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Abragames celebrates the presidential approval of the Legal Framework for Games and the new growth prospects for the national industry

The Bill 2796/2021 was signed on this XX (XX) by President Luiz Inácio Lula da Silva and will come into effect upon publication in the Official Publication, scheduled for tomorrow, XX/XX. The Legal Framework establishes principles and guidelines for the gaming sector in Brazil and creates real conditions for its development.

São Paulo, XX of XX of 2024 - Abragames (Brazilian Association of Digital Game Developers) celebrates the presidential approval of bill 2.796/2021 - also known as the Legal Framework for Games - which took place on this XX (XX). President Luiz Inácio Lula da Silva's approval comes after intense efforts from the industry to regulate and establish fundamental principles and guidelines for the growth of the electronic gaming ecosystem in Brazil. It marks a new era for the national game industry and begins to offer more realistic conditions for national industry development, generating jobs, income, and revenue for the country.

Over the past two years, Abragames, regional associations, and hundreds of national game development studios have engaged in a lengthy debate for improvements to the text of Bill 2.796/2021. Now, with the presidential approval, the expectation is that, in addition to opening up a horizon of possibilities for the sector, the Legal Framework will put an end to misconceptions about what video games are, thus boosting the economic development of the sector over the next decades.

"We are celebrating a victory for Brazil, not just the game industry. The Legal Framework will strengthen the ecosystem of creation and production in one of the fastest-growing sectors worldwide, allowing the country to be truly recognized for its enormous potential in this crucial segment of the creative industry," highlights Rodrigo Terra, president of Abragames. "The new law should attract more opportunities for robust private investments, both domestic and international, reduce bureaucratic hurdles for material imports, generate greater regional and federal support for studios, establish fundamental definitions for industry professionals, and pave the way for the creation of a specific National Classification of Economic Activities (CNAE) for the industry.

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The current text of the Legal Framework for Games, which can be seen <u>here</u>, is a result of the work by Senator Leila Barros and Senator Flávio Arns, who proactively consulted various entities in the electronic game development industry, such as Abragames. This initiative was essential to diagnose the current state of the sector, understand its main needs, and obtain a real understanding of the Brazilian industry's dimension.

"The Legal Framework for Games will foster sector growth, create jobs, combat illicit activities, and reduce tax burdens," projects Senator Leila Barros. "With its approval, the Brazilian game industry will gain more visibility and legal certainty."

Senator Flavio Arns believes that the proposal will generate benefits across various sectors. "In parallel, we should see advances in education, culture, health, and employment, with job creation and income generation. This is a law that will allow both the industry and Brazil to grow together."

One of the significant changes that the Legal Framework brings to the sector concerns the definition of electronic games, which becomes much more current, with new understandings about what they are and how video games are developed. From now on, games are considered both interactive audiovisual works developed as computer programs and the central devices and dedicated accessories for running electronic games, as well as the software itself - which can be used as mobile applications and/or web pages, console video games, and games in virtual reality, augmented reality, mixed reality, and extended reality (whether consumed by download or streaming).

With the presidential approval, the expectation is that the new law will be published in the Official Gazette this Friday (3) and come into effect immediately.

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About Abragames

Founded in 2004 by a group of development companies, Abragames, the Brazilian Association of Digital Game Developers, emerged as a nonprofit entity with the aim of strengthening the national game development industry. Abragames' mission is to coordinate, strengthen, and promote the Brazilian digital games industry through representation and dialogue within the national and international ecosystem, fostering an understanding of all elements in our value chain, as well as promoting events and partnerships that contribute to the state-of-the-art development of the game industry in Brazil.