

Uganda's gaming boom

BETTING

Big wins, bigger risks: Can responsible betting keep up?

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About 1.7 million Ugandans engage in gaming activities daily, with nearly 93 percent of that online and believed to be young people.

Uganda's gaming industry is expanding at an unprecedented pace, driven by rapid technological growth, widespread internet access and a youthful population eager for entertainment and quick financial gains. Yet beneath the rising tax revenues and employment figures lies growing concern over addiction, mental health and the increasing dominance of the betting culture among young people.

According to the National Lotteries and Gaming Regulatory Board (NLGRB), about 1.7 million Ugandans engage in gaming activities daily, with nearly 93 percent of that online and believed to be young people. The figures paint a picture of a booming sector that has become deeply embedded in Uganda's urban and rural life.

Speaking in response to inquiries by *BD Life* on May 26, the chief executive officer of the National Lotteries and Gaming Regulatory Board, Mr Den-

is Mudene Ngabirano, described the industry as one of the country's fastest-growing economic sectors.

"As of today, connecting the number of operator systems, we have about 1.7 million people engaged in gaming," Mr Mudene said.

While the legal participation age for gaming in Uganda remains 25 years, authorities acknowledge that youth still dominate the sector. Earlier research conducted by the regulator in 2023 found that 99 percent of gamblers were male, while 78 percent were youth. This trend has intensified with the spread of online betting platforms and mobile gaming applications.

A billion-shilling industry

Beyond the concerns surrounding addiction, the gaming industry has be-

come a significant contributor to Uganda's economy. The regulator says the sector currently employs more than 23,000 people directly, while supporting landlords, internet service providers, advertisers and technology companies.

Mr Mudene noted that betting shops generate rental income for property owners and create business opportunities for multiple sectors linked to the gaming ecosystem.

"Every shop in the city has an internet connection, so it's a multiplier effect," he explained.

Government revenue collections from the sector have also steadily increased. According to the board, gaming taxes collected last financial year amounted to about Shs323 billion, while collections in the current financial year had reached approximately Shs271 billion

Gamblers

'Research conducted by the regulator in 2023 found that 99 percent of gamblers were male, while 78 percent were youth.'

Key takeaways

- According to the National Lotteries and Gaming Regulatory Board, gaming taxes collected last financial year amounted to about Shs323 billion, while collections in the current financial year had reached approximately Shs271 billion within nine months.

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The regulator says all revenues collected are remitted to the Consolidated Fund and not retained by the board itself.

"Like many other agencies, we collect and remit. At the end of the day, we prepare our budgets, go to Parliament, and through appropriation we receive our budget," Mr Mudene explained.

In addition to taxes, the government earns non-tax revenue through licensing and application fees from operators. Officials attribute the growth in collections to the automation of licensing systems and integration with the Uganda Revenue Authority (URA).

Responsible gaming takes centre stage. Despite the economic benefits, the NLGRB's primary focus is not revenue generation but responsible gaming and public protection.

"Our focus remains responsible gaming. We want to protect the public from adverse effects," Mr Mudene said.

The board regularly receives complaints from players, particularly involving delayed or denied payouts by

betting companies. According to officials, some operators disappear after collecting money from gamblers, leaving winners unpaid.

"That is where we come in and ensure they are paid," he said.

The regulator is investing heavily in surveillance systems and complaint handling automation to reduce harmful gambling behaviour.

As gaming increasingly shifts online, the regulator says the future of the industry will be shaped by technology and digital innovation.

The board plans to automate nearly all regulatory processes, including licensing, surveillance and complaint management systems.

Officials are exploring ways of monetising digital entertainment through gaming-linked musical events and on-line innovations.

However, Mr Mudene admitted that the sector is largely dominated by foreign investors with greater financial muscle and technological expertise.

"We have sat back and become technology consumers. We need to become innovators," he said.

To encourage local participation, the regulator has introduced lower licensing fees for Ugandan nationals compared to foreign investors, hoping to support local software developers and gaming innovators.

"The only way we can support locals is by supporting their innovation because that is the key driver of this industry," he added.

One of the regulator's biggest enforcement challenges is illegal gaming machines entering Uganda disguised as ordinary electronic equipment.

According to officials, imported gaming motherboards are often hidden inside harmless-looking hardware to evade detection at border points.

"When these items enter the country, they appear harmless," Mr Mudene explained. "Once they arrive here, carpenters build cabinets around them."

The board says it has inspected more than 7,000 machines so far, though enforcement remains constrained by limited staffing and resources.

Authorities also continue to battle misleading betting advertisements, particularly from foreign operators broadcasting football betting promotions across Uganda and the wider African market.

