

LATIN AMERICAN GAMING & GAMBLING REPORT



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WHAT THE REPORT COVERS

This report covers detailed information relevant to the gaming and gambling opportunities offered by the largest or most important gaming and gambling countries found in Latin America which include Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Peru and Venezuela. It also covers highlights of smaller gaming and gambling markets found in Nicaragua, Paraguay and Uruguay.

This report offers a comprehensive country-by-country account, including :

COUNTRY OVERVIEW	With information on location, population, the economy and the political environment.
SUPPORTING INFRASTRUCTURE	With information on relevant infrastructures for the gaming and gambling industry such as tourism, communications, foreign investment and payments.
GAMBLING AND LEGAL FRAMEWORK	With a detailed explanation of the current legislations in the industry, its key regulating bodies and associations as well as the gaming taxes imposed.
THE GAMBLING MARKET	With an overview of each country's gaming market, size and specific gaming activities as well as opportunities broken down into casinos, lotteries, bingo, betting and online gaming.
GAMBLING ADVERTISING	With a comprehensive study of all advertising regulations affecting the gaming and gambling industry in each country.

EXECUTIVE SUMMARY

WHY LATIN AMERICA ?

With all the changes around the world restricting gaming and gambling, Latin America presents growing opportunities for investors, operators, equipment and technology suppliers and many more within the gaming and gambling industry.

The Latin American region has 33 countries with a total population of circa 569 million which dedicates a large proportion of their income to gambling.

Land-based gaming and gambling activities have traditionally been closely linked to the tourism industry and Latin America is a region which continues to successfully attract tourists every year.

Travel and tourism in Latin America by the end of 2010 is expected to generate circa US\$200 billion of economic activity and is expected to grow by 5.1% per annum between 2010 and 2020.

The existing telecoms infrastructure and Internet and mobile penetration levels in Latin America, provide interesting opportunities for mobile, Internet and Interactive TV gambling applications. Internet penetration in Latin America by 2009 was at 32.1%, reaching over 182.7 million people with a growth rate increase of 30% from the previous year. Mobile phone penetration in Latin America by 2009 was well above the world average at 80% reaching over 469 million people.

Despite the recent global crisis, Latin American countries are on a fast track to full economic recovery and it is projected that the region will benefit from a 4 percent growth by the end of 2010. The region's recovery, is the second world's strongest after Asia according to the World Bank.

Most countries in Latin America, with exceptions to Venezuela which in recent years has become a 'socialist' republic, encourage foreign direct investments (FDI). Foreign investors usually enjoy equal treatment to domestic residents and in some countries are given added benefits.

All of the above factors are crucial for international gaming and gambling investors seeking to enter the Latin America region.

THE GAMING AND GAMBLING MARKET

It is believed that if both the legal and illegal gaming activities were combined in Latin America it is likely that the region would generate over US\$150 billion a year. The nine main countries included in the report generate combined revenues of over US\$33 billion.

Latin Americans spend circa US\$10 billion a year on gaming and gambling and it is also estimated that on average each inhabitant in this region spends US\$250 a year. Experts estimate that in 10 years the whole region's external debt could be paid with the money generated from gaming and gambling industry.

Costa Rica, Brazil, Mexico, Argentina, Chile, Colombia, Peru and Venezuela are considered to be the most prolific gambling countries in the region where slot machines, casinos, horse-racing, lotteries, bingo, Internet gaming and illegal gaming entertain millions of people each day.

Costa Rica has the largest gambling market in all Latin America due to its favorable Online gambling policies generating US\$14.5 billion a year. Brazil has the largest lottery market in the region generating US\$4.1 billion a year and when combined with its slots and bingo (although illegal) generated gambling revenues exceed US\$7 billion. Third place would be for Argentina who's gaming industry generates US\$4.5 billion a year. In Chile revenues are estimated to be at least US\$600 million, Colombia US\$2 billion a year, in Panama US\$1.17 billion and in Venezuela circa US\$1 billion is spent every year.

