



INTERNATIONAL BETTING
INTEGRITY ASSOCIATION



BRAZIL: THE COST OF PROHIBITION

What the September 2026 betting ban means for sports betting integrity, consumers and the regulated market

77/100

PRE-BAN FRAMEWORK RATING
IBIA COUNTRY REPORT

25

ALERTS IN 2025, THE FIRST
YEAR OF THE REGULATED MARKET

R\$25bn

EXPECTED TO MOVE TO
UNLICENSED OPERATORS (H2)

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The International Betting Integrity Association (IBIA) is a not-for-profit association that safeguards sport and regulated betting markets through global monitoring, intelligence sharing and stakeholder collaboration.

90+
OPERATORS

200+
BETTING BRANDS

1.5m+
SPORTING EVENTS MONITORED
EACH YEAR

\$300bn
IN BETS MONITORED EACH YEAR

ibia.bet



BRAZIL: THE COST OF PROHIBITION

REPERCUSSIONS FOR SPORTS BETTING INTEGRITY

IBIA | OCTOBER 2026

On 25 September 2026 Brazil banned fixed-odds betting and online gaming by provisional measure, 21 months after opening its regulated market. Licences lapse on 25 October and Congress has 120 days to confirm or reject the measure. This note sets out what the ban costs, above all for the integrity of sport.

1. WHAT BRAZIL BUILT

In under two years, Brazil brought betting into the regulated market under one of the world's more complete regulatory frameworks.

- **80+ licensed operators**, with identity checks on every customer.
- **Consumer protection**: a national self-exclusion platform and coordinated blocking of illegal sites and payments.
- **Integrity written into the licence**: operators had to report suspicious betting and join an independent integrity monitoring body.
- **Rated 77/100 by IBIA**, between more established regulatory frameworks in Portugal (68) and Great Britain (86).

2. WHAT PROHIBITION PUTS AT RISK

A ban removes the licensed supply. It does not remove the demand.

- **Demand shifts offshore**. H2 Gambling Capital estimates that, without a legal alternative, "around 60% of that spend, roughly R\$25bn, will continue to be wagered but with unlicensed operators".
- **Player protection lost**. Those customers lose identity checks, self-exclusion and payment safeguards.
- **Public revenue lost**. The state loses betting tax and licence income.
- **Sports funding lost**. Most top-flight football clubs carry betting sponsors.

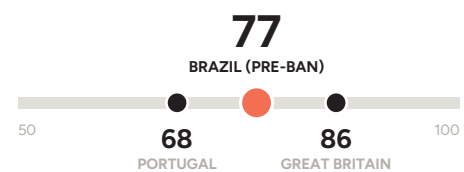
3. THE INTEGRITY CONSEQUENCES

Regulation made suspicious betting visible. The ban switches that off.

- **Regulation strengthened detection**. IBIA reported 25 alerts on Brazilian sport in 2025, the first regulated year, against an average of 11 a year from 2021 to 2024, a direct result of licensed operator monitoring.
- **No reporting duty**. With no licensed operators, nobody is obliged to report suspicious betting, and the betting continues offshore.
- **No evidence trail**. The regulator and law enforcement lose access to suspicious Brazilian market and customer account betting data.
- **Sanctions and prosecutions at risk**. Operator monitoring has supported sporting sanctions and criminal prosecutions in Brazil, including recent convictions.

PRE-BAN FRAMEWORK RATING

IBIA country reports, points out of 100



THE MARKET

H2 Gambling Capital estimates

R\$40bn

REGULATED MARKET, ANNUALISED, PRE-BAN

R\$25bn

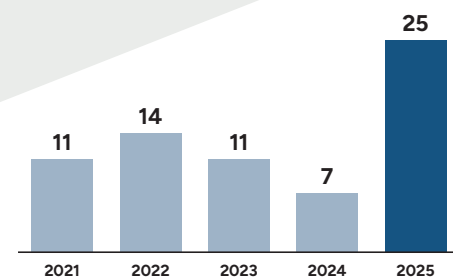
EXPECTED TO MOVE TO UNLICENSED OPERATORS

R\$17bn → R\$42bn

ILLEGAL MARKET GROWTH, PRE-BAN TO POST-BAN

REGULATION INCREASES DETECTION

IBIA suspicious alerts, Brazil



2025 was the first year of the regulated market.

