginning of this year's FIFA World Cup. Either way, it has been a long and extremely complex process as the industry has been waiting for almost three years for regulation.

Sports Betting Bill 846/2018

In December 2018, President Michel Temer signed Bill 846/2018 into law to regulate land-based and interactive sports betting. The Ministry of Finance was granted two years to establish a regulatory framework to govern the market and provide for licences. In February 2020, Brazil's Secretariat of Evaluation, Planning, Energy and Lottery (SECAP) launched a third consultation on fixed-odds sports betting, calling for public comments. In November last year, the head of SECAP Gustavo Guimarães stated that SECAP was working on several different fronts in order to ensure that the privatization of sports betting went ahead of the FIFA World Cup Qatar 2022. But this is not the only way that sports betting could be given the green light.

Via State Governments

Local state governments are now rolling out online and land-based sports betting, which are bizarrely categorised as "sports lotteries" under Brazil's latest sports betting laws. In September 2020, the Supreme Court of Brazil (STF) ruled that the federal government's lottery monopoly was unconstitutional, paving the way for states to develop state lotteries for each of Brazil's 26 states and one federal district as long as they complied with federal regulations.

The decision means that current operators can extend their offerings while states can begin to roll out their own lottery products within their own state borders.

Many states have issued requests for proposal (RFP) to identify qualified firms that would meet the essential requirements to develop and offer sports betting. This includes the State of Rio de Janeiro (although the tender suspended for now). Other states such as Rio Grande do Sul and Maranhão have launched preliminary studies and public consultations into launching sports betting. Similar moves are underway in the state of Amazonas and in July the state of São Paulo announced the call for applications for sports betting.

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Brazil





Via the Supreme Court (STF)

There is a highly significant pending decision that could allow for gambling in The Supreme Court (STF). The appeal argues that a 1941 Presidential decree which banned gambling as part of Brazil's "Criminal Contravention Act," violated principles laid out in the 1988 Constitution. If the STF decides that the decree is unconstitutional, gambling will not be a misdemeanour anymore meaning that each state could use the STF's decision to draw up its own gambling regulations. Lawyers in charge of defending the appeal, which would decriminalise gambling, asked the STF to include the appeal on its agenda as soon as possible. Consideration of the issue should have taken place on 7 April 2021 but the decision was delayed as the court did not have time to consider the matter. However, in December the President of the STF, Minister Luiz Fux, announced that the court would announce its decision in April 2022. The Brazilian constitution was rewritten in 1988 after civilian rule returned to Brazil and sought to guarantee individual rights.

Via an Updated Gambling Bill

In December, The Chamber of Deputies approved the request to deal with bill PL 442/91, which legalises casino and other types of gambling in the country as a matter of urgency. The motion was passed after President of the Chamber of Deputies, Arthur Lira, held meetings and negotiated between the leaders of different political groups. Lira announced that Gambling Bill PL 442/91 would be debated in the House of Deputies in February 2022. Legislators were able to submit amendments to the bill before this deadline. Sports betting is covered in the new bill, however, the exact rules for each type of game were not established nor were licence fees or taxes.

Outlook

In all likelihood the SECAP bill will regulate the sports industry on a federal level while states will roll out their own limited and more localised sportsbetting options overtime. According to government calculations, the regulated sports betting market could hit Rs. \$20bn annually as early as 2026. Meanwhile, the presence of betting companies via football sponsorship has been increasing steadily over the last few years. According to a report published by the research firm IBOPE Repucom in January, betting companies now make up the largest number of main sponsors for top football clubs which is quite a feat considering the fact that it is not yet legal.

CHILE

Online gaming is expressly banned under Chile's gaming laws of 2005. However for now any Chilean can place bets on international online betting sites, as long as these are not based in the country, and may do so without being sanctioned by law. Chile has been moving towards allowing online gambling for some time. In July 2019, the Head of the Chilean

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Brazil

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Chile





Gaming control Board (SJC), Vivien Villagrán Acuña, said that there were a number of proposals on the table to legislate online gambling. Villagrán Acuña used the United Kingdom and Colombia as examples of two countries with good regulations in place.

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The bill is thought to have cross party consensus. Meanwhile, just like other jurisdictions, sports betting companies are signing deals with major football clubs.

In January 2022, the Club Deportivo Universidad de Chile announced that the Betano sportsbook would be the new main sponsor of its men's and women's teams in an agreement that will be in place for the next three years. In addition to the brand appearing on the jerseys of both main teams, the online gaming operator Kaizen Gaming will become the Chilean first division club's "Main Partner" as well.

