



VIETNAM



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Vietnamese citizens allowed to game at casinos

On January 16, 2017, Vietnam's government issued a decree that allows citizens to game at casinos. Decree No. 03/2017/ND-CP on casino business operations (Decree 03) took effect on March 15, 2017.

As a three-year pilot scheme, Decree 03 allows Vietnamese citizens residing in Vietnam to access and game at Vietnam-based casinos, as long as they are 21 or older, have a regular income of at least VND10 million (US\$445) per month and receive no objections in writing from siblings, spouses and/or biological and adopted parents.

To access a casino Vietnamese players must buy an entrance ticket for VND1 million per 24 hours, or VND25 million per month. The proceeds from these tickets will be contributed to the local state budget.

Any company desiring to operate a casino must issue an electronic card to every Vietnamese player to track their identities and any activities they undertake. Specifically, the card must record information about the player's code number, full name, ID/passport number, identification photo, times of entry/exit from the casino and the amount of money used for playing and the amount of prize money for each occasion of playing at the business location of the casino.

Conditions and licences

According to Decree 03, a casino is a conditional business and can only be conducted as an ancillary business in association with the main business — for example, regarding tourism, a hotel, a resort or a complex

entertainment activity (a "project"). The casino, if invested by foreign investors, must apply for the following main licences : (i) investment in-principle approval of the prime minister for the project (Prime Minister's Approval); (ii) investment registration certificate for the project (IRC), and a certificate of satisfaction of conditions (SC) applicable to casino business activities to legally operate the casino business.

Under the Law on Investment, the IRC is issued by the provincial People's Committee based on the Prime Minister's Approval. In terms of minimum capital requirements, the project must have a total capital investment of at least US\$2 billion.

The SC is granted by the Ministry of Finance after the casino, in addition to satisfying other technical requirements, has contributed at least 50 percent of the total registered investment capital of the project. The SC's term of validity shall be subject to the term of the project, however must not exceed a period of 20 years from the effective date of the IRC or the Prime Minister's Approval. With respect to an existing and operating casino project, the casino may apply for an SC with a maximum term equivalent to the remaining term of its existing IRC.

A casino that has obtained an IRC and has operated a casino before the effective date of Decree 03 is not required to obtain an SC, and can continue to operate based on its existing licence. In such cases, the number of permitted electronic gaming slots and gaming tables of the casino, as well as the location of the casino and its operations,

must be in compliance with its issued IRC. If a casino that has undertaken casino activities would like to increase its number of gaming slots and gaming tables, then such casino may apply for an SC provided that the requested number of slots and tables does not exceed the total amount that has been approved under the issued IRC. For a casino that has obtained an IRC but has not undertaken any casino activities, obtaining an SC is mandated.

Where a casino undertakes any foreign currency activities (eg, exchanges or payments), the casino must obtain a relevant licence from the State Bank of Vietnam.

Quotas

The quota on electronic gaming slots and gaming tables for any project is to be decided by the prime minister on the basis of the total investment capital registered by the casino. As such, the casino may have 10 electronic gaming slots and 1 gaming table for every US\$10 million of contributed investment capital. This provision is applied to both a newly invested project and an expanded project.

According to Decree 03, the number of slots and tables a casino may have at a specific point in time is subject to the amount of contributed investment capital. Thus, the more capital it has paid, the more electronic gaming slots and gaming tables the casino may be allowed to put into operation. In addition, any increase in the number of permitted gaming slots and gaming tables for operation would require an amendment to the SC, which can only be made if the total investment capital contributed at the time of applying for the amendment is at least US\$100 million greater than the investment capital contributed at the last issuance of the SC.