4. RECOMMENDATION

IBIA recommends that decision makers reconsider the prohibition and allow the future of Brazil's betting market to be determined through the ordinary legislative process. This should be informed by an open dialogue with the sector, with a clear risk assessment and a published impact assessment. The existing integrity framework, including suspicious betting monitoring, reporting and cooperation with authorities, must be preserved. Enforcement should focus on unlicensed operators, while gambling-related harms should be addressed through targeted measures within the regulated market.

Sources: IBIA country report (Brazil, pre-ban) and IBIA alerts data 2021–2025; H2 Gambling Capital, "Assessing the Impact of Brazil's Online Betting Ban", 29 September 2026; Provisional Measure 1.394/2026.



NATIONAL ASSESSMENT: 1 JANUARY 2025 – 25 SEPTEMBER 2026

BRAZIL

 PRE-BAN REGULATED MARKET**77**
PTS / 100

MARKET SUMMARY:

This assessment covers Brazil's regulated federal market from its launch on 1 January 2025 until Provisional Measure 1.394/2026 prohibited fixed-odds betting and online gaming on 25 September 2026; ratings reflect the pre-ban framework. That regime embedded consumer protection and AML requirements, among the most modern integrity provisions anywhere and enforcement against illegal operators, moving the market from largely offshore to around 70% of combined betting and gaming GGR onshore. Market challenges included a substantial licence cost, maturing guidance, a ban on acquisition bonuses and a fragmenting advertising rulebook. While important regulatory progress had been made, fiscal and political instability hampered the removal of the illegal offshore market: the GGR tax rose within a year, a repeal bill followed in July 2026 and prohibition ultimately ended the market.

REGULATION	22/30	TAXATION	12/20	PRODUCT	19/20	ADVERTISING	16/20	INTEGRITY	8/10

REGULATION 22/30

REGULATORY FRAMEWORK

Pre-ban, Brazil licensed betting at two levels. Federal: Law 14.790/2023 created a national market, launched 1 January 2025 under the Secretariat of Prizes and Betting (SPA/MF), covering online and land-based fixed-odds betting and online gaming (no land-based casinos); in practice it was online-only, as retail awaited SPA operating rules. State: Rio de Janeiro, Paraná, Minas Gerais, Paraíba and Maranhão licensed in parallel, restricted to their own territories, with physical betting outlets offered by some state licensees. Horse-race pool betting sat under a separate law (Law 7.291/1984), run by Jockey Clubs.

LICENSING NUMBERS AND COSTS

Federal: pre-ban, 100+ applications were received and 80+ operators licensed for the 214m population market. Licences ran five years at a BRL 30 million authorisation fee, comparable in annualised terms to the largest markets' fees, covering betting, online casino and up to three brands; a BRL 5 million reserve and BRL 30 million minimum capital were also required. State: licences cost materially less upfront and varied by state (BRL 5m fixed in Rio de Janeiro and Paraná), with 5-6% GGR levies attached; c.40 state licensees, c.30 in Rio de Janeiro.

ENFORCEMENT AND PLAYER PROTECTION

Under-18s were barred, with KYC including facial recognition matched against the federal tax database. Deposit and time limits and self-exclusion were required, with a national cross-operator self-exclusion platform live from December 2025; no affordability checks applied, but welfare recipients were barred from opening accounts with licensed operators. Credit cards, crypto, cash and third-party payments were prohibited, with AML overseen by COAF and the Central Bank. Pre-ban enforcement ran on three fronts: domain blocking with Anatel (13,000 sites), payment blocking, tightened in September 2026 under Ordinance SPA/MF 2.750/2026, and advertising removal.

TAXATION 12/20

BETTING TAXES AND LEVIES

During the regulated period, federal licensees paid a 12% gross gambling revenue (GGR) tax at launch (2025), rising under Complementary Law 224/2025 to 13% in 2026, with 14% legislated for 2027 and 15% from 2028. Players paid a flat 15% income tax on net winnings above the annual exemption threshold, with 15% withheld at source on individual prizes above c.BRL 2,824, a cost that untaxed offshore operators do not impose. State licensees sat outside the federal levy, paying state variable taxation of 5-6.5% of GGR and with operations geo-fenced within each state.

CORPORATE AND OTHER TAXES

No VAT applied, but operators also paid PIS/COFINS (9.25%), municipal ISS (2-5%) and corporate income taxes of c.34% (IRPJ 15% plus 10% surcharge, CSLL 9%), taking the effective federal burden to roughly 25-35% of GGR. For a market of Brazil's scale, with roughly 25 million active bettors in its first year, that level was supportable, albeit against offshore operators that pay nothing. The enacted CBS/IBS consumption-tax reform was due to replace PIS/COFINS and ISS at rates not yet fixed when the market was prohibited, adding structural uncertainty.