The regulator insists all advertisements must carry responsible gaming warnings similar to those used on alcohol and cigarette adverts.

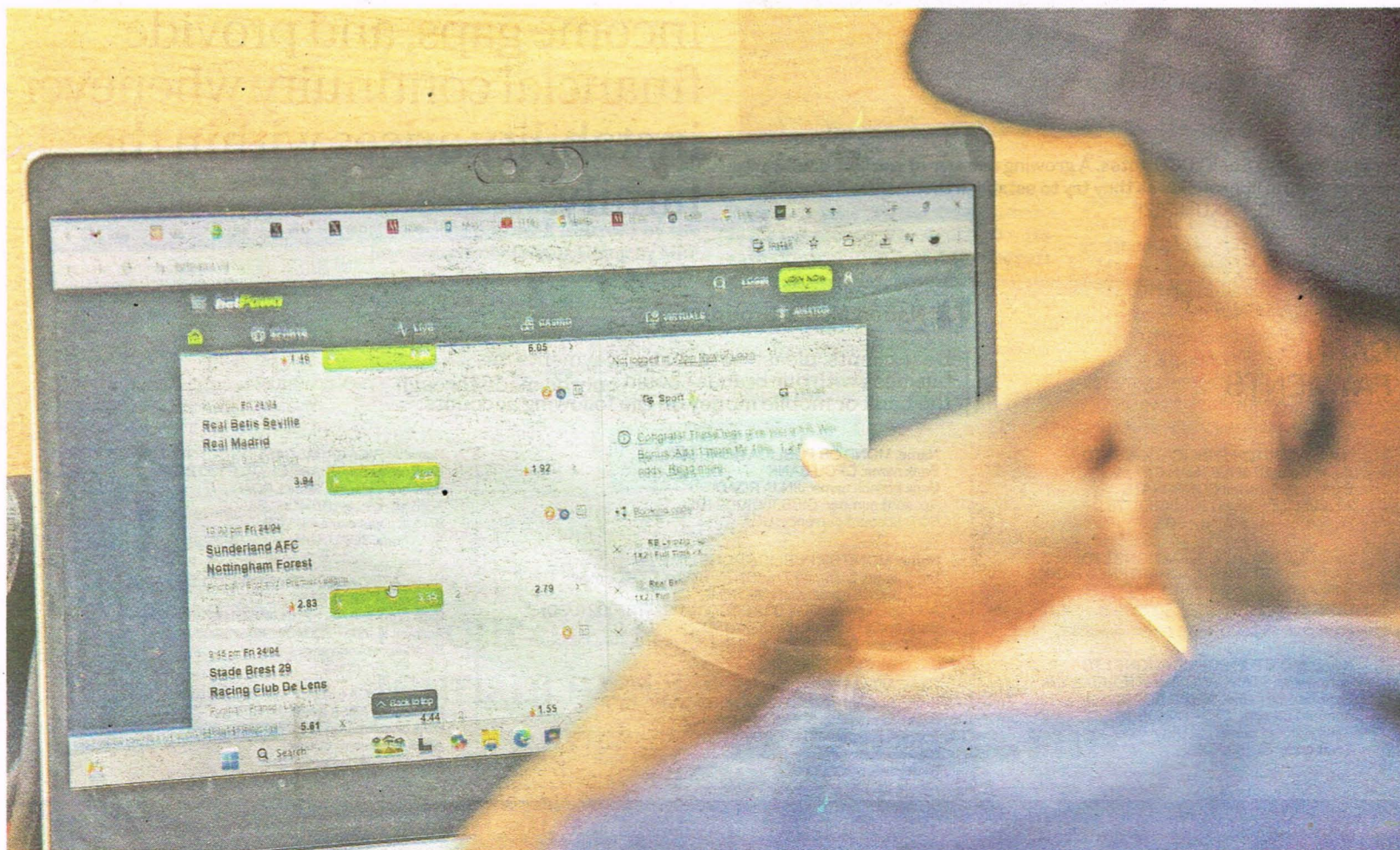
Can gambling ever be banned?

Even as criticism of betting intensifies, regulators argue that banning gaming is unrealistic.

"No country in the world has been fully successful in banning gaming," Mr Mudene said.

He pointed to China's decision to establish Macau as a controlled gaming hub after attempts to suppress gambling reportedly led to the growth of illegal gaming networks.

"Macau now collects about \$25 billion annually from gaming," he noted.



A bettor checks one of the betting companies online. The gaming sector currently employs more than 23,000 people directly. PHOTO/MICHAEL KAKUMIRIZI