

**Lao People's Democratic Republic**  
**Peace Independence Democracy Unity Prosperity**

**Prime Minister**

No: \_\_\_\_\_/PM  
Vientiane Capital, dated \_\_\_\_\_

**“Draft” Decree on Casino and Gambling Operation**

- Pursuant to the Law on Government No. \_\_\_\_\_;
- Pursuant to the Law on Investment Promotion No. 14/NA, dated 17 November 2016;
- Pursuant to the Proposal of the Ministry of Planning and Investment No. \_\_\_\_\_

**The Prime Minister hereby issues a Decree:**

**Part I**  
**General Provisions**

**Article 1. Objectives**

This Decree sets the principles, regulations and measures relating to supervision of casino, gambling and casino online games that properly authorized by the Government of Lao PDR. It aims in ensuring uniform supervision, inspection of such business operations and accurate, complete and timely contribution of government financial obligations.

**Article 2. Scope of Application**

This Decree is issued to supervise casino, gambling and casino online game business operations in order to monitor, inspection and regulate its operation, as well as to manage the collection of government revenue from such business operations in Lao PDR.

**Article 3. Definitions**

The terms used in this Decree shall have the following meanings:

1. **Casino business** refers to gambling business as authorized by relevant agencies including slot (gaming) machines, poker (card) table and electronic device that able to connect with internet which provide services to travelers in the specific area in accordance with this Decree.
2. **Slot (gambling) machines** refers to electronic machines which used for gambling (after this refer as to “**gambling machines**”) which were authorized by government for business operation in accordance with this Decree to provide prize-winning games services.
3. **Casino online games** refer to the provision of electronic gambling services on the website that have a money return, which requires players to have an electronic device that can connect to the internet.

4. **Prize-winning gambling table** (of this Decree after refer as to “game tables”) refers to a special gambling tool used to serve prize-winning games, where game play is carried out between gambling attendant and gamblers.
5. **Gambling device or tool** refers to prize-winning gambling machines, game tables and other equipment or tools used to operate casino business activities according to this Decree.
6. **Slot machine** refers to prize-winning electronic gambling machines pictures showing on screen to indicate winning or losing result or random prize-winning, in which prizes are already fixed and installed in the machines.
7. **Game attendant** refers to an employee of a casino business operator who controls prize-winning games at game tables.
8. **Gambler** refers to an individual permitted to play prize-winning games at casino.
9. **Prize payout percentage** refers to an average payout percentage to gamblers playing slot machine within a certain period of time, or a certain number of spins of slot machine that the machine maker or producer has designed and installed in the machine or the winning ratio over total betting value of gamblers who pay other prize-winning games as defined in the regulations.
10. **Gambling coins** refers to chip, card, bill that can be converted into cash, which the casino business enterprises are permitted by the competent state authorities to use in casino operations and has special value used only in the casino.
11. **Casino business premises** refer to one or multiple halls used to operate casino business activities as authorized by competent state authority according to the laws and regulations.
12. **Casino business premises supervisor** refers to individuals assigned by casino business operator to supervise, administer, and inspect casino business activities wholly or partly at the casino business premises.
13. **Casino Company** refers to an enterprise as authorized by the competent state authorities who issued business operating license according to laws and regulations.
14. **Large casino company** refers to an enterprise operating casino business activities with minimum investment value of US\$\_\_\_billion in the project providing services related to tourism and entertainment complex that include casino business activities.
15. **Small casino company** refers to an enterprise operating casino business activities with investment value below US\$\_\_\_ billion in the project providing services related to tourism and entertainment complex that include casino business activities.
16. **Investment license** refers to a licensing of casino business investment or gamebling business which have a specify the timeframe according to the provisions of the Law on Investment Promotion.
17. **A casino business license** refers to document that confirms the license to open a casino business or a gaming club with a term of 3 years and can be renewed with the consent of the state.
18. **Supervision** refers to casino business supervision office established and affiliated with the Ministry of Finance.

#### **Article 4. Government policy on casino and gamebling club**

The government pays attention to the casino and gamebling business that properly authorized by the government to regulate the proper operation and guaranteeing the interests of the government, the enterprise, ensure social order, and encourage other service activities to create jobs and boost the local economy.

## **Article 5. Principles on Casino Business and gamebling club**

The casino and gambling business must operate according to the following principles:

1. Comply with policies, laws and regulations;
2. Ensure peace, social order and protect the environment;
3. To ensure the rights and interests of the government, enterprises, service users, workers and society;
4. Ensure prompt, safe and fair service.

## **Article 6. Scope of Application**

This Decree applies to individuals, legal entities and organizations, both domestic and foreign that operates casinos and gambling business that that properly authorized by the government in Lao PDR before the promulgation of this Decree.

## **Article 7. International Cooperation**

The State promotes cooperation with foreign countries, both regional and international on the management of casinos and gaming clubs in order to bring them into line with international conventions and agreements to which Lao PDR is a party to.

# **Part II**

## **The Trem of Casino, Gambling and Casino online game Operations**

## **Article 8. Casino Business Premises**

An enterprise that is licensed to operate a casino or gambling business must conduct business only in a place designated by the government and may not move or expand such premises without the permission of the Government.

Business premises, casinos and gambling must be properly established in accordance with international standards and must ensure safety, orderliness, environmental protection and convenient service, which must include the following conditions:

1. Buildings or places used for the operation of casinos or gambling clubs must ensure that there is a wide and convenient entrance - exit;
2. Having electronic surveillance cameras (CCTV) to monitor activities at the casino business premises 24 hours and shall assure that CCTVs are installed at various places such as entrance and exit, gambling machine zones, game table zone, cashier counters, cash room, chips or token exchange areas and money container storage room. Video record of CCTV shall be stored at least 6 months from the date of record. If necessary, the storage period shall be extended as requested by the state authorities;
3. There must be having sufficient security guards, security systems, fire protection equipment, security equipment that are accurate, adequate and standardized;
4. Having sings for rules, regulations and entry-exit times on entrance and exit in Lao, English and other languages as appropriate posted at noticeable places at the entrance and exit of casino business and gambling clubs premises.