STABILITY AND COMPETITIVENESS

Fiscal instability was the defining negative of the pre-ban regime. The GGR rate was raised within a year of launch; an 18% provisional measure lapsed, a 24% doubling was rejected, retrospective levies were twice proposed and scrapped, and a 15% deposit tax (CIDE-Bets) passed the Senate before the Chamber stripped it in February 2026. Tax settings nonetheless preserved licensed competitiveness: channelisation reached about 79% of betting GGR within eighteen months, and around 65% of combined betting and gaming turnover, before the September 2026 ban removed the onshore market.



NATIONAL ASSESSMENT: 1 JANUARY 2025 – 25 SEPTEMBER 2026

BRAZIL CONTINUED PRE-BAN REGULATED MARKET

PRODUCT 19/20

BETTING CHANNELS

Until the September 2026 ban, online sports betting was licensed federally and by states. Land-based betting was covered by the federal framework and some states. The federal licence combined sports betting and online casino, giving full online cross-sell, though land-based casinos remained prohibited. Around 80 federal operators served roughly 25 million bettors.

TYPES OF BETTING

Pre-ban, fixed odds was fully available, with exchange betting regulated and pool betting on racing; spread betting was not provided for. Pre-match and in-play betting was widely available. The Ministry of Sport's permitted sports list (Portaria MESP 27/2026) was broad but added a market limitation and administrative burden that offshore operators do not bear.

ADVERTISING 16/20

ADVERTISING AND BONUSES

Before the ban, licensed operators could advertise subject to content restrictions and mandatory responsible gambling warnings; a July 2026 federal package added prescribed warnings and barred commentators and influencers from encouraging betting. Municipal and state rulebooks, including public-space bans, were fragmenting the picture. Welcome bonuses and free bets were prohibited, though retention promotions operated openly.

SPONSORSHIP

Sports sponsorship by licensed operators was permitted and widespread pre-ban: most top-flight football clubs carried betting sponsors, including front-of-shirt deals and league partnerships. Unlicensed operators could not advertise or sponsor, and further restriction proposals were already tabled. Provisional Measure 1.394/2026 now prohibits the advertising of fixed-odds betting altogether, but offshore operators continue to be promoted through various channels.

INTEGRITY 8/10

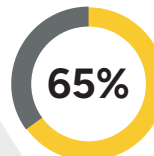
BETTING INTEGRITY

Pre-ban integrity provisions were mandatory and clear: federal licensees had to report suspicious betting to the SPA/MF and join an independent integrity monitoring body; state licensees sat outside these duties. A 2026 interministerial policy coordinated match-fixing prevention nationally. With roughly 25% of betting turnover offshore, national oversight was hampered but effective; 100% is now offshore.

PROSECUTION

Match-fixing is a specific criminal offence under Articles 198–200 of the General Sports Law (Law 14.597/2023), carrying 2–6 years' imprisonment plus fines. The framework was in active use pre-ban and regulated operator monitoring supported sporting sanctions and criminal prosecutions in Brazil. That protective monitoring framework is no longer in effect.

KEY STATISTICS



BETTING AND GAMING TURNOVER CHANNELISATION

TURNOVER

Also called handle or stakes: the total value of all bets placed, onshore and offshore, before winnings are paid. It measures the volume of betting activity, not what customers ultimately spend, because winnings are re-staked. Channelisation shows the share placed with licensed operators.



BETTING AND GAMING GGR CHANNELISATION

GGR

Gross gambling revenue: turnover minus the winnings paid back to customers. It is the amount operators retain before taxes and costs, and the standard measure of a market's value. Channelisation shows the share retained by licensed operators.

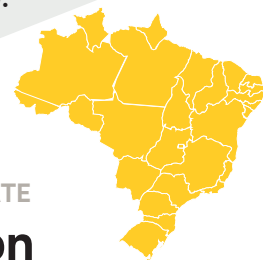
BRAZIL (PRE-BAN):

214.2m
POPULATION

13% GGR
HEADLINE TAX RATE

c.BRL 40bn
MARKET SIZE (ANNUALISED)

80+
LICENSED OPERATORS (25 SEPT 2026)



Data sourced from H2 Gambling Capital.