In the same month, Betsson Group signed a one-year sponsorship agreement with Colo Colo one of the top clubs in Chilean football. Betsson is also the digital betting partner of the Chilean National Football Team.

In addition, land-based sports betting shops are still not permitted under Chilean law. Instead, the lottery Polla Chilena runs a number of sports betting games such as Xperto which is also available online. As is the case in Argentina, an expansion of sports betting shops looks unlikely for now. The government is focusing on online sports betting regulation for now.

COLOMBIA

Coljuegos has gradually begun to liberalise the market and has increased the number of products on offer in the territory including Pari-mutuel sports betting which went live for the first time in Colombia in 2014. In-play betting is also permitted. In 2019, Coljuegos issued a statement to the effect that eSports may be offered as part of the non-sports real events product, available under the online licence.

Colombia put in place regulations for online-based gaming in 2016. Today, online sports betting accounts for around eight per cent of the market with foreign operators making up almost the entire online gambling sector. Investors have been encouraged by a clear set of rules when it comes to entering the Colombian market, and reasonable tax rates (sport,

Arguably the biggest sportsbetting sponsor in Colombia is BetPlay. In January 2020, Dimayor, the governing authority of Colombian football's top two professional football leagues, secured a four-year sponsorship agreement with the company –the sportsbook arm of Colombian gambling group Corredor Empresarial. In January 2022, the NBA also struck a multi-year partnership with BetPlay. The agreement will see the pair provide gaming experiences, promotions, products and content for NBA fans in the country across BetPlay's retail and online offerings.

Colombia

The JPS is run by the Junta de Protección Social (JPS) and is a social welfare group which operates the lottery and other games of chance including instants. The JPS said that it would grant licences to both foreign and domestic companies to operate sports betting as part of a pilot programme for one year. Licences will be granted after a public tender.

Costa Rica

horserace and virtual betting are taxed at 17 per cent of gross turnover minus VAT and players are not taxed on their winnings).

There are now 18 licensed sports betting sites in Colombia and around 3.8 million active player online accounts. The presence of leading international bookmakers has continued to drive the industry forward.

In May 2021 (following the acquisition of a majority stake in the Colombia licensed operator Alfabet S.A.S in December 2020), WilliamHill.co was launched, making Colombia its first entry in the Latin American market.

Meanwhile, Betfair, part of Flutter Entertainment plc, launched its online sports betting and gaming products in February 2021. Betfair already has a significant presence in South American football as an official sponsor of the two main CONMEBOL annual tournaments: Copa Sudamericana and Copa Libertadores.

In addition, Everton Football Club signed a deal with Rushbet.co in December in order to capitalise on the presence of national football players James Rodriguez and Yerry Mina in the team. The multi-year agreement will see the gaming brand become Everton's 'Official Betting Partner in Colombia.' The partnership sees Everton continue to build on the club's growing profile in South America. Rush Street Interactive is the first US-based company to open an online gaming website in Colombia.

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COSTA RICA

In March 2021, The Loteria Nacional de Costa Rica announced that it would open the licensing process for sports betting along with a number of different other types of online games including online casino games and number games as part of a pilot programme for one year.

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EL SALVADOR

In December 2021, El Salvador's Ministry of Finance presented a new law to the Legislative Assembly which would give the National Lottery (Lotería Nacional de Beneficencia de El Salvador) the right to both oversee and run sports betting and online casino games nationwide. If approved, the new law will give the LNB permission to authorise third-parties to operate sports betting by means of a permit, licence, agreement, contract, concession, or public-private partnership.

The legislation would provide the LNB with the ability to regulate, monitor, supervise, organise and run the new games via a third party. Licences will be valid for a 10 year period. Fees have yet to be determined by the Lottery's board of directors.

MEXICO

Mexico has permitted sports betting since 2005 due to the amendment to Mexico's 1947 gaming laws which allowed The Ministry of the Interior (SEGOB) to grant gaming licences. Since then, sports betting has spread quickly and sports betting shops are often part of much larger gaming establishments. Online gaming has been permitted via special licence in Mexico since 2000, but only land based operators have been allowed to offer their services locally.

President López Obrador, who was elected in 2018, announced that during his six year term no new licences would be granted to open any new casinos in Mexico. He has repeated this claim a number of times since then. Meanwhile, states have granted their own licences, initiated new regulations on a state level and increased taxes. While the President is against casino gambling expansion, sports betting and gambling reform is currently on the agenda of the President's ruling National Regeneration Movement (Morena) party.