## **Article 9. Opening Hours**

An enterpirs have been allowed to operate casinos or gambling club can open 24 hour accept there is the case as follow:

An enterpirs have been allowed to operate casinos or gambling club ~~is allowed to~~ in temporarily suspend its operations. Before temporarily suspended or stop their service, it is required to notify in writing to the Ministry of Planning and Investment, Ministry of Finance, Provincial or Vientiane Capital Administration within 15 days and providing clearly state period of suspension with reasons, the date to reopen business activities, and an announcement at the casino business premises and notify in writing to tourists.

In case needed to enterprises to temporarily suspend its all or part of business operations because the necessary reason, Governor will advance notice in writing for 15 days and after receiving notice of an enterprise. They have to let customers access to information on the period of suspension as soon as the issued a decision on business suspension.

## **Article 10. Setting of Gambling Tables and Gambling Machines**

The Gambling Machines and Gambling Tables must be included only in buildings designed specifically for casino and/or gambling clubs, and the number of gambling machines and gambling tables must not exceed the number authorized by the government and must be list in supervisor for supervision, monitoring and collecting government revenue.

Setting gambling tables of casino business is divided into the number of the ordinary tables and VIP tables as follows:

- Level 1 composed with less than ten tables for ordinary tables and no VIP table;
- Level 2 composed with more than ten table but less than sixty tables for ordinary tables and less than five tables for VIP tables;
- Level 3 composed with more than sixty tables for ordinary tables and less than twenty tables for VIP tables;
- Level 4 composed with more than sixty tables for ordinary tables and more than twenty tables for VIP tables;

## **Article 11. Changing of Gambling Machines and Gambling Tables numbers**

The number of gambling machines and tables are allowed to increase or decrease base on the actual investment value and situation of business process. However, the increase or decrease must be researched, approved and accepted by the Central Investment Promotion and Management Committee through mechanism of the one-stop investment service in all cases.

## **Article 12. Types of Prize-winning gambling**

The typed of games that allow businesses licensed to operate casinos and gambling clubs can be installed and serviced as follows:

1. Casino business: can be installed and serviced the gambling machines and gambling tables base on the approved number;
2. Gambling Club: can be installed and serviced only gambling machines base on the approved number.

The value of the prize payout can be determined according to the appropriateness of each type of bet by the enterprise and report the result of the award to the government.

### **Article 13. Ggambbling Rules**

Gambling service providers must establish appropriate and fair gambling rules, in accordance with the laws and regulations of the government, as well as inform the fully and clearly gambling rules to the customer and all times before starting the game, the rules must ensure the following contents:

- Name of games;
- Playing instructions;
- Instructions the result of game;
- Prize-awarding percentages;
- Process and types of paying prizes to winners;
- Other contents as needed and suitable as required by the enterprise.

### **Article 14. Persons Permitted to Enter and Play Games**

Persons permitted to enter and play games at casino business and gambling clubs premises as following:

Persons who allowed entering and playing games at casino business and gambling clubs premises are foreigners and stateless persons who do not live and permanently reside in the Lao PDR, who have a valid passport and border passes legally entering into Lao PDR in accordance with the law.

Lao citizens, foreigners and stateless persons residing and permanently residing in the territory of the Lao PDR will be able to gamble at casino services and gambling clubs only they meet the conditions and criteria as this Decree.

### **Article 15. The Term and Criteria Persons to Enter and Play Gambling**

The term and criteria person to enter and play gambling at Casino Business and gambling clubs Premises as following:

1. For foreigners and stateless persons who do not live and permanently reside in the Lao PDR must be conditions as:
  - Being 18 years or older;
  - Be fully conscious;
  - Entering into Lao PDR in accordance with the law;
  - With a valid passport;
  - Accept the terms of all types of games that are servicing at the premises.
2. Lao citizens, foreigners and stateless persons residing and permanently residing in the territory of the Lao PDR must be conditions as:
  - Being 21 years or older;
  - Be fully conscious;
  - Must not be a person who is litigant or accused, during the penalty period or being in bail period, being under the re-education process or being faced disciplinary action, being on inspection, and audit by government and authority organization, an employee-civil servant, a soldier, a police and government organization at all levels.
  - Having business income or salary no less than LAK 10 million per month;
  - Carry an ID card or family book when entering the play games;

- Must be pay to government for LAK 500.000 per one time that enter to play games;
- Accept the terms of all types of games that are servicing at the premises.

### **Part III**

#### **Casino Online Games**

##### **Article 16. Casino Online Games**

Casino online games refers to the provision of electronic gambling via the electronic tools as internet connection system; in which, providers shall be a legal person approved by government.

Mechanism, approval process, supervision, monitoring and inspection, and obligations are defined in the specific regulations.

##### **Article 17. Service Users**

Service users must be a person who has legal responsibility and hold a foreign nationality or a Lao national holding a foreign nationality.