TABLE OF CONTENTS

TABLE OF CONTENTS

EXECUTIVE SUMMARY	11
WHY LATIN AMERICA ?	11
THE GAMING AND GAMBLING MARKET	11
WHAT THIS REPORT COVERS	12
EXTENDED EXECUTIVE SUMMARY	13
LATIN AMERICAN REGION OVERVIEW	13
• LOCATION	13
• POPULATION	13
• ECONOMY & POLITICS	14
COUNTRY INFRASTRUCTURE	15
• TOURISM	15
• FOREIGN INVESTMENT	15
• PAYMENTS	16
GAMBLING LEGAL FRAMEWORK	17
• LEGISLATION	17
• LEGAL FRAMEWORK	18
• GAMING TAXES	19
THE GAMBLING MARKET	21
• OVERVIEW	21
• LOTTERIES	23
• CASINOS	24
• BETTING	26
• BINGO	28
• ONLINE GAMING	28
GAMBLING & ADVERTISING	30
• GAMBLING ADVERTISING REGULATIONS	30
• GENERAL ADVERTISING REGULATIONS	31
KEY BODIES & ASSOCIATIONS	32
ARGENTINA	33
COUNTRY OVERVIEW	33
• LOCATION	33
• POPULATION	34
• THE ECONOMY	34
• THE POLITICAL ENVIRONMENT	35

LATIN AMERICAN GAMING & GAMBLING - ALL RIGHTS BELONG TO DIVINE WORKS 2010 2

SUPPORTING INFRASTRUCTURE	35
• TOURISM	35
• FOREIGN INVESTMENT POLICIES	35
• PAYMENTS	36
GAMBLING LEGAL FRAMEWORK	37
• LEGISLATION	37
• REGULATIONS IN THE CITY OF BUENOS AIRES	38
• REGULATIONS IN THE PROVINCE OF BUENOS AIRES	39
• SPORTS BETTING REGULATIONS	40
• ONLINE GAMBLING REGULATIONS	40
• GAMING TAXES	41
THE GAMBLING MARKET	42
• OVERVIEW	42
• CASINOS	43
• LOTTERIES	47
• BETTING	49
• BINGO	51
• ONLINE GAMING	52
GAMBLING ADVERTISING REGULATIONS	54
• GENERAL ADVERTISING REGULATIONS	55
• INTERNET ADVERTISING	55
• GOVERNING BODIES & ASSOCIATIONS	56
BRAZIL	57
COUNTRY OVERVIEW	57
• LOCATION	57
• POPULATION	58
• THE ECONOMY	58
• THE POLITICAL ENVIRONMENT	58
SUPPORTING INFRASTRUCTURE	59
• TOURISM	59
• FOREIGN INVESTMENT	59
• PAYMENTS	60
GAMBLING LEGAL FRAMEWORK	61
• LEGISLATION	61
• CRIMINAL CONTRAVENTION ACT	61
• BINGO AND SLOT MACHINES REGULATIONS	61
• CASINO REGULATIONS	63
• LOTTERY REGULATIONS	63
• HORSE RACETRACKS REGULATIONS	63
• ONLINE GAMING REGULATIONS	64
• GAMING TAXES	64
• KEY BODIES & ASSOCIATIONS	64
THE GAMING MARKET	65
• OVERVIEW	65

LATIN AMERICAN GAMING & GAMBLING - ALL RIGHTS BELONG TO DIVINE WORKS 2010 3

• CASINOS	65
• LOTTERIES	65
• BETTING	66
• BINGO AND SLOT MACHINES	66
• ONLINE GAMBLING	67
GAMBLING & ADVERTISING	68
• GAMBLING ADVERTISING REGULATIONS	68
• GENERAL ADVERTISING REGULATIONS	69
• INTERNET ADVERTISING	71
• GOVERNING BODIES & ASSOCIATIONS	71
CHILE	72
COUNTRY OVERVIEW	72
• LOCATION	72
• POPULATION	73
• THE ECONOMY	73
• THE POLITICAL ENVIRONMENT	74
SUPPORTING INFRASTRUCTURE	74
• TOURISM	74
• FOREIGN INVESTMENT	75
• PAYMENTS	76
GAMBLING LEGAL FRAMEWORK	78
• LEGISLATION	78
• LOTTERY REGULATIONS	78
• BETTING REGULATIONS	79
• HORSE RACING REGULATIONS	79
• CASINO REGULATIONS	80
• GAMING TAXES	81
• KEY BODIES & ASSOCIATIONS	81
THE GAMBLING MARKET	81
• OVERVIEW	81
• CASINOS	82
• LOTTERIES	85
• BETTING	86
• ONLINE GAMBLING	88
GAMBLING & ADVERTISING	89
• GAMBLING ADVERTISING REGULATIONS	89
• INTERNET ADVERTISING	90
• GOVERNING BODIES & ASSOCIATIONS	90
COLOMBIA	92
COUNTRY OVERVIEW	92
• LOCATION	92
• POPULATION	93
• THE ECONOMY	93
• THE POLITICAL ENVIRONMENT	94