In January 2020 a member of the Morena Party, Ulises Murguía Soto, put forward an initiative to allow for online gambling. In justifying the need for change, the legislator explained that online gambling sites were taking advantage of existing loopholes, meaning that players were uncertain whether the site where they were playing was entirely legal and above board. Under the initiative SEGOB would authorise gambling and online gambling sites.

In May 2021, another member of the Morena Party, Congressman Erik Isaac Morales Elvira, presented a much wider proposal to expand the regulation of sports betting. The initiative would reform the 1947 gaming laws and would give SEGOB the power to regulate the sports betting industry. A committee is now analysing the proposal. The initiative states that due to the uncertainty caused by obsolete legislation very few online casinos are licensed by the government and the gaming industry in Mexico "is lagging behind."

According to estimates from the Association of Licensees, Operators and Suppliers of the Entertainment and Gambling Industry in Mexico (AIEJA) (data which is quoted in the proposal), sports betting has become a growing industry

and currently generates around 8,430 million pesos per year made mainly via offshore betting sites. In addition, the proposal states that online sports betting in Mexico could grow between 25 per cent and 30 per cent per year over the next six or seven years. At the same time, sports betting is also increasingly visible via sponsorship deals in Mexico. Over half of the football teams that make up the top flight of Mexican football are now sponsored by betting companies.

PERU

Peru was the first jurisdiction to allow for online sports betting in Latin America, granting Betsson Peru a licence to operate as far back as 2008. Even though the market is fairly developed for now, sports betting shops are permitted via municipal licence and there is no specific authority that regulates them.

The private sector has the right to enter the market as long as the company adheres to Peru's Civil code and the terms of their licence as granted to them by the municipal government in the locations where they are licensed. There are around 30 sports betting companies that operate in the country in accordance with local gaming laws.

Rules look set to change soon among growing impetus to place more federal control over the industry. Locally based sports betting operators such as Betsson, Te Apuesto and Inkabet have created an organisation called APADELA which is lobbying for a code of ethics, stricter rules against money laundering, self-exclusion programmes and more measures aimed to protect the integrity of sports. New regulations are undoubtedly needed as sports betting via offshore sites stands at around US\$450m per year.

In 2018, Congress took a first step to regulate online sports betting in Peru after congresswoman Leyla Chihuán proposed updating sports betting laws so that they covered online sports betting. In 2021, Congressman Walter Ascona proposed a bill to regulate the payment of taxes from sports betting and invest the additional funds in associations to help with gambling related harm and promote sports.

Meanwhile, locally licensed sports betting is seeing a steady expansion with the number of physical sports betting outlets on the rise coupled with an increasingly visible online offer via sports sponsorship deals and advertising. In February 2021, Betsson secured naming rights to Peru's top tier of professional football Liga 1 in Peru. Under the terms of the agreement, the graphic representations of the Peruvian championship will feature Betsson's logo, both in the visual materials, on the digital platforms, as well as in the corporate identity of the Liga 1 which will now be known as Liga 1 Betsson.

Solbet, Doradobet, among other brands, are also present in football, sponsoring famous teams such as Universitario de Deportes and Club Sporting Cristal S.A both located in the city of Lima. In January, DoradoBet and Sporting Cristal extended their sponsorship agreement until 2024.

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Mexico

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Peru

In November Puerto Rico's Gaming Commission announced that it had submitted Sports Betting Regulation Number 9316 and Fantasy Contest Regulation Number 9317 to the State Department. The new regulations are part of Law 81 2019 The Betting Committee Act. Both bills went into effect in November. As a result of the two new regulations the commission announced that it would be authorized to begin the evaluation processes for those wanting to offer sportsbetting and fantasy sports on November 22.

Puerto Rico

PUERTO RICO

Spurred on by regulatory changes in the wake of the overturn of PASPA in the US, Puerto Rico has finally opened the way for landbased sportsbooks and online sports betting where the newly regulated sports betting industry could bring in between US\$44m and US\$66m per year.

The Betting Committee Act of the Government of Puerto Rico was signed into law in July 2019 by the outgoing governor and will allow for both new large scale sports betting operations and smaller establishments. Bets may be placed at any place authorised by the Commission, such as casinos, racetracks, hotels and hostels, amongst other locations. The Act regulated sports betting and created a gambling commission to oversee all sports betting (The Puerto Rico Gaming Commission). It also set out a government policy for both landbased and online gaming, including sports betting, electronic game leagues and fantasy contests.