### **Part IV**

#### **Rights and Duties of Gamblers and Enterprise**

##### **Article 18. Rights and Duties of Gamblers**

1. Gamblers have the following rights:
  - Being fully paid rewards upon awards and winning the games accurately according to the specified conditions;
  - Lao and foreign gamblers residing oversea and holding valid passports issued by foreign authorities, valid border passes with legal immigration would receive rewards in cash, may transfer or hand carry foreign currencies out of the country according to the Law on Currency Supervision and instructions of the Bank of Lao PDR;
  - Request the enterprise to keep confidentiality of information on winning and receiving rewards, except state authorities require such information;
  - Lodge complaint or sue the enterprises to the authority organization regarding to non-transparency and accuracy about setting the prize money, the payment of prize rewards, complaint about interruption, violating the rules of the game, violation of regulations as stipulated in this Decree and other relevant laws and rules;
  - The rights and interest are protecting by the government as defined in laws and rules.
2. Gamblers shall have the following duties:
  - Carry documents to enter the casino and gambling club proving that they are eligible gamblers as defined in this Decree;
  - Comply with the Game Rules, regulations, and by-law of the enterprise; fully pay tax obligations to the State according to the provisions of the law;

- Keep calm, orderliness, do not cause inconvenience to others and prohibited to use results of prize-winning games at the casino business premises for gambling among gamblers;
- Strictly comply with the provisions of this Decree and other prevailing laws.

#### **Article 19. Rights and Duties of Enterprise**

1. An enterprise operating casino business and gambling clubs activities has to following rights:
  - Provide services on gambling machines, tables and prize-winning gambles according to the casino operating license;
  - Checking the document of customers and refuse persons who are not those permitted to access and play at casino business and gambling clubs;
  - Warning or invite person, who engage in disruptive behavior, violate the rules of the casino and/ or gambling club to leave the premises in an appropriate and accordance to the laws.
  - Collect entrance fees for Lao people who enter to play game that is allowed to service in accordance with the conditions and regulations as defined in the laws and regulations of the state;
  - Sign employment contracts, supply and labor agreements in accordance with relevant laws and regulations.
2. An enterprise which operating the casino and gambling club has the following duties:
  - Conduct casino and /or gambling club in accordance with the type and number that are allowed as in the business licence and operate in accordance with this decree and relevant law and regulations;
  - Report and list the number of gaming tables and gaming machines that have already been installed to the authorise organization periodically;
  - Maintain the financial accounting system in accordance with the laws and international accounting system related to the casino and gambling clubs.
  - Pay tax obligations to the government as defined in contract, relevant laws and regulations by completely, accurately and timely.
  - Giving list of the names and numbers of the board of directors, management and controler services at casino and gambling clubs premises that are properly authorized by the state from time to time to the relevant departments of the state and in accordance with the notification of the state authorities;
  - Conduct allowed gambling business in accordance with the rules of the game or the rules of the game as established by ensuring fairness and not in conflict with the laws, regulations of the government;
  - Keep calm, orderliness and protect the environment in business premises;
  - Pay rewards in full amount and on timely manner to the winner and certify actual reward as requested by gamblers;
  - Resolve disputes, complaints of gamblers in according to the gambling rules and laws;
  - Implement preventive measures on anti-money laundering according to the laws and regulations;
  - Keep confidentiality on prize winning information as requested by gamblers, except otherwise as requested by competent state authorities for monitoring,

examination and inspection activities as defined the provisions of laws and regulations;

- Establish a unit in charge of advisory, advertisement, communication, and monitoring of gambler behaviors;
- Develop and use responsible gambling rules as per laws and regulations;
- Establish information system, reporting system for state authorities in charge of casino operations as defined by laws and regulations;
- Be responsible before the law for all casino business activities before the laws in all casino operations, including hiring management services.

## **Part V**

### **Management of casino equipment and machines**

#### **Article 20. Management of Gambling Chips**

1. Gambling chips of each enterprise shall be containing a symbol, unique mark to distinguish and assure the provisions specified in Article 22 of this Decree. The determination of chips value may be in Lao Kip or other currencies. The termination of chips value in foreign currency shall be consistent with the instructions of the Bank of Lao PDR. The enterprise is not permitted to use gambling chips of other business in its business.
2. The enterprise shall control gambling chips according to the instructions of the Ministry of Finance as the basis for determining turnover of the enterprise and gambling chips shall be registered for its model, quantity, types of chips with the competent provincial finance department and tax department who have direct supervision and monitoring duties.
3. In case there is any change of model, quantity, types of gambling chips, they shall be registered with the provincial competent finance department and tax department within 5 days from the date of such change occurred.
4. In case of a gambler is a foreigner and an overseas Lao holding a foreign passport, carries valid border pass to entry Lao PDR, gambling chips could be exchanged in foreign currency or Lao Kip if there is left over of winning prizes.

#### **Article 21. Supervision of Gambling Machines, Gambling Tables, and Other Gambling Equipment**

1. Gambling machines and tables used at the casino business premises shall be not more than the number as specified in the business operating license and fulfill all requirements, technical standards according to this Decree.
2. Gambling machines and tables used in the casino business premises shall be 100% new, have manufacturer's technical code. The gambling tables shall be certified and verified by internationally accredited independent organization.
3. Prototype of gambling tables:
  - a) The registered enterprise is permitted to use the prototype to train its staff [and] simulation of gambling use. The number of prototype shall not over 1 table per type of gambling.
  - b) The prototype shall be specifically designed and clearly defined that such equipment shall be used for training and placed in a separate area within the casino business premises.



- c) The prototype is prohibited to be used in providing all types of services in any forms.
- 4. Percentage of payment of winning prizes for gambling machine is 70% (including accumulative prizes) and shall be already installed in the machines. In event that the enterprise desires to change the percentage, it shall ensure that not below the minimum percentage of prize payment as defined in the rules.
- 5. At the time of enterprise purchasing gambling machines and tables or conduct the monitoring of gambling machines and tables shall request for complete set of documents as listed in this Decree from manufacturers, suppliers or independent accreditation organization. Such documents shall be verified, certified or registered with the competent authorities. The enterprise is obliged to keep those documents for inspection and audit purposes by the state authorities.

