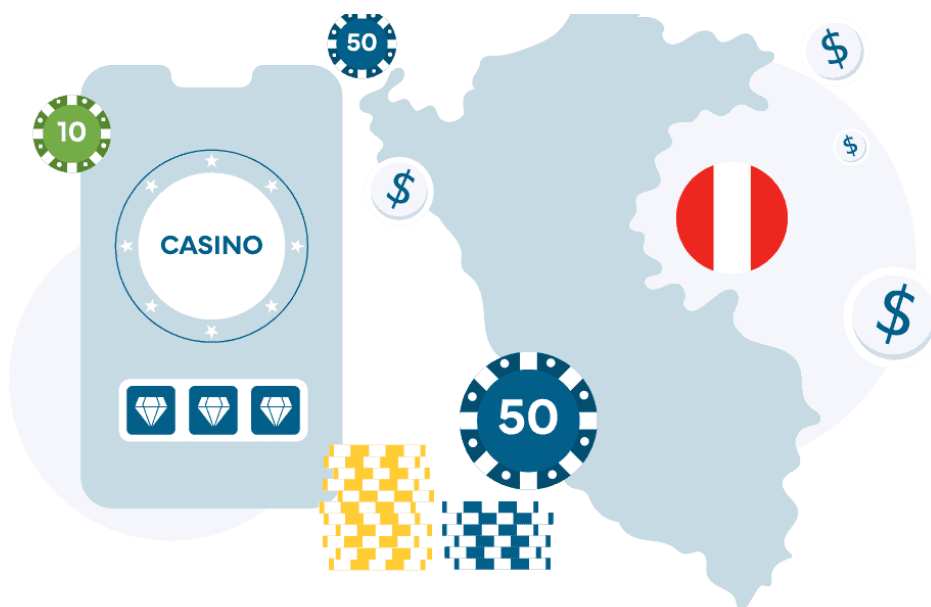


# Peru's Regulated Gambling Market

February 23, 2024 // Svilen Madjov



The Peru gambling market is one of the few in South America that is **fully regulated**. It took legislators and gaming companies over **four decades** to take the industry to where it is now. It is safe to say that, today, real-money games enjoy the **recognition** of a considerable share of Peruvian adults, with both **land-based** casinos and **online** betting as popular options.

Our study provides a detailed review of the **figures** and **socio-economic trends** that distinguish the gambling market in Peru. We also take a look at the history and evolution of **active regulations**, as well as some of the main **traits** of real-money **players** in the country.

## Peru's Current Gambling Market Scope and Growth Projections

The gambling sector in Peru has seen **decades** of **legitimate** economic operations, mostly through **classic** verticals like **lottery** draws and **slot** machine parlors. **Online** gaming had **modest** shares until the mid-2010s when [rising internet penetration](#) started having an impact.

That particular trend saw a boost after the COVID-19 pandemic, as the entire **online entertainment** macro sector experienced beneficial transformation. Online gambling is

further driven by mass **technology** adoption and finally a fresh **regulatory** framework (see below).

Estimates of **market size** and industry developments include both **online** and **land-based** gambling channels. We take a look at **available data** for separate macro segments, namely online casinos and sports betting, as well as in-person gambling options like slots, lotteries and casino facilities.

## Traditional Games of Chance

**Lotteries**, along with related and derivative real-money games like **bingo**, **scratch cards** and **keno**, are well-known traditional gambling formats in Peru. The nationally prominent “**La Tinka S.A.**” [stands out](#) among **lottery** operators, with products like Gana Diario, Kábala, Raspaditas and Kinelo in addition to the top household name La Tinka. (The parent company also runs **sports betting** under the Te Apuesta and Ganagol brands, as well as “**quick-play**” games through its Casino, RaspaYá! and Deportes virtuales).

The nostalgic appeal of **old-fashioned** lottery games still draws millions in Peru, even if it is less pronounced in younger generations. There are at least [ten additional licensed companies](#) administering lottery draws with national coverage.

University [studies show](#) that around the turn of the century (1999-2000), Peruvians were spending approximately **USD 50 million** on **lottery** tickets and around **USD 100 million** on **casino** and **slot** games each year. Fast-forward two decades – industry figures reveal that by **2019** La Tinka ticket sales had grown to [USD 314 million](#), dropping to USD 256.7 million in the first pandemic-affected year.

