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## Traffic by countries ⓘ

On desktop



Brazil	<b>40.78%</b>	<span>▲</span> 152.4%
Georgia	<b>19.13%</b>	<span>▲</span> 21.72%
Thailand	<b>6.35%</b>	<span>▼</span> 3.38%
India	<b>4.90%</b>	<span>▲</span> 17.17%
Chile	<b>2.86%</b>	<span>▲</span> 192.2%

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What do you think about our country breakdown? [Send Feedback](#)

**Benchmark Portugal and Spain**  
**Two models, two learnings**

**Sports-Book**

# Years for Gambling Acts

DL 14.643  
3/12/1927

DL 422/89, 2/12  
"Gambling Act"

1st. Online  
Gambling  
Activity 2002

DL 66/2015, 29/4  
"Online Gambling Act"

1927

1989

1995

2002

2005

2015

DL 10/95, 19/1

DL 40/2005, 17/2

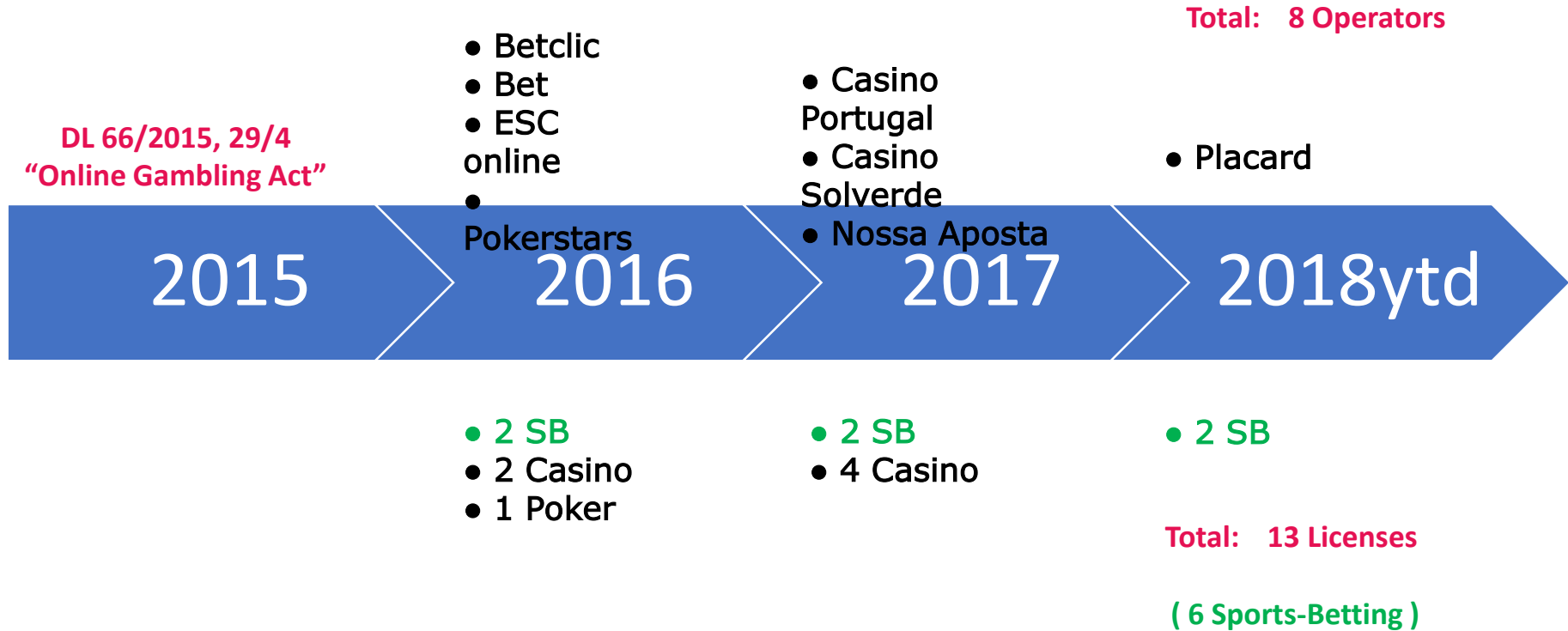
DL 67/2015, 29/4  
"Landbased SB  
exclusivity to SCML"