LATIN AMERICAN GAMING & GAMBLING - ALL RIGHTS BELONG TO DIVINE WORKS 2010 4

SUPPORTING INFRASTRUCTURE	94
• TOURISM	94
• FOREIGN INVESTMENT	94
• PAYMENTS	95
GAMBLING LEGAL FRAMEWORK	97
• LEGISLATION	97
• LAW 643	97
• LOTTERY REGULATIONS	97
• LOCALIZED GAMES (CASINOS, SLOTS AND BINGO) REGULATIONS	97
• INNOVATIVE GAMES (HORSE/SPORTS BETTING AND OTHERS) REGULATIONS	98
• CHANCE AND PERMANENT BETTING GAMES REGULATIONS	98
• PROMOTIONAL GAMES AND RAFFLES REGULATIONS	99
• DECREE 1905 OF 2008	99
• BILL 027 OF 2009	100
• DECREE 115 OF 2010	101
• BILL 138 OF 2009 (ONLINE GAMBLING)	101
• GAMING TAXES	101
• KEY BODIES & ASSOCIATIONS	102
THE GAMING MARKET	102
• OVERVIEW	102
• CASINOS	104
• LOTTERIES	106
• BETTING	109
• BINGO	110
• ONLINE GAMBLING	110
GAMBLING & ADVERTISING	111
• GAMBLING ADVERTISING REGULATIONS	111
• GENERAL ADVERTISING REGULATIONS	112
• INTERNET ADVERTISING	113
• GOVERNING BODIES & ASSOCIATIONS	114
COSTA RICA	115
COUNTRY OVERVIEW	115
• LOCATION	115
• POPULATION	116
• THE ECONOMY	116
• THE POLITICAL ENVIRONMENT	117
SUPPORTING INFRASTRUCTURE	117
• TOURISM	117
• FOREIGN INVESTMENT	117
• PAYMENTS	119
GAMBLING LEGAL FRAMEWORK	121
• LEGISLATION	121
• CASINO REGULATIONS	121
• BETTING REGULATIONS	123
• VIRTUAL CASINOS REGULATIONS	123

LATIN AMERICAN GAMING & GAMBLING - ALL RIGHTS BELONG TO DIVINE WORKS 2010 5

• LOTTERY REGULATIONS	123
• ONLINE GAMBLING REGULATIONS	124
• COMPLEMENTARY ACTIVITIES REGULATIONS	125
• GAMING TAXES	125
• KEY BODIES & ASSOCIATIONS	126
THE GAMING MARKET	126
• OVERVIEW	126
• CASINOS	126
• LOTTERIES	129
• BETTING	129
• ONLINE GAMBLING	129
GAMBLING & ADVERTISING	130
• GAMBLING ADVERTISING REGULATIONS	130
• GENERAL ADVERTISING REGULATIONS	131
• INTERNET ADVERTISING	132
• GOVERNING BODIES & ASSOCIATIONS	132
MEXICO	134
COUNTRY OVERVIEW	134
• LOCATION	134
• POPULATION	134
• THE ECONOMY	135
• THE POLITICAL ENVIRONMENT	136
SUPPORTING INFRASTRUCTURE	136
• TOURISM	136
• FOREIGN INVESTMENT	136
• PAYMENTS	137
GAMBLING LEGAL FRAMEWORK	138
• LEGISLATION	138
• FEDERAL GAMING AND RAFFLES LAW	138
• GAMING DECREE IN 2004	139
• NEW GAMING LAW PROPOSED IN DECEMBER 2008	139
• GAMING TAXES	140
• KEY BODIES & ASSOCIATIONS	140
THE GAMING MARKET	140
• OVERVIEW	140
• CASINOS	141
• LOTTERIES	141
• BETTING AND BINGO	142
• ONLINE GAMBLING	143
GAMBLING & ADVERTISING	145
• GAMBLING ADVERTISING REGULATIONS	145
• GENERAL ADVERTISING REGULATIONS	146
• OTHER RELEVANT LAWS FOR ADVERTISING	146
• INTERNET ADVERTISING	147
• GOVERNING BODIES & ASSOCIATIONS	148