## Land-based (Offline) Gambling Sector

As of **2020** [Government reports](#), the **offline gambling** sector in Peru had an estimated **327** active **operators**. The overwhelming majority – **three quarters** – were concentrated in and around the capital **Lima**.

Even more detailed industry figures are cited – real-money games were available across **744** gaming **venues** (accommodating 83,826 slot machines and 256 tables). Right before the pandemic, these were reportedly **employing 87,000** people directly and another **25,000** indirectly. Gaming [industry publications](#) indicate **annual turnovers** of about PEN 3.711 billion (roughly **USD 1 billion**). Tax revenues alone were exceeding PEN 500 million (USD 135 million).

Peruvian authorities (and industry associations) traditionally consider in-person gambling facilities **separately** from online gaming platforms. Interestingly enough, when **public consultations** were held with industry stakeholders prior to the recent regulatory shift, only **29 online operators** were identified as **based** in Peru.

# Peru's Online Gambling Sector

The rise to prominence of online gambling options is unmistakable across Latin America, and Peru makes no exception to that trend. A **broad spectrum** of options is currently available, mirroring post-pandemic realities elsewhere. In addition to the above number of **domestic** iGaming operators (**29**), authorities [counted another 86](#) active in Peru despite being based **offshore**.

Online **sports betting** has been the biggest driving force behind this expansion. **Football** in particular has captured roughly **90%** of that vertical, followed by basketball and eSports.

Fintech solutions (including cryptocurrency payments) and technological innovations have rendered the Peruvian online gambling scene safer, more transparent and more "global", in various ways.

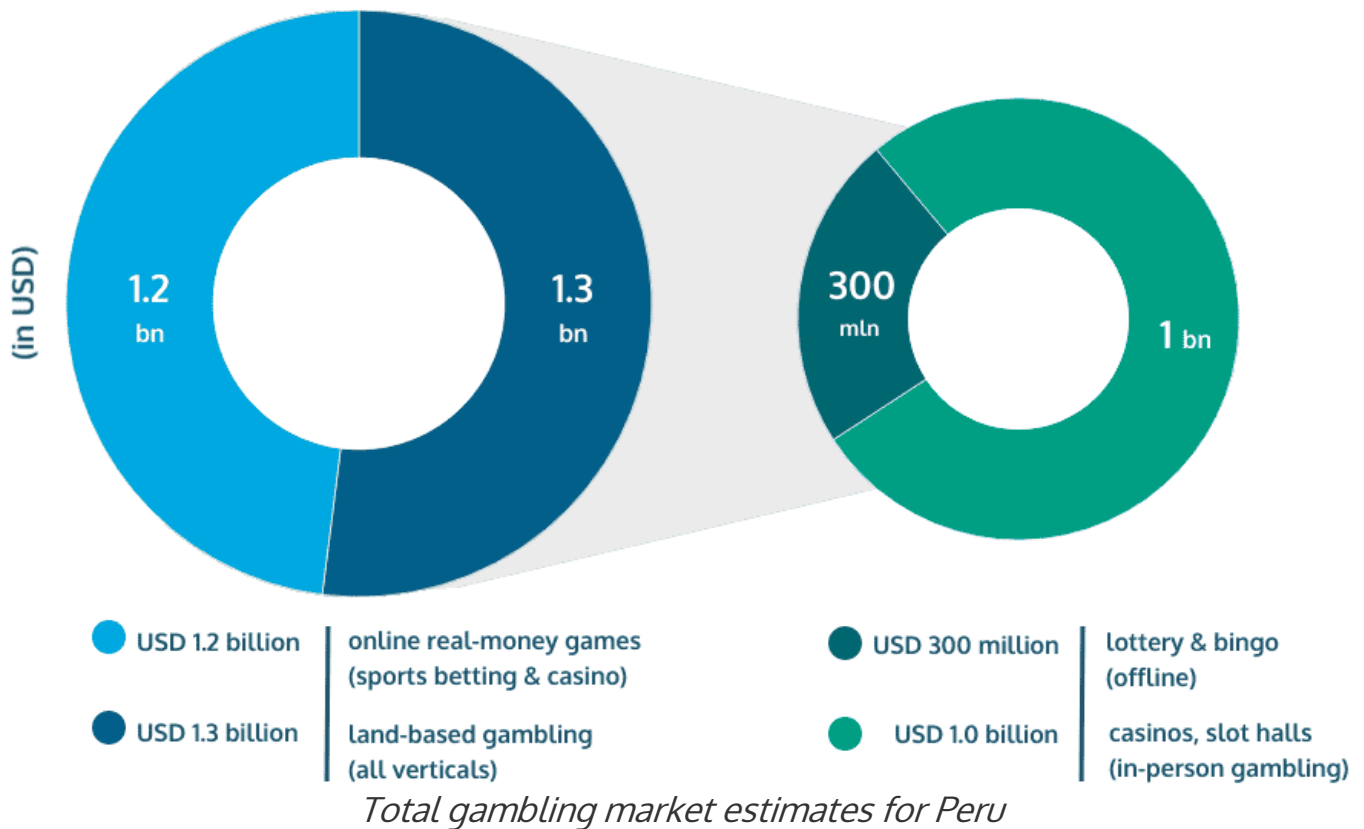
[Conservative estimates](#) project **2024** online **sports** betting market volumes around **USD 169 million**, while total online operations are cited at **USD 315 million** (and **growing** at **6.4%** annually at least until 2028).