In March 2021, House Representative José Rivera Madera filed resolution RC 319 to initiate a study into the potential size and scope of the sports betting and eSports betting market in the country. In June, a sports betting group was founded in Puerto Rico by Governor Pedro Pierlusi to accelerate the launch of sports betting and fantasy sports.

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A number of operators are already making a move into the market depending upon regulatory approval. In September 2021, MGM and Casino del Mar at La Concha Resort announced that they had agreed to a deal that would see BetMGM open a sportsbook at the resort's casino as well as offer online sports wagering across the island. If its licence is approved, BetMGM said it would expand its retail and mobile sports betting offerings to Puerto Rico.

In November, International Game Technology (IGT) announced that it had expanded into Puerto Rico sports betting via a multi-year PlaySports technology and services agreement with The Stadium LLC. The Stadium LLC owns and operates WinIn, a Puerto-Rico based entertainment company that has partnerships with leading eSports companies and the top baseball league in the region, Liga de Béisbol Profesional Roberto Clemente, that plans to expand into the recently regulated sports betting market in Puerto Rico.

GAMEART INTERVIEW

Nevena, what's your overview of operations in Latin America? Could you tell us about some of the latest inroads the company has made into the market and plans going forward?

The LATAM region is very important to GameArt. Not only because it is an emerging and fast developing market, but because of the specificity of the local consumers and the environment itself. The interesting and fascinating history of the different countries, the mentality of local people and the diversity of cultural values and peculiarities are part of this environment. As a home of sophisticated civilisations, this is a region with a very rich history and story tales that provides many opportunities for creating and developing new slot games with dedicated themes and stories known to the locals. We already have such titles in our game portfolio, and we are constantly working to enrich our list of games with new slots that will be much more attractive and appealing to the local players.

We are currently operating in several LATAM countries, including Peru, Colombia, Mexico, and we plan to expand our presence this year, to strengthen our positions by offering high-performing products to comply with operators' needs and at the same time providing interesting and eye-catching slot games satisfy players' demands and expectations.

What have been the most important regulatory changes over recent years in the region?

Latin America has become an entertainment centre for online casinos and betting on sport events. And because of this, it is natural that the most important regulatory changes that have been made are related to the emergence of sports betting as well as the initiatives to legalise online gaming. Key markets such as Argentina and Colombia have already legalised online gaming, and the same is expected to happen in other countries in the region. The legalisation of iGaming in big and challenging markets as Mexico, Brazil, Chile (among others) is highly anticipated. In the end, legalising the online side of the business will put a lot of emphasis on players' safety on the one hand, and on the other hand will show that the sector is also reaching a certain maturity.

What developments can we expect to see in the near future from the region?

There are many developments currently ongoing. Sports betting is growing and conquering an increasing market share. This is an industry with great potential as it is endowed with one of the largest audiences in the world. Additionally, younger generations should be targeted as well because they are the most



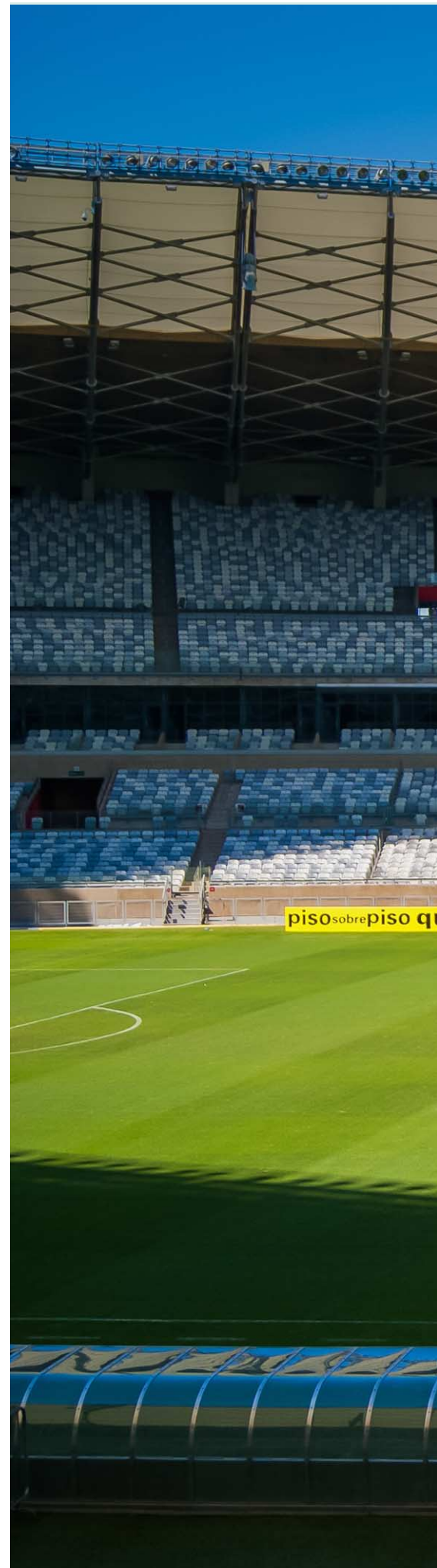
Nevena Aleksieva,
Head of Sales, GameArt