• LOTTERY REGULATIONS	123
• ONLINE GAMBLING REGULATIONS	124
• COMPLEMENTARY ACTIVITIES REGULATIONS	125
• GAMING TAXES	125
• KEY BODIES & ASSOCIATIONS	126
THE GAMING MARKET	126
• OVERVIEW	126
• CASINOS	126
• LOTTERIES	129
• BETTING	129
• ONLINE GAMBLING	129
GAMBLING & ADVERTISING	130
• GAMBLING ADVERTISING REGULATIONS	130
• GENERAL ADVERTISING REGULATIONS	131
• INTERNET ADVERTISING	132
• GOVERNING BODIES & ASSOCIATIONS	132
MEXICO	134
COUNTRY OVERVIEW	134
• LOCATION	134
• POPULATION	134
• THE ECONOMY	135
• THE POLITICAL ENVIRONMENT	136
SUPPORTING INFRASTRUCTURE	136
• TOURISM	136
• FOREIGN INVESTMENT	136
• PAYMENTS	137
GAMBLING LEGAL FRAMEWORK	138
• LEGISLATION	138
• FEDERAL GAMING AND RAFFLES LAW	138
• GAMING DECREE IN 2004	139
• NEW GAMING LAW PROPOSED IN DECEMBER 2008	139
• GAMING TAXES	140
• KEY BODIES & ASSOCIATIONS	140
THE GAMING MARKET	140
• OVERVIEW	140
• CASINOS	141
• LOTTERIES	141
• BETTING AND BINGO	142
• ONLINE GAMBLING	143
GAMBLING & ADVERTISING	145
• GAMBLING ADVERTISING REGULATIONS	145
• GENERAL ADVERTISING REGULATIONS	146
• OTHER RELEVANT LAWS FOR ADVERTISING	146
• INTERNET ADVERTISING	147
• GOVERNING BODIES & ASSOCIATIONS	148

NICARAGUA	149
COUNTRY OVERVIEW	149
• LOCATION & POPULATION	149
• ECONOMY & POLITICS	149
• TOURISM	150
GAMBLING LEGAL FRAMEWORK	150
• LEGISLATION	150
• PROPOSED CASINO AND GAMING LAW OF 2001	151
• PROPOSED CASINO AND SLOTS LAW OF 2010	151
• GAMING TAXES	151
THE GAMBLING MARKET	151
• OVERVIEW	151
• LOTTERIES	152
• CASINOS	152
• ONLINE GAMING	152
KEY BODIES & ASSOCIATIONS	153
PANAMA	154
COUNTRY OVERVIEW	154
• LOCATION	154
• POPULATION	154
• THE ECONOMY	155
• THE POLITICAL ENVIRONMENT	155
SUPPORTING INFRASTRUCTURE	156
• TOURISM	156
• FOREIGN INVESTMENT	156
• PAYMENTS	158
GAMBLING LEGAL FRAMEWORK	159
• LEGISLATION	159
• CASINO REGULATIONS	159
• SLOT MACHINES	159
• LOTTERY REGULATIONS	160
• SPORTS BETTING REGULATIONS	160
• HORSE RACING REGULATIONS	160
• BINGO REGULATIONS	161
• ONLINE GAMING REGULATIONS	161
• GAMING TAXES	162
• KEY BODIES & ASSOCIATIONS	162
THE GAMING MARKET	163
• OVERVIEW	163
• CASINOS	163
• LOTTERIES	165
• BETTING	166
• BINGO	167