Casino • Bingo • Poker



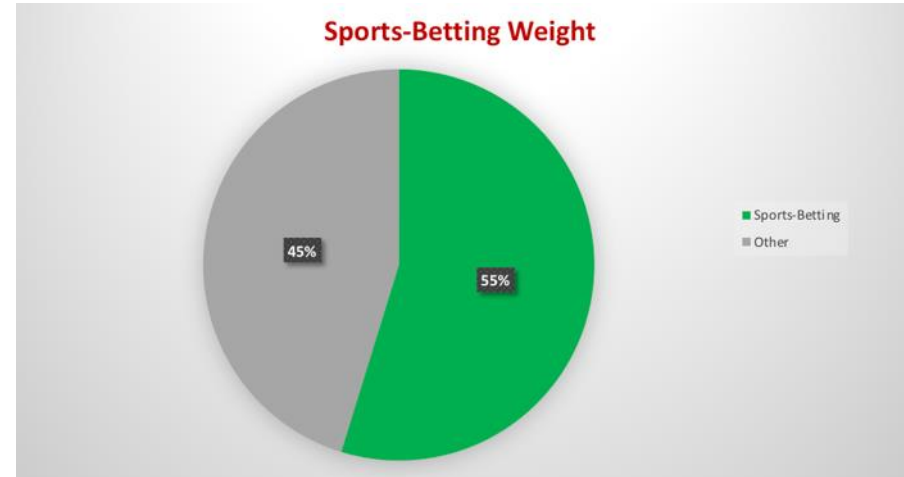
Sports-Betting  
Games of chance

# Online Gambling Act



# SPAIN

- Regulated Market started mid-2012
- Operators: 52 (closed windows model)
  - SB Licensees: 27
- Gambling Tax on GGR
  - 20% tax on SB
  - 25% tax on other segments
  - (20% tax from 2018 onwards)
- Since 2012 legal market has grown 324% (2018e)
- 2018e total online market value (GGR): 742,6M€



# SPAIN

Source: DGOJ Reports and author methodology/analysis

## Online Gambling Spain - Market Value (M€)

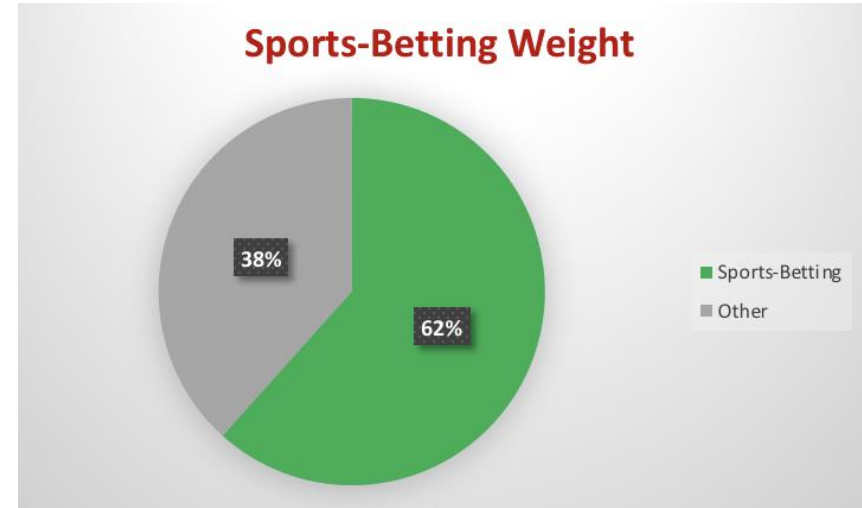


# SPAIN

- **Mature market**
- **Still an interesting growing:**
  - **CAGR 31,5%**
  - **SB CAGR: 22,6%**
- **Gambling Tax reduction on GGR (2018): 20%**
- **New markets to be regulated as: DFS; eSports**