The Ministry of Foreign Trade and Tourism (**Mincetur**), traditionally **overlooking** the sector, disagrees with such figures. Early 2022 [estimates placed the online betting market](#) at around **USD 1 billion** in **2022** (PEN 3.8 billion). Post-World Cup figures showed that the actual turnover was about **20% higher**, boosted by the global sports forum – around PEN 4.5 billion (**USD 1.2 billion**).

In the end, the latter figures seem to be the new norm. [Academic studies](#) point out that 2020 online gambling turnover also reached PEN 4.5 billion at a rate of **150,000** average **daily bets**. Evidently, the Peruvian online gambling market has been rapidly **fulfilling its potential**, partly because of the digital transition and partly because of the new outlook on regulation.

Mincetur officials confirmed that the main goal of recent legislative efforts was to **license and tax** foreign online gaming operators under the same conditions as national platforms. In fact, **Peru** was the **third country** in **South America** to openly and comprehensively regulate iGaming, behind **Colombia** and **Argentina** (albeit in 3 provinces only including Buenos Aires). **Brazil** joined its Western neighbors in December 2023 to become a [regulated gambling market](#).

## Total Peru Gambling Market Size



Ultimately, a comprehensive market figure emerges:

- If we consider **iGaming operators**, the majority offer both **sports betting** and **casino** games under the same website. Even if this is a cautious (and momentaneous) estimate, we can safely concur on the **USD 1.2 billion** mentioned above.
- To that amount, we need to add **USD 1 billion** from **land-based** casinos and in-person gambling facilities.
- Due to the enduring popularity of **traditional gambling** forms – lottery and bingo, above all – the roughly **USD 300 million** from 2019 also seems a reasonable annual turnover. Although less than half compared to casino revenues (a ratio we saw reported around 2000), it reflects current dynamics and we would expect them to lose market shares in relation to fast-play or immersive iGaming verticals.

Altogether, this takes the **total market size** to around **USD 2.5 billion**. This amount includes practically all real-money gaming verticals and reflects the sector's imposing **current stature**. But it also gives us an idea of its **impressive potential** for further expansion in light of the fact that these are **pre-regulation figures**.

## The Evolution of Gambling Regulation in Peru

The new regulatory framework entered into force in **February 2024**, transforming the gaming landscape profoundly. The big difference has been the clear **shift of focus** to **online gaming** verticals, with sports betting as the poster segment.

The latest gambling laws mandate operators to conform to **updated technical standards** and **certification requirements**. Crucially, it allows **existing** operators to seek

authorization **without ceasing** their operations, while **new** entrants must obtain regulatory approval **before commencing** activities.

Operators need to appoint a local **legal representative** responsible for managing administrative, legal and technical procedures to secure approval. More importantly, a short transition phase should lead to a **technically** and **ethically compliant** online gaming market in Peru.