**Article 22. Purchase, Export and Destruction of Gambling Machines and Tables, Gambling Chips, and Other Gambling Equipment**

- 1. The enterprise permitted to operate a casino business and enterprises as defined in this Decree may purchase gambling machines and tables, gambling chips and other gambling equipment. Such purchases and import of gambling machines and tables, gambling chips and other gambling equipment shall be consistent with the laws and regulations on import-export of Lao PDR.
- 2. The enterprise may purchase gambling machines and tables not exceed the specified number and shall fulfill technical standards as defined in this Decree.
- 3. The enterprise permitted to operate casino business and enterprises as stipulated in this Decree may purchase spare equipment of gambling machines and tables, gambling chips and other gambling equipment. The purchase and import such spare equipment for replacement purposes. Buying, managing and using spare equipment shall comply with the following principles:
  - a) The number of spare equipment shall not exceed 10% of the total permitted number of gambling machines and tables, gambling chips and other gambling equipment.
  - b) The use of spare equipment to replace old or broken ones shall ensure that the number of gambling equipment does not exceed the allowed number.
- 4. The enterprise is required to export or destroy gambling machines and tables, gambling chips and other gambling equipment within 30 days in following cases:
  - a) The enterprise terminates its business operations or the casino operating license has been revoked;
  - b) Gambling machines and tables, gambling chips and other gambling equipment are expired as defined by the manufacturers, or damaged or could not be fixed or use in normal conditions;
  - c) Gambling machines and tables, gambling chips and other gambling equipment are unusable for business operations because they do not meet business needs of the enterprises or enterprise needs to change or replace such equipment and gambling chips to match their current business activities.
- 5. Destruction of gambling machines and tables, gambling chips and other gambling equipment shall be witnessed and verified by representatives from the finance sectors, planning and investment sectors, information, culture and tourism sectors, and public securities sectors. The export of gambling machines and tables, gambling chips and other gambling equipment shall be consistent with the existing laws and regulations.
- 6. The use of gambling equipment that is damaged or required technical repair and maintenance, the enterprise is permitted to conduct maintenance and repair but are

not allowed to adjust prize-awarding percentages. In event that the maintenance and repair affected the components leading to changes of prize-awarding percentages, the enterprise shall have authority organizations as defined in this Decree to verification prior to their use.

## **Part VI**

### **The internal and money control rules**

#### **Article 23. The Internal Control rules**

1. The enterprise shall develop and issue the internal control for casino and gambling clubs business premises include the following contents:
  - a) Provisions on casino business premises management, including opening and closing times, inspection of permitted customers; regulations on safety and security;
  - b) Regulation on the management of casino business premises, including staffs and managers at casino business premises, roles, responsibilities, rights and duties of each division and various positions;
  - c) Financial regulations and gambling chips management regulations;
  - d) Regulations on the management, maintenance and repair of gambling machines and tables and gambling equipment;
  - e) Regulations on dispute solution between gamblers and gamblers, between gamblers and enterprise, and between gamblers and staffs of enterprise, detailed and clear methods for resolving disputes that may occur based on relevant laws and regulations;
  - f) Other regulations those are consistent with the laws of Lao PDR to serve enterprise operations.
2. The enterprise shall establish an internal control unit with clear mandates, responsibilities. The implementation of such mandates and responsibilities shall be compliance with internal rules provisions of this Decree and provisions of relevant laws and regulations.
3. Before operating casino business activities, the enterprise shall submit the internal control rules to the state authorities for audit and inspection.

#### **Article 24. Internal Regulation on Anti-Money Laundering**

Enterprises must establish regulations and issue internal regulations on anti-money laundering in accordance with anti-money laundering laws and guiding documents;

1. The enterprise shall perform a timely change, improve internal regulation on anti-money laundering in accordance with law and regulations improve organizational structure, size and risk level of money laundering. The enterprise shall also disseminate the internal regulations on anti-money laundering to various parties, staffs in charge of anti-money laundering;
2. The enterprise must follow the internal regulations on anti-money laundering in compliance with the Law on Anti-Money Laundering and relevant regulations.

#### **Article 25. Management of Payment and Foreign Exchange**

1. The enterprise must accept Lao currency, a cash card that can be accepted by the banking system within the Lao PDR in order to exchange chips for cash at the casino premises. The enterprise able to collect and withdraw foreign currency or conduct a foreign exchange business after obtaining permission from the Bank of the Lao PDR

- in accordance with the relevant laws and regulations to ensure the conduct of foreign exchange business in accordance with the relevant legislation;
2. The enterprise shall accept Lao Kip, foreign currency, ATM card from gamblers in exchange for gambling chips every time when accessing to play gamble at the casino business premises. The collection and payment of foreign currency of enterprise could be made only after obtaining approval from the Bank of Lao PDR as defined in this Decree.
  3. Enterprise may collect foreign currencies from casino operations and use such currencies to pay rewards to winning foreigner and Lao gamblers residing in foreign countries and holding foreign passports issued by foreign authorities, valid border passes and legal immigration in case of winning prizes. Foreign currency activities can conduct after approval of Bank of Lao PDR as defined in this Decree.

## **Part VII**

### **Requirements and Procedures for Investment Licensing and Certificates on Qualifying for Casino and gambling club Operations**

#### **Article 26. Requirements for Investment Licensing**

- Investment licensing shall meet the following requirements:
- a) Authorized by government regarding to casino or gambling club or concessional agreement with the government;
  - b) Minimum investment value is US\$.....for casino and US\$.....for gambling club;
  - c) Has an investment plan, feasibility study-technical, potential environmental impact report and fits with the situations of Lao PDR aiming at controlling negative impacts of the casino business activities.