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interested in different sports. They are also influencing how new slot games are being developed and defining new trends in slot gaming. New trends like VR, AR and hybrid games are emerging on the scene. That is why we need to implement emerging technologies in our products and to offer to the younger generation games that are attractive enough and that allow them to enjoy interactive play in another dimension.

What kind of opportunities does the gaming market in Latin America offer?

Due to the current trends in Latin America, the demand of sports betting and new game content as well as the willingness of governments to make changes to the existing legal framework, GameArt considers LATAM as a very fast-developing and highly-profitable market. That is why we are looking forward to creating and delivering new slot content and products to meet customers' preferences, quench the thirst for interesting and appealing games and to offer game content that combines eye-catching design, themes that are close to the mentality and life of the local population, and mathematics that hold the players' interest and at the same time provide them with fun and entertainment.





BTOBET INTERVIEW

Dima, what inroads has BtoBet made in the Latin American market?

Latin America is one of BtoBet's core markets. Throughout the years we have built a very strong presence and are now considered as the go-to sports betting supplier in the region. The past months have seen us very much active in the region, and after partnering with top-tier betting powerhouses William Hill and Betfair in Colombia. We have maintained the momentum and entered the Brazilian market together with FanDuel. At the same time, we are always keeping an eye on the region's regulatory evolution, which might provide further opportunities for our growth in the region. I'm positive that the coming months will see BtoBet retain its protagonist role in the region, announcing further strategic deals in key markets.

Which are some of the stronger emerging sports betting markets in Latin America?

For years Mexico and Brazil have been held up as potentially huge markets, but there has never been sufficient consensus for comprehensive gaming laws to pass. The most interesting upcoming regulated jurisdiction would of course be Brazil. Hopefully, this is set to change shortly. There are also good news coming from Chile, where the government is willing to have in place a bill that seeks to modernise and make the industry and its operations more flexible.

New markets are opening up in a number of key regions and gambling laws are finally seeing major reforms. The past 12 months have also seen Tier 1 operators ramp up their presence and investments in the region, establishing strategic partnerships with local operators.

Nonetheless, it is a fact that many Latin American countries still have a long journey ahead of them to become fully regulated. Eventually the region's regulatory evolution will substantially increase the market's commercial prospects.

What can BtoBet do to help sports betting operators in Latin America in order to help them meet their needs and satisfy their customers?

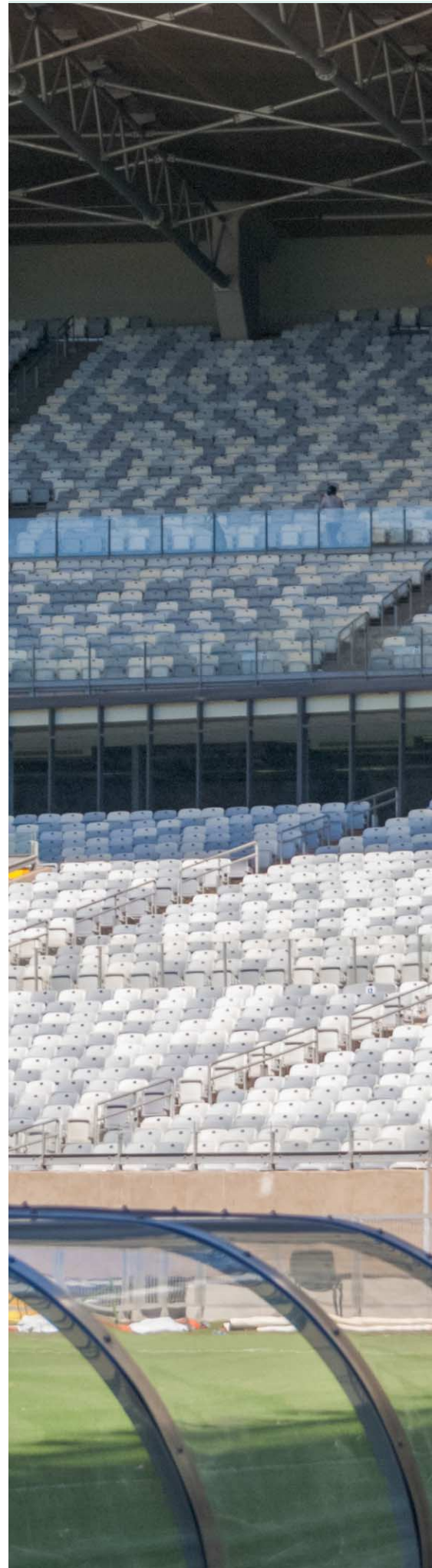
There is no single formula that can be applied for all markets. Ultimately the product must reflect and evolve with your geographic presence.

