

## Vietnam's New Casino Draft Law - a Lawyer's Analysis

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Nguyen Minh Duc, managing partner at Hanoi-based DNAS Lawyers, gives his perspective on the recently-released draft decree on foreign casino investment in Vietnam.

According to a [draft decree](#) [2] released by the Vietnamese Ministry of Finance in late September 2012, foreign investors who want to set up new casino businesses in Vietnam must invest at least US\$4bn in an integrated resort project with tourist and entertainment attractions. After completing the integrated resort development and satisfying pre-licensing requirements, foreign investors may then apply for a casino licence. The length of a casino licence in all cases shall be less than 30 years.

To get a casino licence, investors have to satisfy pre-licensing requirements such as:

- Casinos must be isolated from the sites of other businesses and should be located in the areas zoned for gambling activities approved by the Prime Minister.
- The development must be a complex of tourism, entertainment and related services with total investment of at least US\$4bn.
- The area of a casino shall not exceed 3 percent of total space of the complex.
- Casinos must have security, monitoring camera systems and fire fighting equipment, among other measures.
- The prospective licensee must have at least ten years' experience in operating a casino business.

The total number of slot machines and gambling tables in a casino will depend upon the size of the operation and demand for gaming. There is a maximum of 2,000 gaming machines and 180 tables in the casino. All equipment, including slot machines, must be brand new.

The draft decree also stipulated that only foreigners or Vietnamese with foreign passports are allowed to enter the casinos. Despite this, players have the right to ask for anonymity status in case of winning prizes, yet are subject to penalties from VND10m to VND100m (US\$500-\$5,000) if they violate the casino regulations.

The draft decree on casino operating activities has now been passed to relevant ministries and agencies for comment before being revised and released by the Ministry of Finance. This likely final version of the document is expected to be submitted to the government for approval and implementation in the fourth quarter of 2012.

With this draft decree in its current state, it is unlikely that Las Vegas Sands Corp chairman Sheldon Adelson's idea of developing casino complexes near Hanoi, Ho Chi Minh City or other cultural and political centres will be feasible at this stage. Adelson has previously stated that he would not invest in billion dollar casino projects where local people are not given access to that casino. Despite this, Asian Coast Development (Canada) Ltd is developing a US\$4.2bn casino resort project on the Ho Tram Strip in the Xuyen Moc District, Ba Ria - Vung Tau Province which will be managed by MGM Resorts International. The resort is set to open in 2013.

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[1] <http://www.gamblingcompliance.com/author/39740>

[2] <http://www.gamblingcompliance.com/files/01102012-DU%20THAO%20NGHI%20DINH%20CASINO%28%20GOV%20OFFIVE%20SUBMITTED%29.pdf>

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