#### **Article 27. Requirements for Granting Casino or Gambling Operating Licenses**

1. Requirements for granting casino operating licenses include:
  - a) Having approval from the Ministry of Planning and Investment that issue investment licenses which approval for operating casino or gambling business activities;
  - b) feasibility study-technical, potential environmental impact report, and fits with the situations of Lao PDR aiming at controlling negative impacts of the casino business activities;
  - c) The enterprise has imported capital for developing investment project over 50% of investment value as specified in the investment license or investment decision by having imported capital license from Bank of the Lao PDR;
  - d) Having standard casino business premises as defined in this Decree;
  - e) Having managers of casino business, obtaining at least bachelor's degree with minimum one year experience in casino business management and shall not be persons prohibited to establish, manage enterprises according to the laws and regulations;
  - f) Having a business plan as defined in this Decree.
2. Prior to operating casino or gambling business activities, the enterprise shall fulfill all requirements related to safety and security requirement based on conditional business requirements as defined by prevailing laws.

## **Article 28. Application form for Casino or Gambling Operations**

The Application form of qualified certificate for casino operating

The Application form of casino operating shall be followed as:

1. Application form for casino operating license.
2. A certificate of investment license, casino license, certificate of tax payment.
3. Diagram, location of the casino business premises.
4. Certificate of the source of fund used for the casino business operating by bank where deposit and clarifies the acquisition of source of fund, as well as other related documents.
5. Draft internal supervision regulation, structure of internal audit, internal regulation on anti-money laundering, regulations dispute resolving and regulation on casino customer service.
6. A casino business shall contain the following information: enterprise identity, investment situations of the project, period of casino operations, estimated number of gambling machines and tables, types of gambles, investment evaluation report, estimated income and expensed in foreign currencies, security and safety measures at the casino business and project implementation plan.
7. Names list of managers, criminal record (for Lao people), a copy of education certified which verify the educational degree of casino managers or copy of uncertified documents but shall be presented with original ones for verification.

## **Article 29. Processes and Procedures for Casino or Gambling Operating License**

1. The enterprise submits one set of application for a casino operating license to the Ministry of Finance to examine for their completeness and accuracy. The Ministry of Finance shall respond to the enterprise within seven days from the date of receiving the application regarding to the completeness of the application, and require the enterprise to submit additional documents (if any) and then submit six sets of accurate documents for consideration.
2. The Ministry of Finance shall consider to issue a casino operating license within thirty days from the date of receiving complete and accurate documents. In case the application is rejected, the Ministry of Finance shall notify the enterprise in writing with rationale of the rejection.
3. Procedures for considering the application:
  - a) Within seven days from the date of receiving completing and accurate documents  
The Ministry of Finance shall send a set of application to obtain comments from relevant ministries, including: Ministry of Planning and Investment, Ministry of Public Security, Ministry of Information, Culture and Tourism, the Bank of Lao PDR and the provincial where the enterprise submit the application for business licencing.
  - b) Relevant authorities shall provide their comments in writing to Ministry of Finance within fifteen days from the date of receiving a set of application and be responsible for such comments;
  - c) Upon receiving comments from relevant ministries and sectors as defined in item a) of this Article, the Ministry of Finance shall consolidate comments, review and make a decision, consolidate comments and report to Investment Promotion and Management Committee at the central level for consideration on the issuance of casino operating license.
4. Contents for consideration:

According to the provisions of this Decree and other relevant regulations, the Ministry of Finance and relevant sectors shall consider the application according to the requirements as defined in this Decree.

### **Article 30. Casino or Gambling Business Operating License**

1. The casino operating license shall contain following contents:
  - a) Name [and] address of enterprises applying for a casino operating license;
  - b) Sequent number and date of the issuance of investment license or decision;
  - c) Representative of enterprises as defined in operating license;
  - d) Number of authorized gambling machines and tables;
  - e) Casino business premises, areas as dedicated for casino business premises located within the area of service;
  - f) Operating license duration;
  - g) Other contents as required for management purposes.
2. A casino operating license clearly specifies duration of business operations within 3 years and can continue but not exceed the duration of investment license.

## **Part VIII**

### **Renewal and Revocation of Casino or Gambling Operating License**

#### **Article 31. Re-issuance of Business Operating License for Casino or Gambling**

1. In case the business operating license of casino or gambling is lost, dirty, torn, and fire as a result of natural disaster, the enterprise shall apply for the reissuance of such casino operating license in a specified procedure.
2. Application for the reissuance of a casino operating license includes the following documents:
  - a) Application form for the reissuance of casino operating license;
  - b) Certified copy of investment license, enterprise registration license, tax registration license, certification of tax expense obligation for a lagged 3 years.
  - c) A copy of lost or dirty casino operating license of the enterprise (if any).
3. Process and procedures for reissuing a Casino operating license:

The enterprise shall submit one set of application for the reissuance of a casino operating license to the Ministry of Finance. Within 15 days upon receiving a complete and accurate application, the Ministry of Finance shall play a leading role to coordinate with relevant sectors as defined in this Decree in order to review and make decision on the reissuance of a casino operating license to the enterprise. The reissued license shall indicate version, whereas the license number shall be the same as of the original version.
4. Validity of the reissued license is the remaining time of the original validity as specified in the original casino operating license.

#### **Article 32. Adaptation for Casino or Gambling Operating License**

1. In case the enterprises wish to adapt a contents in the casino operating license as defined in this Decree, the enterprise shall submit an application for the amendment of such license. For a regeneration of the number of authorized slot machine club and tables, the enterprise shall fulfill all requirements be as defined in this Decree.
2. Application for amending the casino operating license shall contain the following documents:
  - a) Application for amending the casino or gambling machine operating license.
  - b) A certified copy of investment license, enterprise registration license, tax registration license, certification of tax expense obligation for a lagged 3 years.
  - c) A copy of the enterprise operating license for casino or gambling machine.