## The Role of the DGJCMT

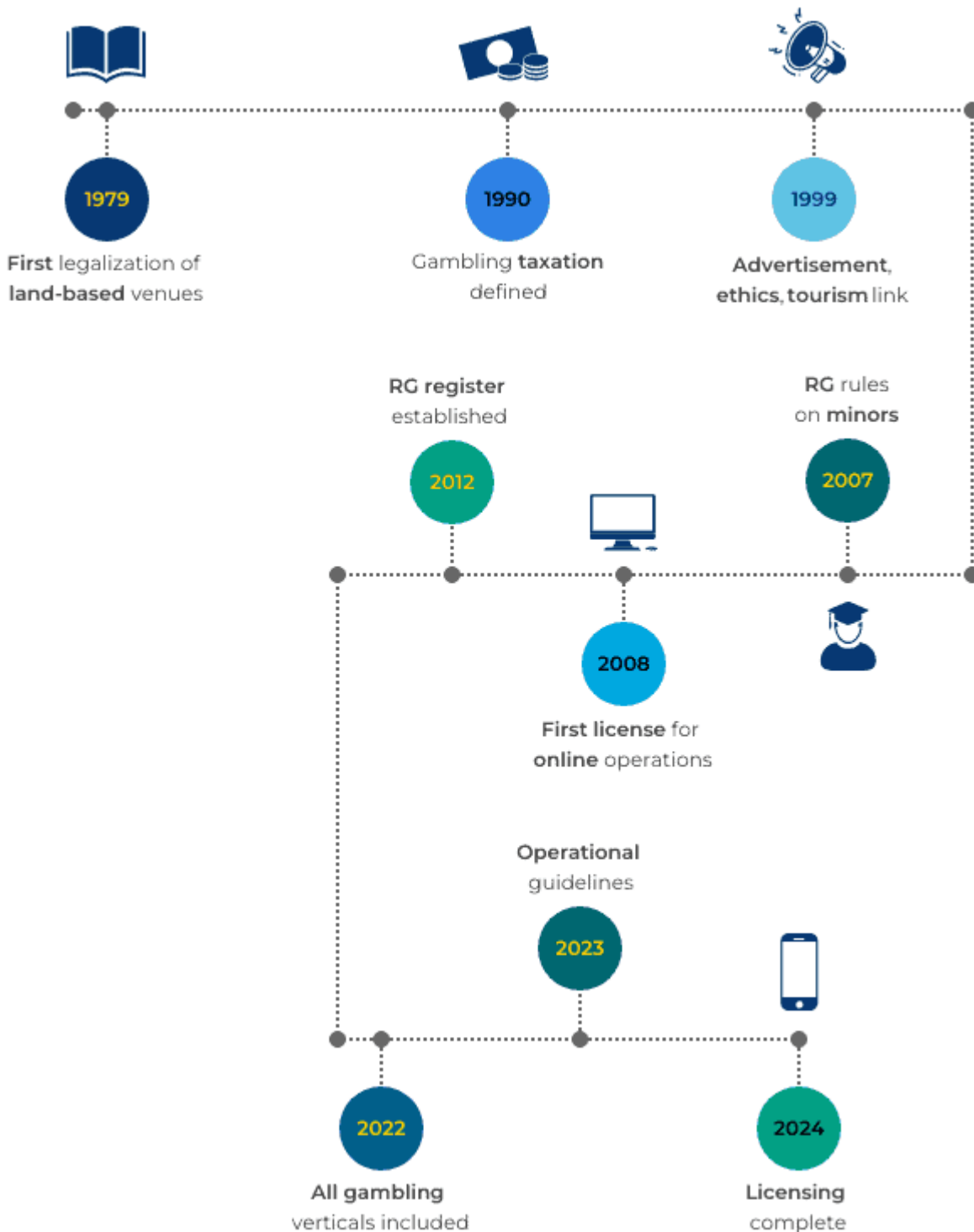
The Directorate General of Casino Games and Slot Machines (**DGJCMT**) is an important executive body within the Mincetur. It is the authority that oversees **licensing, compliance** and **enforcement** of gambling industry regulations. This authority is instrumental in **monitoring** the market, ensuring adherence to **legal standards**, and fostering a **safe gambling** environment.

As per declared priorities of Peruvian legislators, the DGJCMT currently has three main objectives:

- Ensuring **player protection** (e.g., consumer support and risk mitigation policies)
- Raising the **gaming quality** (e.g., welcoming innovation);
- Implementing **regulations** (e.g., legal and tech standards for safety and transparency).

