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Brazilian National Consumer Secretariat (SENACON) orders suspension of online gambling bonuses and any advertising targeting children and adolescents

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On November 19, 2024, SENACON published a precautionary measure regarding advertising and bonuses for online gambling. According to SENACON, this measure aims to protect consumers, especially the most vulnerable, such as children and adolescents, in addition to address concerns about users' over-indebtedness.

The precautionary measure, which applies to all companies operating and authorized to offer fixed-odds betting by the Ministry of Finance, brought three main determinations:

- (i) Suspension of Bonuses: Any advertising of rewards related to advances, bonuses or prior advantages is suspended throughout Brazil, even if intended solely for promotional or advertising purposes to place a bet.
- (ii) Prohibition of Advertising to Minors: All advertising of fixed-odds online betting targeting children and adolescents is suspended nationwide.
- (iii) Transparency Report: Companies have 20 days to submit a detailed report outlining the measures taken to comply with the suspensions.

Furthermore, the measure establishes a daily fine of R\$50,000.00 (fifty thousand reais) in the event of non-compliance by companies, until the measure is fully complied with.

In addition to Law No. 14,790/2023, which regulates fixed-odds betting, the decision was based on the Consumer Defense Code (CDC) and the Statute of Children and Adolescents.

Despite the legal period for companies to adapt to the fixed-odds betting regulation, SENACON understands that the proposed provisions include adaptations already provided for in the current legislation - Consumer Protection Code and Child and Adolescent Statute, and that companies in the sector must therefore comply with the entire regulatory and legal framework in force in the national territory.

With an immediate impact, this decision requires changes in the advertising and marketing strategies of companies in the sector. Thus, it is advisable that ongoing advertising campaigns be reviewed, as well as that advertisements offering bonuses or targeting children and young people, be halted. It is important that companies in the sector implement compliance mechanisms to ensure their practices align with current regulations.

Finally, given the frequent developments in the sector, it is essential for participating companies to seek further information and legal guidance to adapt to the new requirements.

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