

# Brazil Market Entry: 90-Day Planning Framework



A structured approach for operators planning Brazil market entry, highlighting critical decision gates, regulatory requirements, and operational milestones based on verified federal gambling legislation. This framework covers online sports betting and iGaming operators entering Brazil under the federal licensing framework implemented in January 2025.

# Important Legal Disclaimer

- ❏ **Evolving Regulatory Environment:** Brazilian gambling regulations became operational in January 2025 and remain subject to ongoing interpretation, clarification, and amendment by the Ministry of Finance and other regulatory authorities. The regulatory landscape is developing rapidly.

## Professional Advice Required

This framework is provided for guidance purposes only and does not constitute legal, financial, tax, or business advice. Operators must engage qualified Brazilian legal counsel, accountants, and regulatory advisors to verify all regulatory requirements, costs, timelines, and operational procedures before making business decisions or commencing operations.

## TGB Guidance Limitation

The Gaming Boardroom provides strategic intelligence and operational frameworks to help operators structure their planning processes. TGB guidance should never replace established legal and business advice from qualified professionals with current knowledge of Brazilian gambling regulations and market conditions.

## Operator Responsibility

Operators are solely responsible for ensuring compliance with all applicable Brazilian laws and regulations. All statements in this framework should be confirmed with up-to-date regulatory notifications, official guidance from Brazilian authorities, and your own internal legal and compliance advisors.

# Verified Regulatory Foundation

The Brazilian gambling market operates under a comprehensive federal licensing framework with specific requirements and costs that operators must understand before entry.

## Federal Licensing

Governed by Law 14.790/2023 (enacted December 2023). Regulatory framework became operational January 1, 2025.

## Licensing Authority

Secretaria de Prêmios e Apostas (SPA), Ministry of Finance oversees all federal licensing.

## License Cost

**BRL 30 million** for 5-year term (verified requirement).

## GGR Tax Rate

**18%** on Gross Gaming Revenue (verified requirement).

Over 100 operators applied for federal licenses in the first application window, demonstrating significant market interest and competitive intensity.

 **Framework Note:** Throughout this document, regulatory requirements, costs, timelines, and operational details should be confirmed with up-to-date regulatory notifications and your own legal and business advisors.

# Pre-Entry: Regulatory Foundation (Days -30 to 0)

## License Application & Approval

**Verified Requirement:** Operators must hold a federal license from the Ministry of Finance (SPA) before commencing operations in Brazil.

**Verified Cost:** BRL 30 million license fee for a 5-year term.

### Action Items

- Confirm license approval status with SPA
- Verify license conditions and permitted products
- Obtain official licence documentation with operator identification number
- Register corporate entity with Brazilian authorities
- Register for federal tax obligations

### Key Questions for Your Legal Counsel

1. What specific corporate structure is required (subsidiary vs. branch vs. foreign entity)?
2. What is the entity registration timeline and documentation requirements?
3. Which tax authorities require registration, and what is the process?
4. Is licence approval sufficient to begin operations, or are additional authorisations required?
5. Are there geographic restrictions or product limitations on the licence?
6. What is the licence renewal process and timing?

**Decision Gate:** Do not proceed to Phase 1 until the federal license is confirmed active and all entity registration requirements are met. Unauthorised operation carries penalties under Law 14.790/2023.

# Phase 1: Infrastructure & Compliance (Days 1-30)

## Payment Processing Setup

**Verified Requirement:** Operators must process payments through authorised Brazilian payment systems.

### Action Items

- Contract with licensed Brazilian payment processor
- Integrate Brazilian payment methods
- Configure currency processing
- Implement transaction monitoring for anti-money laundering compliance
- Test payment flows before launch

### Key Questions for Your Legal Counsel

- Which payment methods are legally required vs. commercially beneficial?
- Is PIX integration mandatory or recommended?
- Are credit cards prohibited under Central Bank regulations?
- What are payment processor licensing requirements?
- What are customer fund segregation requirements?
- What transaction monitoring and reporting obligations exist?

📌 **Decision Gate:** Payment processing infrastructure must meet all Brazilian regulatory requirements before customer onboarding begins. Budget Consideration: Payment processor setup fees (estimate) + ongoing transaction fees (estimate).