- d) Application form with supporting documents for amending the casino operating license shall comply with the provisions of this Decree and other provisions of relevant laws.
- 3. Process and procedures of revising the enterprise operating license for Casino or gambling machine are implied that:  
The enterprise shall submit one set of application to amend the casino operating license to the Ministry of Finance. Within 15 days from the date of receiving a complete and accurate set of application, the Ministry of Finance shall coordinate with relevant sectors as defined in this Decree so that review and make decision on the reissuance of casino operating license, in which it shall clearly state the time of adaptation.
- 4. The amended validity of the casino or gambling machine operating license shall be the remaining time as defined in the existing casino operating license or the latest amended license.

### **Article 33. Renewal of Casino Operating License**

- 1. The consideration whether to renew a casino or gambling machine operating license, the enterprise shall follow as defined in this Decree.
- 2. The investor in casino business or gambling machine whose casino operating license is expired according to this Decree [and] if wishing to continue the casino operations, the investor shall file an application for renewal of such casino operating license not later than 90 days before the expiry date of the existing license.
- 3. Requirements for renewal of casino operating license includes:
  - a) A copy of a casino operating license that has validity of remaining time of 90 days.
  - b) Full compliance with all requirements as defined in this Decree.
  - c) Fully comply with all casino business operation requirements based on the latest summary and inspection of the competent authorities prior to applying for renewal as defined in this Decree.
- 4. Application documents for renewal of casino operating license include:
  - a) Letter of intention for renewal.
  - b) A copy of a casino operating license that has validity of the remaining time of more than 6 months.
  - c) Documents as listed under this Decree.
  - d) A copy of financial report with 3 year ago and the latest inspection report of competent authorities prior to filing an application for renewal of casino operating license as defined in this Decree.
- 5. Regulations and principles on the renewal of casino operating license shall comply with the provisions of this Decree.
- 6. Contents of consideration based on provisions as defined in this Decree and other relevant laws, decisions of the Ministry of Finance and other relevant sectors. The consideration shall comply with the requirements as defined in item 3 of this Article.
- 7. The validity of casino operating license shall not exceed validity as defined in the investment license.

### **Article 34. Revocation of Casino Operating License**

- 1. A casino operating license of enterprise is revoked in any of the following cases:
  - a) Within 12 months from the date of receiving a casino operating license, the enterprise fails to operate its business activities;
  - b) Dissolution, bankruptcy according to the laws;
  - c) An Investment license or decision is revoked.

- d) Failing to comply with the requirements on casino operations based on inspection results of the relevant sector as defined in this Decree.
  - e) Violating regulations on casino operations as reported by relevant sectors under this Decree.
- 2. The casino operating license is expired and revoked as defined on in letter b, c, item 1 in this article.
  - 3. The Ministry of Finance, in cooperation with relevant sectors as defined in this Decree, shall supervise on the issuance of a decision on revocation of casino operating license as defined in letters a, d and g, item 1 of this article. Such decision on revocation of casino operating license shall be notified to enterprise with 10 days before a casino operating license is revoked.
  - 4. The enterprise shall immediately cease casino business activities.
  - 5. In case the decision on revocation of casino or slot machine club operating license, ministry of finance shall publicize a various means of communications.

## **Part IX Advertisement**

### **Article 35. Advertisement**

- 1. Only enterprises having casino and/or slot machine club operating licenses as defined this Decree are allowed to advertise casino business activities.
- 2. An enterprise operating casino business activities is allowed to conduct advertisements only through the forms of boards, signs in casino business premises and enterprise website. The advrtisement shall be only regognized and seen in the casino business premises. In case the advertisement by sign outside the casino bussiness premises or by printed documents, shall be allowed by supervision agency.

## **Part X Regulations on Finance, Accounting and Auditing**

### **Article 36. Finance Regulation**

All enterprise operating casino business ativities and/or slot machine club shall concluse its finance ativities and report it to financial supervisor and auditor with each quarterly, 6 months, and yearly.

The Ministry of Finance shall explicitly define a specitfic regualtion on the financial inspection of the enterprise business ativities on the casino and/ or slot machine club.

### **Article 37. Accounting and Reporting Systems**

- 1. Accounting year of the enterprise shall comply with the provisions of the Law on Accounting. (January 1 to December 31) comments from Ministry of Finance
- 2. The enterprise shall comply custom and tax obligations, service charges [and] fees on the import of casino gambling equipment and custom, tax obligations, service charges [and] fees shall be paid from the date of starting business operations. Other policies related to custom, tax obligations, service charges, fees on other investment activities shall comply with relevant laws.
- 3. The enterprise shall comply its obligations to the state according to existing Laws on Customs and Taxes.
- 4. The Ministry of Finance shall issue instructions on accounting management that serve casino business activities.

**Article 38. Management of Revenue, Expenditure, Tax and Customs**

1. The enterprise operating casino business activities shall decorate casino business premises or slot machine club by providing the decorated equipments that are necessary for the competent authorities, carry out management, monitoring and inspection duties manually or through electronic system and camera surveillance systems (CCTV).
2. Other relevant government sectors carry out monitoring and inspection duties through electronic means (CCTV) in the casino business premises in spots where a transaction of money is located. In addition, such performances shall be recorded and reported to the competent authorities.
3. The inspection, calculation of service charges at the cashier, cash-flow areas shall be recorded and tracked directly by electronic equipment or camera surveillance systems (CCTV) by the relevant government officers.
4. The Ministry of Finance shall issue instructions on the management, monitoring, inspection of income, invoices according to the laws and regulations on customs and taxes, and characteristics of casino business activities.