Such an approach is seen as the only way to provide a **sustainable future** for a market set for inevitable growth.

## Brief History of Peruvian Gaming Laws



*Timeline of gambling legislation in Peru*

Peru’s gaming regulation journey began in **1979** (with Decree-Law No. 22515 aimed at legalizing **land-based** gambling establishments). The move provided the impulse for a wave of casinos nationwide. Local and international investors joined the gaming market, many tapping into the potential of **gambling tourism**.

Over the years since then, the DGJCMT and Mincetur have tried to update and adapt the legal framework to global trends and market demands. Some of the **regulatory milestones** include the Legislative [Decree No. 608](#) of **1990** (on **taxation** formulas for gambling operations), and the [Law No. 27153](#) (on **ethical** and **promotional** guidelines for

gaming establishments, while preserving tourism potential) amended by [Law No. 27796](#) in 1999.

**Online** real-money gaming was only considered for regulation nearly a decade later, with the spread of and growing access to the internet. The **first license** for **online casino** operations was issued in 2008.

Significant changes related to **responsible gaming** (RG) policy were made in [2007](#) and [2012](#), laying the groundwork for modern iGaming regulation.

In fact, Peru had **never** (explicitly) **forbidden online** casinos operating on the market. The rationale has always been that if offshore platforms were to **meet standards** set by authorities for **domestic operators**, they would be eligible for valid gambling licenses.

The largely **permissive** approach has seen the market entry of numerous brands (at least 115, see above), with some **globally prominent** names active in the country for years.

## Current State of Peru's Gambling Regulations

In response to **growing demand** and continuous expansion of the market, Peru took concrete steps to ensure **effective taxation** of gaming operations. The need to maximize **public benefits** was the starting point of seeking better gambling regulations.

With the passing of [Law N° 31557](#) and its amendment, [Law N° 31806](#) in 2022, most gambling verticals were included under a **comprehensive** legal framework. In 2023, the Supreme [Decree N° 005-2023](#) provided the enactment of these laws through detailed **operational guidelines** for online sports betting and a range of real-money gaming services.

The ordinance (i.e., specific regulations) stipulates that online casino operators need to have a **valid gambling license** from the DGJCMT to be able to provide iGaming services legally. The rules also list means, channels and standards for obtaining and maintaining legitimate operations.

The licensing process was initiated in mid-February of 2024 and remained [open for a month](#). The initial emphasis was on short-term **compliance**, with penalties for non-adherence ranging from **fines** (i.e., up to USD 260,000) to permanent **market exclusion**.

## Foreseen Effects in Peru's Gambling Market

As already emphasized, the main concern of Peruvian authorities was ensuring a **level playing field** between domestic and foreign operators, mainly in terms of **taxation**. That aspect is pivotal and the **12% taxes on net profits** enter into force [starting April 2024](#) for all companies that manage to obtain a **license**.

The **anticipated outcomes** are seen as [decisively positive](#) and often widely publicized by the Mincetur – increased **government revenue**, enhanced **consumer protection** through responsible gaming measures, and economic growth via legitimate **job creation** and an influx of **investments**. Without a doubt, a transparent approach which includes **awareness-raising** campaigns is the preferable way to go about implementing such sensitive legislation.

Authorities have also formally committed short-term **redistribution** of gambling tax revenues (of around USD 44 million) for **public services** related to tourism, sports, and mental health initiatives. Longer-term plans include more support for education, healthcare and social programs.

For gaming industry stakeholders, the true value in such regulations is the opportunity to invest and operate **legitimately** and **sustainably**, with a comfortable **planning** horizon. Crucially, the recent updates to the regulatory framework include a diverse array of real-money gaming **verticals**, **channels** and **operation models**.

More specifically, despite the public emphasis (and media focus) on sports betting platforms, the recent regulatory debate has always included **online casino** games. Virtual gaming options have been indicated as including games which are outside the scope of physical gambling facilities. A broader range of online gaming experience is projected to **halt the outflow** of economic activity to **offshore** websites and possibly **attract** additional **foreign** consumers.

Lastly, the dedication of more efforts, standards and funds toward societal benefits is not a burden for the sector. Quite the contrary, the **responsible gaming** paradigm has been proven to help drive markets to **full maturity** and produce sustainable benefits for both businesses and consumers.