# Platform Localisation & Responsible Gambling

## Platform Localisation

**Verified Requirement:** Platforms must comply with Brazilian regulations.

### Action Items

- Translate all customer-facing content into Brazilian Portuguese
- Configure platform for Brazilian regulatory requirements
- Integrate responsible gambling tools
- Display required tax information (verified: 18% GGR tax)
- Implement required warnings and disclosures

### Key Questions for Your Legal Counsel

- Is Brazilian Portuguese required by regulation or commercial best practice?
- What specific responsible gambling tools are mandated by SPA?
- Is self-exclusion registry integration mandatory, and what are the technical specifications?
- What are the display requirements for taxes, odds formats, and terms and conditions?
- What are data residency requirements for customer data?
- Are there accessibility requirements for the platform?

### Cultural Considerations for Market Research

- Brazilian Portuguese differs from European Portuguese in vocabulary and grammar
- Sports betting market preferences (which sports, bet types, odds formats are popular)
- Customer service expectations and communication preferences
- Payment terminology and user interface conventions

📌 **Decision Gate:** Platform must meet all SPA technical and regulatory requirements before soft launch.

# Responsible Gambling Framework

**Verified Requirement:** Operators must implement responsible gambling measures.

01	02	03
<b>Implement Mandatory Tools</b>	<b>Establish Intervention Protocols</b>	<b>Train Customer Service Team</b>
Deploy all responsible gambling tools required by SPA regulations	Create customer intervention procedures based on regulatory triggers	Ensure all support staff understand responsible gambling procedures
04	05	
<b>Display Resources</b>	<b>Integrate Federal Systems</b>	
Make responsible gambling information visible throughout the platform.	Connect with any required national registries or databases	

## Key Questions for Your Legal Counsel

- What responsible gambling tools are mandated by SPA regulations?
- Are deposit limits required (customer-set vs. operator-set, cooling-off periods)?
- Are session time limits and break requirements mandatory?
- Does a national self-exclusion registry exist, and what are the integration requirements?
- What customer intervention triggers are required (income thresholds, loss limits, time-based)?
- What responsible gambling messaging and helpline display is required?
- What customer education materials are mandatory?
- What are audit and reporting obligations?

❏ **Decision Gate:** Responsible gambling frameworks must receive any required SPA approval before advertising begins. Budget Consideration: Responsible gambling technology implementation costs + ongoing training costs.

# Legal & Tax Structure

## Verified Requirements

18%

Tax on Gross Gaming Revenue (GGR)

BRL 30M

Federal license fee for 5 years

## Action Items

- Establish appropriate legal entity structure
- Register for GGR tax obligations
- Implement tax reporting and payment systems
- Register for player-related tax obligations if any
- Contract with Brazilian accounting firm experienced in gambling industry
- Obtain legal opinions on compliance requirements

## Key Questions for Your Legal Counsel

1. What is the GGR tax payment frequency and deadline?
2. What is the GGR calculation methodology (what counts as gross gaming revenue and allowable deductions)?
3. Are player winnings taxed, and if so, what are the withholding and reporting requirements?
4. What corporate income tax obligations exist for gambling operators?
5. Are there state-level tax obligations?
6. What are data residency requirements for financial records?
7. What labour law requirements exist for hiring Brazilian employees?
8. Is insurance or bonding required?

📌 **Decision Gate:** All tax registrations must be complete and reporting systems operational before commercial operations begin. Budget Consideration: Legal entity setup + Ongoing accounting services + Tax compliance technology.

# Phase 2: Market Positioning & Partnerships (Days 31-60)

## Brand Positioning Strategy

### Action Items

- Conduct competitor analysis
- Define target customer segments
- Develop Portuguese-language brand messaging
- Create localised visual identity
- Secure Brazilian domain and social media presence

### Market Research Questions

- Who are the market leaders, and what are their market shares?
- What are target customer demographics, preferences, and behaviours?
- What are Brazilian cultural preferences for gambling brands?
- What are price sensitivity and value expectations?
- What are key trust factors for new market entrants?
- Are there significant regional differences within Brazil?

### Positioning Strategy Options

#### Premium International Brand

Leverage European/global credibility

#### Local Champion

Emphasise Brazilian ownership/partnerships

#### Innovation Leader

Position on technology/user experience

#### Responsible Operator

Differentiation on safer gambling

- 📌 **Decision Gate:** Brand positioning must be validated with Brazilian market research (focus groups, surveys) before creative production and major marketing investment. Budget Consideration: Market research + Brand development + Domain and social media setup.

# Affiliate & Partnership Network

## Action Items

- Identify Brazilian affiliate networks and individual affiliates
- Negotiate affiliate agreements
- Establish affiliate compliance framework
- Set up affiliate tracking and payment systems
- Create affiliate marketing toolkit

## Key Questions for Your Legal Counsel

- What regulatory requirements exist for affiliate agreements?
- What is operator liability for affiliate non-compliance?
- What compliance terms must affiliate agreements include?
- What advertising restrictions apply to affiliates?
- What are affiliate payment and tax requirements?
- Is affiliate registration with authorities required?