**Article 39. Accounting and Reporting Systems/ or slot machine club**

1. Accounting system of Casino business should carry out the enterprise accounting according to the Law on Accounting.
2. Accounting and reporting systems of the enterprise shall be complied with the laws and regulations of the Ministry of Finance.
3. The enterprise shall separate its accounts into income and expenditure related to casino business activities or slot machine club. In case of income and expenditure accrued from other investments, the enterprise shall comply with the Law on Tax, the Law on Value Added Tax and others related.
4. Procedures for financial reporting its performances, the enterprise shall comply with regulations of the Ministry of Finance.

**Article 40. Auditing and Accounting Report System**

1. Accounting report of the enterprise shall be conducted as on annual basis of internal and external audit every year.
2. After the end of accounting year, the enterprise shall comply with accounting and financial report obligations as defined in the laws and regulations.

**Part XI  
Tax Compliance**

**Article 41. Tax Compliance**

The tax compliance of none casino and slot machine businesses shall be complied with on tax laws and related regulations.

**Article 42. Tax Compliance of Casino and Slot Machine Businesses**

Casino betting business and slot machine club shall be taxed under special lump sum tax which is calculated by progressive rates according to classes of the number of the gambling tables as specified in the table below:

- Stage 1 shall pay tax 3.000.000 (three million USD)
- Stage 2 shall pay tax 4.000.000 (four million USD)/5.000.000 (five million USD)
- Stage 3 shall pay tax 6.000.000 (six million USD)/7.000.000 (seven million USD)
- Stage 4 shall pay tax 10.000.000 (ten million USD)



- For electric gamble machine or slot machine shall pay tax 2.500 USD (two thousand five hundred USD) per unit.

## **Part 12**

### **Prohibitions, Disciplines and Fine Measures**

#### **Article 43: Prohibitions**

##### **a) General prohibitions**

Natural persons, legal persons and organization are prohibited from the following actions:

1. Obstructing the performance on duties of the state authorities of such supervision and inspection of Casino businesses and/or slot machine club;
2. Operating Casino businesses and/or slot machine club without permission;
3. Encouraging, protecting the violators;
4. Giving bribes to staff or competent authorities;
5. Other behaviors that violate laws and regulations.`

##### **b) Prohibitions for staff and competent authorities**

1. Abusing rights, functions, position, for personal benefit, friends, family and relatives;
2. Falsifying documentation or official seals, force, threatening or using violence to the investors of Casino businesses and/or slot machine club;
3. Maintaining relations in all forms and giving any types of assistance to enterprises to operate businesses that unrelated to this Decree;
4. Other behaviors that violate the laws and regulations.

##### **c) Prohibitions for enterprises**

1. Operating Casino businesses and/or slot machine club without permission as defined in this Decree, Laws and related Regulations of Lao PDR;
2. Transferring, leasing, lending a license and casino business premises for providing casino business services without permission from the government;
3. Allowing persons other than those as defined in this Decree to enter the casino business premises.
4. Fraudulent gambling at rewards casino business premises cheating the gambles at the casino business premises.
5. Creating unrest, rampage at the casino business premises as defined in the laws and regulations.
6. Taking advantages of casino business activities to organize provide illegal prize-winning games in the computer, telecommunication and Internet systems.
7. Taking advantages of casino business to carry out illegal transactions, moving currencies, precious objects through a form of money laundering, supporting terrorism, establishing brothel.

8. Certifying false game winning amounts, not consistent with actual amounts or rights, or causing difficulties for gamblers through confirming winning money without reasonable explanation.
9. Obstructing or not cooperating with policy or government authorities while conducting audits, inspection.
10. Failing to provide information or report to the authorities when requested.
11. Other prohibitions as defined in the prevailing laws.

#### **Article 44: Disciplines**

- a) For customer services
  1. Warning;
  2. Fines;
  3. Punish.
- b) For the casino business operators, slot machine club and casino online game.

#### **Article 45: Fines**

Nature persons, legal persons that violated shall be fined as following:

1. Natur persons shall be fined with minimum of 1.000.000 LAK (one million LAK) per time;
2. Legal persons shall be fined with minimum of 50.000.000 LAK (fifty million LAK) per time.

### **Part 13**

#### **Management and Inspection**

#### **Article 46 Supervisory Body and Casino and Slot Machine Club Inspection**

Ministry of Finance established the casino business supervision office which has roles or functions as departmental equivalent to directly obligates and actively coordinate with ministries, ministerial equivalents, other sectors and related local governments regarding to casino and gambling business supervision and inspection as defined in this regulation.

#### **Article 47 Role and Function of Supervisors**

1. Ministry of Finance:
  - a) Develops principles, policy, promulgate the laws and regulations and the most desirable form as to manage casino operations according to the provisions of this Decree and the provisions of related laws.
  - b) Approves the amount of gambling machines, tables and adjusts the number of gambling machines, tables at the service areas as defined in this Decree.
  - c) All provisions associated with the casino business activities as defined in this Decree and provisions of the laws
  - d) Develop management mechanism of casino business to implement regulations related to casino operations and instruction the regulations of the law on casino business.