# PORTUGAL

- Regulated Market started mid-2016
- Operators: 8
  - SB Licensees: 6
- Gambling Tax on Turnover
  - 8-16% tax on SB
  - 15-30% tax on other segments (GGR)
- Since 2016 legal market has grown 71% (2018e)
- 2018e total online market value (GGR): 132,0M€

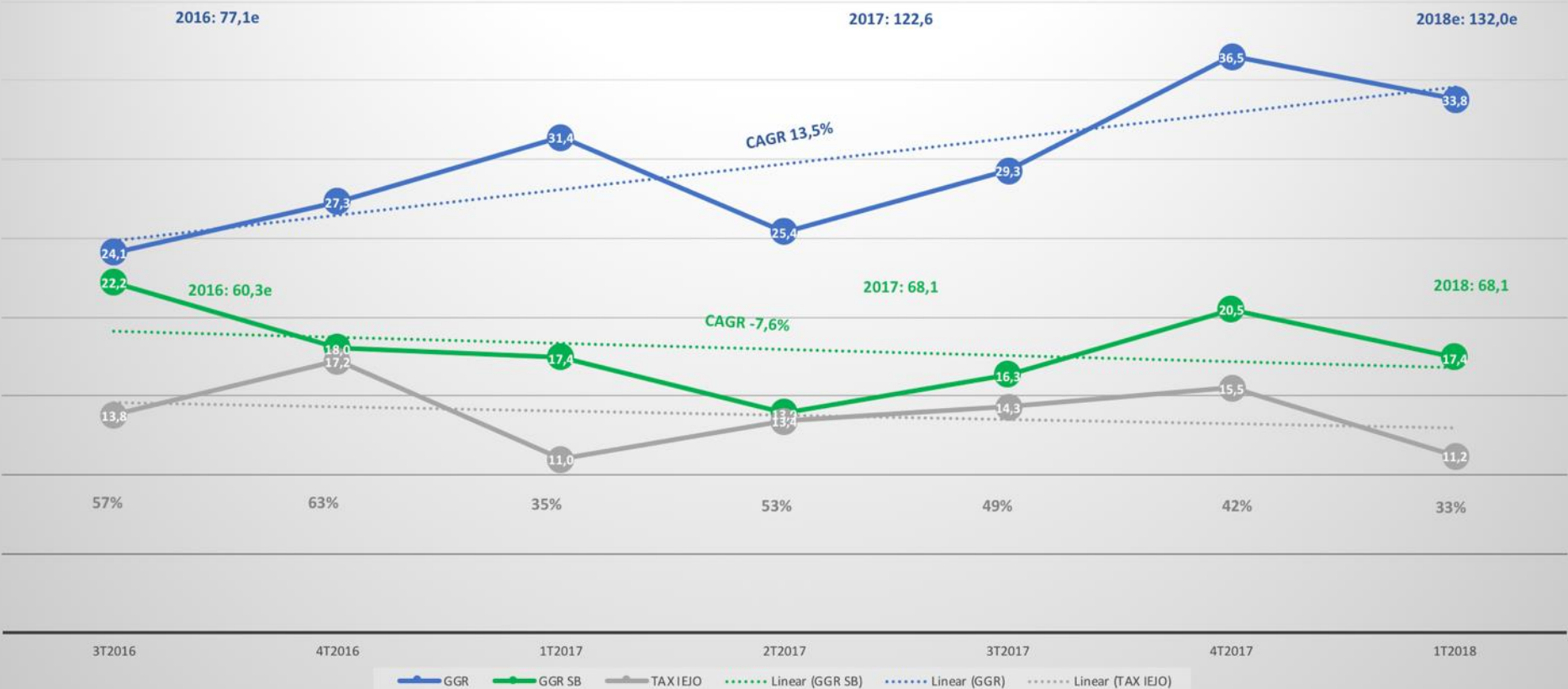




# PORTUGAL

Source: SRIJ Reports and author methodology/analysis

## Online Gambling Portugal - Market Value (M€)



# PORTUGAL

- **Mature market (although recently regulated)**
- **Slow growth and stagnation of the legal market:**
  - **CAGR 13,5%**
  - **SB CAGR: -7,6%**
- **Unknown legal/regulatory measures to boost the market**
- **Potential illegal market rising...**

# PORTUGAL

**Why is Portugal stagnated?**

# PORTUGAL

## Reason 1: Illegal Market

Illegal online gambling and  
competitiveness of the  
regulated markets  
Portugal

# PORTUGAL



Lusa



SIGA-NOS



METED



ASSINATURA



NEWSLETTERS



PESQUISAR

## Quase 70% dos jogadores portugueses opta por operadores não licenciados - estudo

Economia

04 DE DEZEMBRO DE 2017  
14:00

Lusa

Quase sete em cada dez jogadores portugueses (68%) opta por operadores não licenciados em Portugal para apostas 'online', segundo o primeiro estudo sobre o mercado nacional da maior associação destes operadores na Europa, a RGA.



ALARMAS E S.O.C. 2002

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# PORTUGAL

## Reason 2: Taxation

# PORTUGAL

## Special online gambling tax on fixed-odds sports betting

1 - In fixed-odds sports betting, the IEJO shall be levied on the revenue from the amount of the bets placed.

2 - When the operator charges a fee on the amount of the bet, the IEJO shall also be levied on this amount.

3 - The IEJO rate in the situations described in the preceding clauses is 8%.

4 - Without prejudice to the preceding clause, when the amount of the bets placed with the operator exceeds EUR 30 000 000.00, the taxable income shall be divided into two parts:

*a)* up to the amount of EUR 30 000 000.00, the 8% rate shall be applied;

*b)* the rate levied on the surplus amount shall be determined on the basis of the following formula

$$\text{rate} = [8\% \times (\text{annual amount of bets placed} / \text{EUR } 30\,000\,000.00)].$$

5 - The rate calculated pursuant to indent *b)* of the preceding clause shall have a maximum limit of 16%.