## Market Research Questions

- Who are leading Brazilian affiliate networks and what commission structures do they use?
- What are affiliate performance benchmarks (conversion rates, customer quality)?
- What are typical affiliate commission structures (revenue share vs. CPA, rates)?

📌 **Decision Gate:** Affiliate agreements must include all required compliance terms before affiliate activation. Budget Consideration: Affiliate setup and management technology + first-month affiliate commissions (estimate based on projected volume).

# Technology & Marketing Partnerships

## Technology & Service Provider Partnerships Action Items

- Contract with required technology providers
- Establish fraud prevention systems
- Implement customer identity verification
- Contract for customer support services
- Secure hosting infrastructure

## Key Questions for Your Legal Counsel

- What are data residency and server location requirements?
- What customer identity verification requirements and acceptable methods exist?
- What fraud prevention and AML monitoring requirements exist?
- Are technology certifications or approvals required?
- What third-party provider oversight obligations exist?
- Must technology providers hold Brazilian business registration?

**Budget Consideration:** Fraud prevention systems (estimate) + Identity verification services (estimate) + Customer support: in-house vs. outsourced (estimate) + Hosting infrastructure (estimate).

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# Marketing Partnerships & Sponsorships

## Action Items

- Evaluate sponsorship opportunities
- Assess influencer partnerships
- Plan brand visibility campaigns
- Negotiate partnership agreements

## Key Questions for Your Legal Counsel

- What are advertising and sponsorship restrictions?
- What sponsorships are prohibited (youth sports, etc.)?
- What messaging is required in sponsored content?
- What rules govern celebrity and influencer endorsements?
- Are there timing restrictions for advertisements?
- Are there geographic restrictions for advertising?

## Market Research Questions

- What sponsorship opportunities and costs exist (sports teams, events, media properties)?
- What are influencer partnership costs and effectiveness?
- What are media buying costs and channel effectiveness?

**Budget Consideration:** Sponsorships (estimate) + Influencer campaigns (estimate) + PR and launch events (estimate).

# Phase 3: Customer Acquisition & Launch (Days 61-90)

## Pre-Launch Marketing Campaign

### Action Items

- Launch compliant marketing campaigns
- Develop welcome bonus offer
- Create marketing content
- Set up marketing technology infrastructure

### Key Questions for Your Legal Counsel

- What warnings and disclosures are required for advertising?
- What restrictions exist for bonus offers and what disclosure is required?
- What advertising claims or imagery are prohibited?
- What age-gating requirements exist for digital advertising?
- Is pre-launch marketing allowed before operational approval?

### Advertising Compliance Checklist

- Required age warnings and format
- Responsible gambling messaging requirements
- Bonus terms disclosure requirements
- Prohibited content or claims
- Channel restrictions

### Market Research Questions

- What are effective marketing channels for Brazilian bettors?
- What are customer acquisition costs by channel?
- What conversion rates can be expected?
- What are welcome bonus benchmarks?

📌 **Decision Gate:** All marketing materials must comply with Brazilian advertising regulations before launch. Budget Consideration: Marketing campaign spend (estimate based on customer acquisition targets) + Marketing technology (estimate) + Creative production (estimate).

# Soft Launch & Full Commercial Launch

## Soft Launch & Stress Testing

### Action Items

- Conduct limited customer soft launch
- Test platform performance under load
- Validate payment processing
- Test customer support capacity
- Monitor responsible gambling tools
- Collect customer feedback

### Key Questions for Your Legal Counsel

- Is soft launch allowed under license terms?
- Does limited customer testing require SPA notification?
- What platform performance standards are required by SPA?
- What testing and documentation are required before full launch?

### Performance Targets

- Platform uptime targets
- Payment processing speed targets
- Customer support response time targets
- Acceptable customer complaint rates

**Decision Gate:** Platform must meet all performance and compliance requirements before full commercial launch.

# Full Commercial Launch

## Action Items

- Activate all marketing channels
- Launch public relations campaign
- Scale customer support
- Implement real-time monitoring dashboard
- Activate daily compliance reviews
- Prepare crisis communication plan

## Launch Week Critical Activities

- Executive oversight structure and meeting cadence
- Technology team on-call rotation
- Customer support briefing and escalation procedures
- Compliance monitoring protocols

## Launch Success Metrics

- Target registrations
- Target first-time depositors and conversion rates
- Average first deposit
- GGR targets
- Customer satisfaction targets

📌 **Decision Gate:** Crisis management protocols must be in place before launch, including clear escalation paths for regulatory inquiries, technical failures, or customer complaints. Budget Consideration: Launch month marketing spend (estimate) + Additional support staffing (estimate) + PR campaign (estimate).