• ONLINE GAMBLING	167
GAMBLING & ADVERTISING	168
• GAMBLING ADVERTISING REGULATIONS	168
• GOVERNING BODIES & ASSOCIATIONS	168
PARAGUAY	169
COUNTRY OVERVIEW	169
• LOCATION & POPULATION	169
• ECONOMY & POLITICS	169
• TOURISM	170
GAMBLING LEGAL FRAMEWORK	171
• LEGISLATION	171
• LAW 1016	171
• GAMING TAXES	172
THE GAMBLING MARKET	172
• OVERVIEW	172
• LOTTERIES	172
• CASINOS	173
• BINGO	173
• BETTING	174
• ONLINE GAMING	174
KEY BODIES & ASSOCIATIONS	175
PERU	176
COUNTRY OVERVIEW	176
• LOCATION	176
• POPULATION	177
• THE ECONOMY	177
• THE POLITICAL ENVIRONMENT	178
SUPPORTING INFRASTRUCTURE	178
• TOURISM	178
• FOREIGN INVESTMENT	178
• PAYMENTS	179
GAMBLING LEGAL FRAMEWORK	180
• LEGISLATION	180
• LAW 28845 OF DECEMBER 2006	181
• OTHER LEGISLATION	182
• GAMING TAXES	182
• KEY BODIES & ASSOCIATIONS	182
THE GAMING MARKET	183
• OVERVIEW	183
• CASINOS	183
• LOTTERIES	185

• BETTING	186
• BINGO	186
• ONLINE GAMING	187
GAMBLING & ADVERTISING	188
• GAMBLING ADVERTISING REGULATIONS	188
• GENERAL ADVERTISING REGULATIONS	189
• INTERNET ADVERTISING	189
• GOVERNING BODIES & ASSOCIATIONS	190
URUGUAY	191
COUNTRY OVERVIEW	191
• LOCATION & POPULATION	191
• ECONOMY & POLITICS	191
• TOURISM	192
GAMBLING LEGAL FRAMEWORK	192
• LEGISLATION	192
• CASINO REGULATIONS	192
• SLOT MACHINES REGULATIONS	193
• LOTTERY REGULATIONS	193
• SPORTS BETTING REGULATIONS	193
• ONLINE GAMING REGULATIONS	193
• GAMING TAXES	194
THE GAMBLING MARKET	194
• OVERVIEW	194
• CASINOS	194
• LOTTERIES	195
• BETTING	196
• ONLINE GAMING	196
KEY BODIES & ASSOCIATIONS	197
VENEZUELA	198
COUNTRY OVERVIEW	198
• LOCATION	198
• POPULATION	199
• THE ECONOMY	199
• THE POLITICAL ENVIRONMENT	200
SUPPORTING INFRASTRUCTURE	200
• TOURISM	200
• FOREIGN INVESTMENT	201
• PAYMENTS	201
GAMBLING LEGAL FRAMEWORK	202
• LEGISLATION	202
• CASINO, BINGO AND SLOT MACHINES LAW OF 1997	202
• HORSE RACING REGULATIONS	204
• LOTTERY REGULATIONS	204

• GAMING TAXES	205
• KEY BODIES & ASSOCIATIONS	206
THE GAMING MARKET	206
• OVERVIEW	206
• CASINOS AND SLOT MACHINES	207
• LOTTERIES	207
• BETTING	208
• BINGO	209
• ONLINE GAMBLING	209
GAMBLING & ADVERTISING	211
• GAMBLING ADVERTISING REGULATIONS	211
• GENERAL ADVERTISING REGULATIONS	212
• INTERNET ADVERTISING	215
• GOVERNING BODIES & ASSOCIATIONS	215

ABOUT THE AUTHORS

DIVINE WORKS

Divine Works has created a network of professionals, located across South and Latin America, who are able to provide information and insight invaluable in today's leading gambling and gaming industries.

Set up in 2003, Divine Works is an experienced consultancy with numerous clients including market leaders such as SportingBet PLC, ATE Online and Merrill Lynch in New York.

Divine Works has published numerous reports on Latin American gambling and gaming since 2003, including the very successful "Latin American Gaming and Gambling 2007".

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