METHODOLOGY

Each jurisdiction is rated out of 100 against the same 27 criteria in five weighted categories: regulation (30 points), taxation (20), product (20), advertising (20) and integrity (10). The rating covers both online and land-based betting, applies the same criteria consistently across all markets and was carried out in conjunction with H2 Gambling Capital.



SUSPICIOUS ALERTS REPORTED: 2021 – 2025

BRAZIL IBIA BETTING INTEGRITY DATA

REGULATION STRENGTHENED DETECTION

The rise in alerts in 2025 reflects stronger monitoring and reporting under regulation. It is not evidence of more manipulation.

WHAT AN ALERT IS

Suspicious betting that operators detected and IBIA reported to the authorities. An alert signals suspicion, not proven manipulation.

WHAT CHANGED IN 2025

Brazil's licensed operators had to monitor customers, report suspicious betting and join an independent integrity monitoring body.

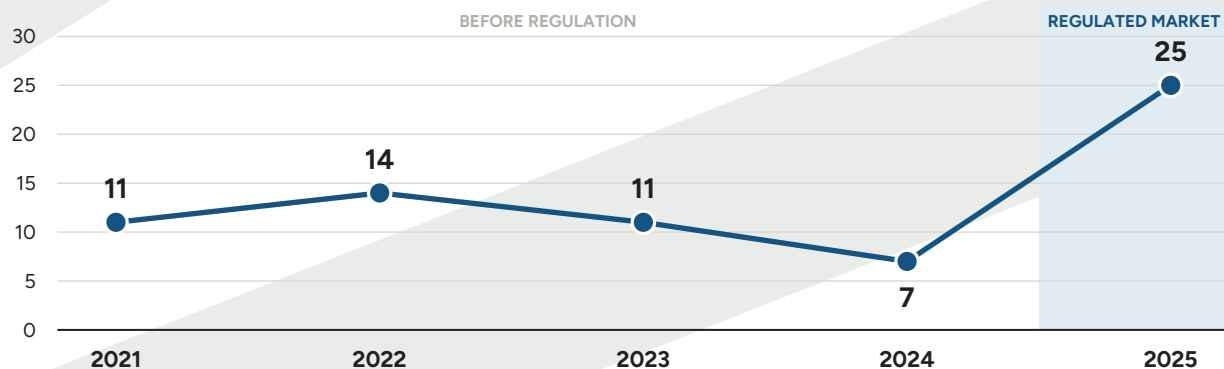
WHAT THE BAN DOES

It removes Brazil's licensed monitoring and reporting network. Fewer alerts would mean less visibility, not cleaner sport.

68 SUSPICIOUS BETTING ALERTS REPORTED

From 2021 to 2025, 68 suspicious betting alerts were reported in Brazil covering 8 sports: Football (51), Basketball (6), Tennis (6), Beach Volleyball (1), Futsal (1), Sinuca Americana (1), Table Tennis (1) and Volleyball (1).

ALERTS BY YEAR



BREAKDOWN BY YEAR AND SPORT

2021	11	2022	14	2023	11	2024	7	2025	25
FOOTBALL	7	FOOTBALL	8	FOOTBALL	11	FOOTBALL	6	FOOTBALL	19
TENNIS	2	TENNIS	3			TENNIS	1	BASKETBALL	5
BEACH VOLLEYBALL	1	BASKETBALL	1					SINUCA AMERICANA	1
FUTSAL	1	TABLE TENNIS	1						
		VOLLEYBALL	1						

Source: International Betting Integrity Association (IBIA).

ABOUT IBIA

SAFEGUARDING SPORTS BETTING

ADVOCATING INFORMED POLICIES

RESEARCH AND EDUCATION

The International Betting Integrity Association (IBIA) is a not-for-profit association funded by operators committed to safeguarding betting integrity. Its Global Monitoring & Alert Platform (Global MAP) uses operator intelligence from 90+ members to identify and share alerts on suspicious betting across regulated markets worldwide. Its collaboration model enables intelligence sharing between operators, sports governing bodies, regulators and law enforcement. It helps prevent the manipulation of sports and betting markets through athlete education, policy guidance and by promoting integrity standards.

IBIA'S MEMBERSHIP REPRESENTS:

- 90+ companies with over 200+ betting brands.
- Monitoring over 1.5 million sports events per annum across 80+ sports.
- Analysing customer activity across US\$300bn+ of global betting turnover per annum.
- IBIA is globally active and its services are licensed, approved or meet regulatory requirements in the Netherlands, Germany, 32 U.S. states, Brazil (pre-ban), Ontario and Alberta.



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