# Post-Launch Compliance & Ongoing Operations

## Post-Launch Compliance Reporting

**Verified Requirement:** 18% tax on GGR.

### Action Items

- Submit first GGR tax return
- File required regulatory reports
- Conduct internal compliance audit
- Analyse customer acquisition performance
- Review customer feedback and complaints
- Present launch performance to the board.

### Key Questions for Your Legal Counsel

- What is the GGR tax payment frequency (monthly, quarterly, or annually)?
- What is the filing deadline and format?
- What other regulatory reports must be filed with SPA?
- What reporting requirements exist for responsible gambling metrics?
- What complaint reporting obligations exist?
- What are record retention requirements?

### First Month Compliance Reporting

- **GGR Tax**  
Calculation methodology and payment deadline
- **Operational Reports**  
Required reports to SPA
- **Responsible Gambling**  
Required metrics reporting
- **Customer Complaints**  
Reporting obligations
- **Marketing Compliance**  
Documentation requirements

 **Decision Gate:** First reporting cycle must be completed accurately and on time to avoid penalties and establish a compliance track record.

# Ongoing Operations: Month 4+ Optimisation

## Performance Monitoring & KPI Tracking

### Monthly Executive KPIs:

- Active customers
- GGR and net revenue (after 18% tax, bonuses, payment fees)
- Customer acquisition cost by channel
- Customer lifetime value
- Responsible gambling intervention metrics
- Customer support satisfaction
- Platform uptime

### Quarterly Business Reviews:

- Competitive positioning analysis
- Product performance analysis
- Compliance audit findings
- Technology roadmap progress

## Regulatory Horizon Scanning

### Ongoing Compliance Activities:

- Monitor Ministry of Finance regulatory updates
- Participate in industry associations
- Track competitor compliance issues
- Review international best practices

**Anticipated Regulatory Developments:** Brazilian gambling regulations are new (2025). Expect ongoing regulatory clarification and potential amendments, including:

- Advertising restriction refinements
- Responsible gambling requirement expansions
- Tax rate or structure changes
- Data residency enforcement
- State-level regulatory developments

# Critical Success Factors & Next Steps

## Essential Elements for Brazil Market Entry Success



### Experienced Brazilian Legal Counsel

Engage lawyers with gambling regulatory expertise before license application



### Comprehensive Regulatory Verification

Verify every regulatory requirement with documented sources



### Cultural Localisation

Invest in authentic Brazilian content and customer experience



### Robust Compliance Framework

Implement responsible gambling and compliance infrastructure before launch



### Adequate Capitalisation

Budget for BRL 30 million license plus operating costs and contingency



### Market Intelligence

Conduct thorough market research on competition, customer preferences, and operational benchmarks



### Patient Timeline

Allow adequate time for regulatory clarifications and operational preparation



### Strong Local Partnerships

Partner with Brazilian technology, payment, and service providers



### Compliance-First Culture

Establish compliance as operational priority from day one

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# Next Steps for Market Entry Planning

## Immediate Actions

1. **Engage Brazilian Legal Counsel:** Retain lawyers with gambling regulatory expertise to verify all regulatory requirements in this framework
2. **Conduct Market Research:** Commission research on competitive landscape, customer preferences, and operational benchmarks
3. **Develop Financial Model:** Create detailed financial projections including verified costs and revenue assumptions
4. **Assess Organisational Readiness:** Evaluate internal capabilities and identify gaps requiring external partners
5. **Create Detailed Project Plan:** Develop comprehensive project plan with verified timelines, milestones, and decision gates
6. **Establish Governance Structure:** Define executive oversight, decision-making authority, and escalation procedures
7. **Begin Vendor Selection:** Identify and evaluate technology, payment, and service providers
8. **Secure Funding:** Ensure adequate capital for license fee plus 12-18 months operating costs and contingency

**Final Note to Pro Members:** This framework identifies key planning areas and critical questions whilst highlighting the limited verified information currently available. Brazilian gambling regulations are new (operational January 2025), and many operational details should be confirmed with current regulatory guidance and experienced advisors. Your market entry success depends on comprehensive verification of regulatory requirements, accurate cost estimation, thorough market research, and experienced local advisors. Use this framework to structure your verification process and ensure no critical areas are overlooked. TGB will update this framework as verified information becomes available from regulatory sources and operator experiences in the Brazilian market.