- e) Provide comments to investment sector on the number of gambling devices, tables for the service, tourism complex zones that provide casino services as defined in this decree.
  - f) Guide, coordinate with the ministries, relevant sectors to summarize, evaluate and study on the consideration and permission for Lao individuals to play gambling in the casino premises as defined in this Decree.
  - g) Issue licenses, operating the casino business or gambling, revise, renew and withdraw casino operating licenses as stipulated in this Decree.
  - h) Inspect, monitor and consider actions violating the law on casino business activities as stipulated in this Decree.
  - i) Implement other roles as stipulated in the laws.
2. Ministry of Planning and investment:
- i. Guide, cooperate with the ministries, relevant sectors to report to the Prime Minister and Government consider the investment project on the casino business operating and slot machine club through the investment promotion and management committee as stipulated in this Decree.
  - ii. Cooperate with the Ministry of Finance in researching, providing comments on licensing, reissuing of licenses, revision, renewal and withdrawal of casino operating licenses as stipulated in this Decree.
  - iii. Cooperate with ministries, relevant sectors of the central and local levels for the purposes of management, monitoring and inspection of casino business activities.
  - iv. Comply with obligations as stipulated in the laws.
3. Ministry of Public Security:
- a) Perform duties on safety, public order related to casino business activities.
  - b) Issue or propose to higher level to issue, revise, amend implementing regulations of the laws, instruct and inspect the implementation of implementing regulations of laws to ensure peace, safety, public order in casino business activities.
  - c) Guide and cooperate with related sectors, organizations and related persons to prevent, stop offences related to money laundering in casino business activities as stipulated in the laws.
  - d) Guide, cooperate with related sectors, organizations and related persons to prevent, stop illegal gambling activities in casino business activities as stipulated in the laws.
  - e) Cooperate with the Ministry of Finance on researching, issuing, reissuing, reviewing, renewing and withdrawing the licenses on casino business operations as stipulated in this Decree.
  - f) Cooperate with ministries, related sectors at the central and local levels to manage, monitor and inspect casino business activities.
  - g) Comply with obligations as stipulated in the laws.
4. Ministry of Ministry of Information, Culture and Tourism
- a) Instruct the management and inspect the content, design of gambling machines, tables, chips (money) and gambling equipment to ensure accuracy, conformity with national culture as stipulated in the laws.
  - b) Cooperate with the Ministry of Finance in researching, issuing, reissuing, revising, renewing and withdrawing the licenses on casino business operations as stipulated in this Decree.
  - c) Cooperate with the ministries, related sectors at the central and local levels to manage, monitor and inspect casino business activities.
  - d) Comply with obligations as stipulated in the laws.

5. Ministry of Post and Telecommunications
  - a) Guide business units to supply internet services, internet network and stop casino online game.
  - b) Cooperate with the Ministry of Public Security and ministries, relevant sectors to stop supplying online gambling services via internet from overseas and in the country.
  - c) Comply with obligations as stipulated in the laws.
6. Ministry of Labor and Social Welfare

Manage of employees working at the casino business as stipulated in the laws.
7. Vientiane Capital and Provinces
  - a) Cooperate with the Ministry of Finance in researching, issuing, reissuing, revising, renewing and withdrawing the licenses on casino business operations as stipulated in this Decree.
  - b) Manage, monitor and inspect the casino business activities under their jurisdiction to ensure full compliance, consistency with the provisions of this Decree and the laws.
  - c) Guide relevant sectors under Vientiane Capital and province to manage, monitor, and inspect casino operations under their jurisdiction to ensure that it operates on regular and continuous basis.
  - d) Comply with obligations as stipulated in the laws.

#### **Article 48: Inspection**

1. The inspection duties of the state authorities shall be performed regular and timely basis. The inspection duties shall be carried only when it indicates that the enterprise violates the law, base on application for resolution, complaint, prevention, stop corruption by designated state authority.
2. [Vientiane] Capital, province carry out annual inspection on casino business activities for conformity and completely with the provisions related to casino operations of the enterprise. The regular inspection is one time per year per enterprise.
3. The Ministry of Finance guides [and] cooperates with the Ministry of Planning and Investment, Ministry of Public Security, Ministry of Information, Culture and Tourism, other ministries [and] relevant sectors under [Vientiane] Capital and province where the project is located to carry out regular inspection every two (2) years to review the capacity to continue or withdraw the casino operating license of the enterprise or propose to the government for consideration, to comply with the laws. Contents of the inspection consisted of the followings:
  - a) Inspect the implementation of activities for conformity and completely according to the requirements of business operating license as defined in this Decree.
  - b) Inspect the implementation for completely, accuracy with the provisions related to the activities of casino operations as defined in this Decree. This includes:
    - The management of gambling machines, chips, gambling devices.
    - The management of persons permitted to play gambling, persons permitted to access-exit to the casino business premises.
    - The implementation of regulations, internal management, inspection, financial rules and gambling systems.
    - The management of foreign currency and the compliance with money laundering protection and interception provision;

- The compliance with finance, accounting, [and] payment of obligations to the State.
- 4. The Ministry of Finance, [Vientiane] Capital, provinces and the Ministry of Public Security, from the Capital and province and higher level shall make decision on urgent inspection in the event that the operations of enterprise violate the provisions related to the permission of persons to pay gambles to ensure security, safety or in case of there is a source or complaint on offenses associated with the enterprise.
- 5. Inspection [and] investigation on the compliance with the customs and tax obligations of the enterprise according to the provisions of tax and customs laws.

## **Part 14**

### **Incentives for good duty performers and Measures against Violators**

#### **Article 49: Incentives for Good Performers**

Nature person, legal person or organization having outstanding performance in implementing in this Decree thus supervision, inspection casino operation, gambling machines and casino online game to encourage more effectively the national social-economic plan, will be commended or received others incentives according to regulations.

#### **Article 50: Measures against violators**

Nature person, legal person or organization that violates this Decree, Law, regulations, contract of co-investment (joint investment) and prohibittance will be subject to re-education, disciplinary sanction, fine, civil compensation or criminal charge depending on severity of the violation.

## **Part 15**

### **Final Provisions**

#### **Article 51: Implementation**

Ministry of finance shall play a leading role. Other ministries, ministerial equivalent, local government and relevant sectors shall strictly implements as defined in this Decree.

For the enterprise authorized an investment license in casino business activities, prior to this Decree enters into force, shall continue the enterprise casino activities as such investment license. To the certification of casino operating license, the enterprise shall file the applicaiton for the casino operating license or slot machine club as defined in this Decree.

#### **Article 52: Effectiveness**

This Decree shall be effective after the presidential promulgation decree is issued and fifteen days after it has been disseminated on official gazette.