Horse racing is very popular, and thus a prerequisite for punters in the UK. Yet it does not carry the same importance in other markets. Equally, beach volleyball may be popular in certain LatAm jurisdictions, but not



Dima Reiderman,
Chief Operating Officer, BtoBet

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have the same appeal in more mature markets. Hence, it's all about adapting your sports betting offering to meet each specific market's characteristics. It's all about ticking the boxes and ensuring your product is localised. And this is not limited only to content. From offering a fully bespoke UI and UX for brand differentiation, delivering local payment methods, to providing a broad coverage for all the most local popular sports, it's about providing a solution tailored according to our individual partner's needs. And this is why our product is unrivalled in LatAm.

Colombia has allowed for sports betting for some time now. Do you think that there is still room for sports betting expansion online? How about the land based sector? Is there room for growth?

The market has shown rapid growth reflecting the potential of a well-regulated market. Growth in the industry is evidenced by the 3.8 million player accounts now registered in the jurisdiction, as indicated by national gaming regulator Coljuegos. Coljuegos has taken a strong stance against unlicensed operators, resulting in a high player channelisation rate.

Coljuegos has also gradually begun to liberalise the market and has increased the number of products on offer in the territory, including pari-mutuel sports betting. It has also allowed current online-based participants in the market to offer live-dealer online casino games, betting on virtual sports and instant win games. These are all indicative of a clear roadmap outlined by the local authorities. Thus, I expect the market to register further growth in the future.

My belief is further reinforced when taking a look at the net revenue statistics issued by Coljuegos (see table), which indicates an upward trajectory for sports betting.

Do you think that markets such as Ecuador and Venezuela which have been closed off for years will eventually allow for sports betting?

Latin America has perennially generated a general nod of consent regarding the immense potential that its sports betting industry keeps in hold. However, truth is that generally speaking the region still lags behind more mature scenarios, such as Europe, in terms of infrastructure but especially in terms of regulatory frameworks already in place. At the same time, it is important to note that the regularisation of the Colombian industry in 2017 has put in motion a willingness from all the different local authorities to shift their stance in favour of regulation. The imminent regulatory framework that is set to be implemented by Brazil is dominating the industry's agenda and I expect this to have a domino effect on all those countries that are still pondering the regulation of the industry. An impasse from a regulatory point of view will

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see black market operators further expose local players to substantial risks from a responsible gambling point of view.

What do you think of the way sports betting regulation is developing in Brazil? What kind of opportunities do you foresee in Brazil or do you just see more delays?

The potential of the Brazilian market is immense. Yet this highly depends on the gambling legislation and regulation that are eventually enacted. The pandemic has already brought with it the worst economic decline in decades, and COVID-19 hit as Brazil was still recovering from its 2014-16 recession.

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A lot of uncertainty still lies in the licence granting model the market would adopt. I hope that the federal government will see that the "authorisation" model, in which all operators satisfying certain legal and financial requirements are granted a licence, without any limitation on the number of licences being granted, much more beneficial to Brazil and to the market than the "concession" model that is more recently being supported by the Brazilian authorities.

What developments can we expect to see in the near future from the region?

Regulation will be the key driver in shaping the regional iGaming landscape. Colombia has set itself as a point of reference, with its regulatory framework allowing for strong market growth. This model will eventually play a big influence in neighbouring countries, and we have already seen positive steps in certain key jurisdictions such as Buenos Aires province in Argentina and, of course, Brazil.

From a product side I would expect that over time as local players become more savvy, we will see an increase in in-play betting.