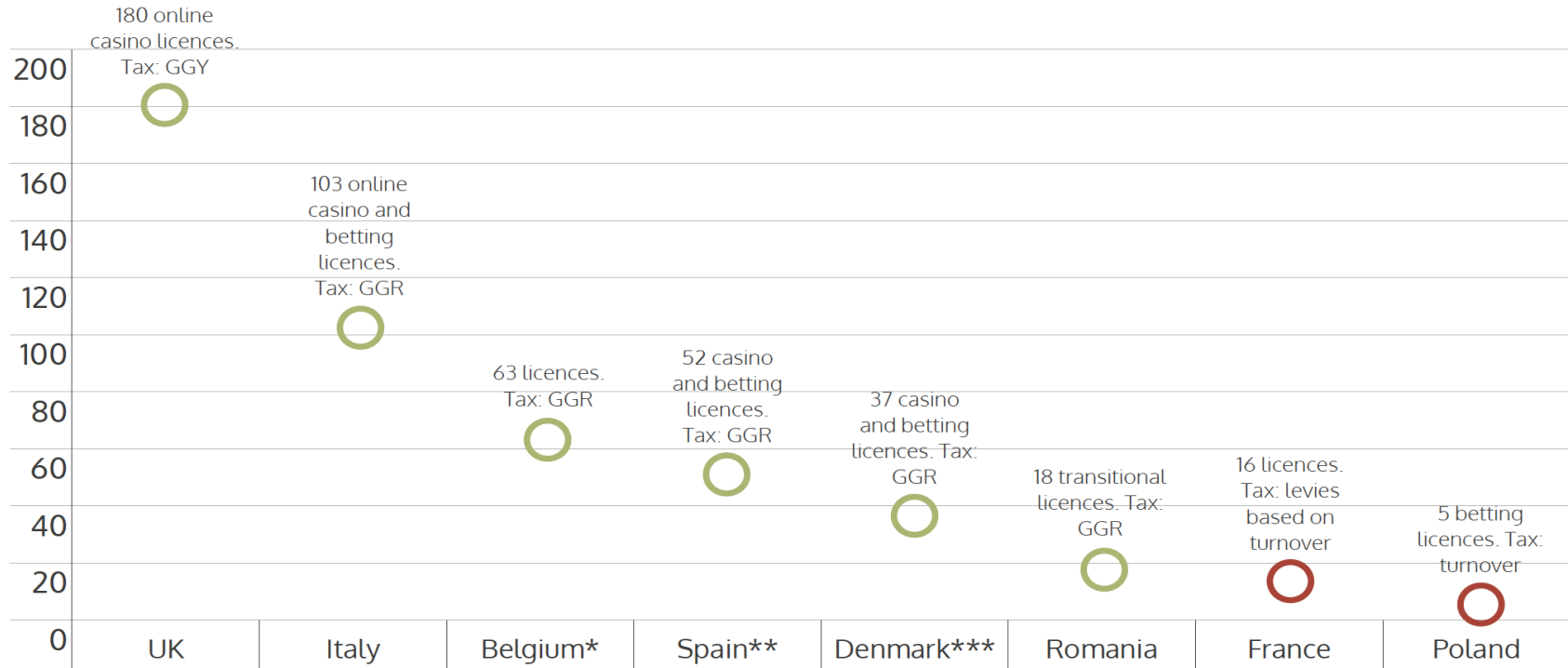
# PORTUGAL

- Taxation has huge impact on business
- For so, impacts market attractiveness

PORTUGAL ONLINE BOOKMAKERS  
FACE TAX WIPEOUT



## ESTIMATED NUMBER OF REMOTE LICENCES – MARCH 2016



\*Belgium refers to the number of unique licence permits

\*\*Spanish tax rate on GGR is applicable to casino and fixed-odds sports betting

\*\*\*Denmark refers to online casino and general betting licences

# PORTUGAL

## Taxation impacting the Player

**Previous to regulation Operators were doing a 4,5% margin in SB (5,5% in Spain)**

**Taxation starts in 8%... So, big impact in the offered odds ...**

**With the same amount bet, the potential gains for the player, are not competitive...**

# PORTUGAL

## Taxation impacting the Player

Operators	.pt	Placard	Illegals .com
<b>Margin Averages</b>	<b>9,16%</b>	<b>11,09%</b>	<b>3,06%</b>
<b>RTP (Payout)</b>	<b>90,84%</b>	<b>88,91%</b>	<b>96,94%</b>
<b>100€ Bet</b>	<b>€ 190,84</b>	<b>€ 188,91</b>	<b>€ 196,94</b>