## Gambling Culture in Peru – Approval within Ethical Boundaries

The **formal recognition** of the entire gambling spectrum marks a conscious move toward bridging a gap between **legal reality** and **market demand**. Thus, Peruvian legislators acknowledge what already exists within the country in terms of **gaming culture** and real-life **consumer practices**.

The challenge is to conciliate the maximization of **public economic gains** (tax and employment) with the intangible benefits of **ethical gaming** practices.

### Societal Insights

[University research](#) on casinos in Peru shines more light on the nation's **perception** of gambling. Analyzing habits, financial commitments and wider **public assessment** of the segment, the study focuses particularly on "**exclusive**" gaming halls.



The findings outline a somewhat **negative reception** of real-money gaming, especially in such contexts and toward potential **high-level clients**. That kind of feedback persisted mainly because of certain **public expectations** related to **ethical values** and **corporate responsibility**. Concrete concerns listed **money laundering, unethical operator practices** and **gaming risk** (i.e., problem gaming or addiction potential).

On the other hand, most of the conclusions underline the **potential for improvement** within the gaming industry. Recommendations included **public image improvement** and prioritization of **ethical practices** and **service quality**. Such strategies would suggest that by addressing these concerns – often ideological but largely amendable through **Responsible Gaming tools**, industry **standards** and **policies** – the sector has always been expected to fulfil its potential for legitimate growth.

In this sense, industry associations like [SONAIA](#) (National Society of Games of Chance) and [APADELA](#) (Peruvian Sports Betting Association) have always taken a **proactive stance**. They have welcomed **more sector transparency**, expressed willingness to adapt to new legislations and sought effective communication with regulators and the public at large.

## Player Pool, Profile and Preferences in Peru's Gambling Market

The market **growth** and **maturity** which come with regulatory stability are also expected to **diversify the player base**, reaching out to **new demographics** and social circles. Market studies [estimate](#) the average revenue per user (ARPU) at an annual **USD 502.20** for Peruvian online gamblers in 2024.

Market penetration is projected much more conservatively by the same source, at barely 750 thousand players by 2028. The multiple **official sources** that cited earlier on **total market size** should enable us to provide a **more precise** estimate of the **player pool**.

If the roughly USD 500 assesses truthfully the annual spending of real-money gamers in Peru, then the USD 2.5 billion turnover is likely generated by around **5 million players**. Out of around [24 million adults](#) in Peru in 2023, that takes **market penetration** slightly above **20%** – a number sensible enough, even without accounting for the optimistic growth trajectory for iGaming in the coming years.

## Demographics, Gaming Habits and Regional Trends

The **complementarity** between online and land-based gaming establishments covers a **wide scope** of demographics, socio-economic profiles and regional adoption levels.

Still, [industry surveys](#) have managed to uncover some **general traits** of the typical gambler in Peru. Highlights include:

- **21%** of Peruvian adults engaged in some form of gambling in **2021** – confirming our estimates above.

There was a somewhat **higher propensity** to gamble in **provinces (23%)** compared to the capital **Lima (20%)**. Perhaps unsurprisingly, **digital** betting options were preferred in Lima while **physical** gambling locations were favored in other provinces. Lima residents also focused their expectations on **security** and **ease of payment** while elsewhere users evoked **customer service** and **potential winnings** as leading **motivators**.

- The demographic profile indicates a **male dominance (70%)**
- The **25-to-40** age bracket makes up **56%** out of the total player pool.
- In terms of gaming choices, **football bets** clearly have the biggest share. However, there is unmistakable growth in **casino games** and novel genres like **eSports**, especially among **younger** Peruvians.

To get more insights into **spending habits**, we need to refer again to the study done by graduate researchers at the Pontifical Catholic University of Peru [seen earlier](#), albeit done in **land-based** contexts.

- Players usually allocate **1 to 3 hours** when they visit casinos.
- In terms of **spending**, most Peruvians are **cautious** gamers – **47%** indicate they spend **under** PEN 100 (~**USD 25**), while 41% are willing to spend between PEN 100 and 300, a more dedicated but still moderate spending pattern for an in-person gambling experience. Only **2%** would spend **more than PEN 500** during a day's gaming session.

## Economic Development and Collateral Factors

Over the past two decades, Peru has achieved remarkable **economic growth**, significantly reducing poverty levels and transitioning into a **middle-income** economy. **Per capita** income rose to [over USD 7000](#) in **2022** from only USD 2000 twenty years earlier.

For the purposes of our analysis, beyond macroeconomic indicators, these figures mean that adult Peruvians have recently enjoyed **greater** amounts of **disposable income**. Proportionally, that also means more funds available for **discretionary spending** such as **entertainment**, including **paid gaming**.

The scope of the booming gambling market is seen from the **turnover estimates** and tax revenue projections (above). Even more clearly, it is evident from reports on the **growth of the player pool**. [Academic sources](#) cite **2 million online** bettors in **2019**, rising sharply to **5 million** in **2020** and up to **6 million** in **2021**.

These figures **check out** with our own assessments (around 5 million), even if the **big picture** is a little more complex to describe. Many of these gamers have probably **transitioned from offline** and in-person games – partly due to the **pandemic** period and

lastingly because of constantly rising **adoption of technology** (i.e., affordable mobiles and better internet access).

Inevitably, a further **boost** has been given by the **incoming gambling regulation**. More market transparency and expected player protection can only have **beneficial** impacts on the industry.

**Big sporting events** provide extra incentives for **casual** Peruvian bettors. Yet, the total gamer pool always tends to stay at higher levels rather than come down afterwards.

## Peru's Technology and Digital Infrastructure

The largely predictable **digital transition** can also be tracked down via public statistics. Currently, around **25 million** Peruvians have **internet** access, which translates in roughly a [75% penetration](#) rate. Going back to **2010**, when barely a **third** of the population had internet access, we can see the **remarkable progress** made.

**Social media** usage is approximately at the [same level](#), while **mobile connections** have gone above **40 million**, surpassing total population figures (**117.1%** penetration).

Still, the **digital divide** persists for around **9 million** people who remain offline across the nation. Improvements in digital infrastructure are crucial for social and economic growth. Even more, they impact online gaming directly and decisively – **technological adoption** rates provide the foundation for **innovation** and **market expansion**.

## E-Banking and Financial Inclusion in Peru

Mainstream payment methods like **credit cards** and **bank transfers** are reminiscent of a more traditional transaction landscape. Their lasting popularity underscores the demand for familiar and **secure payment** methods.

Big steps to **eliminate unbanked adults** have been taken as recently as 2020. Then-President Vizcarra [promoted an initiative](#) to open **digital deposit accounts** at the National Bank for all citizens lacking one. The move was both a response to remote payment needs in a **pandemic** context, as much as a milestone in **financial inclusion**.

**Higher banking rates** also have significant direct **benefits** for sectors like digital entertainment and **iGaming** in particular. eBanking enhances payment options and expands **market accessibility**, ultimately fostering **growth** across various consumer segments.

Looking at the other end of the development spectrum, the Peruvian **fintech market** has consistently responded to global trends. A prominent payment solution is **PagoEfectivo** (founded in 2009 and currently [owned by PaySafe](#)) which offers payments through **reference codes** for both **online** and **offline** clearance. It has been adopted by the majority of banks and over 140,000 points of sale.

The Electronic Clearing House of Peru (CCE) has also analyzed the **efficiency** of [systems like Pix](#) and the **impact** it has had on the entire Latin American market. As a result, the CCE has elaborated plans to [launch its own instant payment clearance](#) system.

In any case, the CCE has already performed a series of upgrades to its real-time payment systems, enabling fintech solutions to nurture **greater financial inclusion**. As per CCE data, Peru is home to at least 120 **fintech startups**, while private consultancies [estimate them at 171](#) in 2021.

## Embracing the iGaming Future

The present state of Peru's gambling market is a testament to the nation's commitment to **efficient regulation** and **constant innovation**. Gradually but surely, the real-money gaming sector has been maturing. The latest legislation accommodates both **traditional venues** and the thriving **iGaming** scene.

Our analysis has revealed the multiple **nuances** of the Peruvian gambling market's **economic** and **social** implications. Already at impressive volumes, the sector needs the right blend of proper regulation, technological innovation and financial inclusion.

More importantly, the key to sustainable support from the very consumer pool lies in greater **industry transparency** and a **responsible approach** to **player protection**. Judging by the recent developments, Peru has made a series of smart moves, mostly in the right direction.