# PORTUGAL

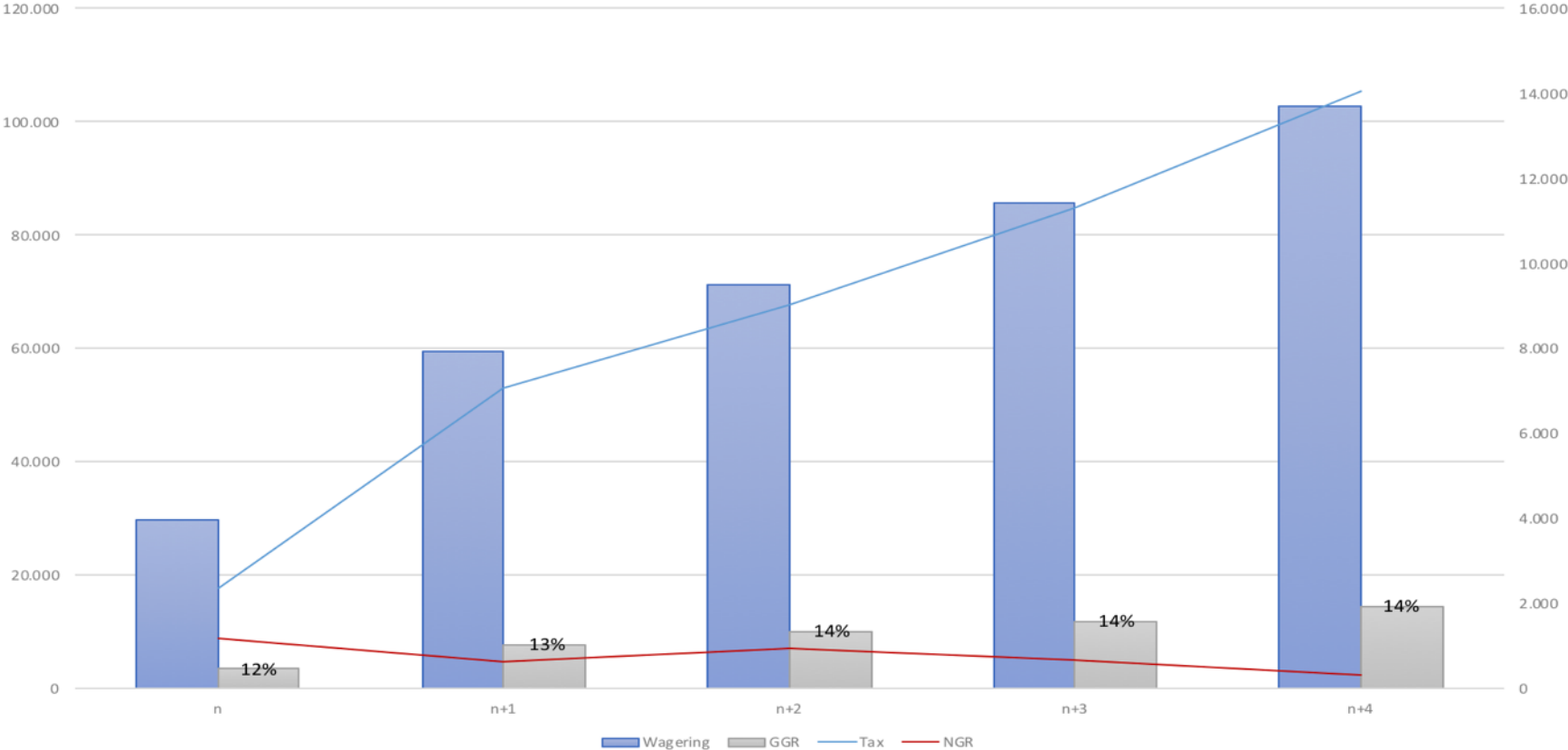
## Taxation impacting the Operator

**As higher the volume, higher the taxation, lower the net income**

**On the medium term (2<sup>nd</sup>/3<sup>rd</sup> Operation year): **NP < 0 !!!****

# PORTUGAL

## Online Gambling Portugal - The Unsustainable Model (m€)



# PORTUGAL

## Taxation impacting the State

- A RGA's commissioned study indicated the state to be able to grow tax income by 20M€/yearly if model based in GGR
- Less economic activity impacts also:
  - other taxes revenue as VAT (MKT, Services, Technology...);
  - Less Jobs and other important economic indicators.
- More illegal impacts player protection and overall criminality

**Q & A**

**THANK YOU !**  
*Obrigado!*

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