

**IN-DEPTH ANALYSIS:
LEGAL FRAMEWORK FOR ONLINE
VIDEO GAMES UNDER DECREE
147/2024/ND-CP**

Abstract: Decree 147/2024/ND-CP ("**Decree 147**") was established to replace Decree No. 72/2013/ND-CP and Decree No. 27/2018/ND-CP, in the context of the online gaming industry in Vietnam having undergone explosive development, which has led to the emergence of many complex social issues. Most notably is the issue of game addiction among young people, a problem that the World Health Organization (WHO) and domestic health organizations have noted at an alarming rate. According to statistics from the Institute of Mental Health, Bach Mai Hospital, up to 43% of inpatients being treated for Internet and online video game addiction are in the 10 to 24 age group¹.

Additionally, financial risks such as disguised gambling, fraud, and money laundering through virtual item transactions, along with the proliferation of unauthorized pirated and cross-border games, have caused significant difficulties for state management agencies. The Decree's objective is reflected in a dual approach: both promoting the development of the legitimate gaming industry and strengthening the protection of users and the public interest.

Keywords: Decree 147, online video game, age classification, player protection, identity verification, licensing, digital ecosystem.

1. Policy Framework for Game Classification and Licensing

1.1. Classification and Management Principles

Prior to the promulgation of Decree 147, the classification of online video games under Decree No. 72/2013/ND-CP ("**Decree 72**") and Decree No. 27/2018/ND-CP ("**Decree 27**") remained rather generic, lacking detailed criteria. This led to inconsistent regulatory practices and failed to keep pace with the rapid growth of the online gaming

¹ <https://tienphong.vn/nghien-game-van-nan-cu-he-luy-moi-post1554629.tpo>

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industry. For example, there was no clear legal distinction or procedural guidance for the management of different categories of games (G1, G2, G3, G4). Moreover, the situation was marked by “multiple licensing requirements applied to multiple game types,” without uniform oversight among local authorities.

The introduction of Decree 147 addressed these shortcomings by establishing a transparent and predictable classification mechanism. One notable improvement of Decree 147 lies in the rationalization of the licensing process, particularly for G2, G3, and G4 online video games. Previously, the licensing procedure was centralized for all game types, often causing administrative overload and prolonged evaluation at the Ministry of Information and Communications (MIC) (now Ministry of Culture, Sports and Tourism (MCST)). This discouraged startups and small enterprises, thereby hindering the domestic gaming industry’s growth.

Decree 147 streamlined the framework by removing unnecessary conditions and procedures, while reducing the time required for appraisal and licensing. Decree 147 delegates authority to provincial departments to issue Certificates of Provision of Online video game services (for G2, G3, G4) and to confirm the release of such games under Article 37.3. This is not merely an administrative measure to reduce the burden on MCST, but also a macroeconomic strategy designed to stimulate the growth of independent developers and small and medium-sized enterprises (SMEs) in Vietnam. It shortens processing time, reduces administrative burdens, and enables regulators to respond more effectively to market dynamics and emerging issues.

In particular, Article 37 further provides a legal gateway for the management of newly emerging online video game models by authorizing MCST to propose regulatory measures for the Prime Minister’s consideration and approval². This reflects the adaptability and openness of the legal system to technological advancement. Such

² Article 37.1.d

CONTACT US

For further information or assistance, please contact us at:

Level 18 - 789 Office Tower,
No. 147 Hoang Quoc Viet,
Nghia Do, Hanoi, Vietnam
☎: +84 941 236 233
🌐: [vtn-partners.com](mailto:admin@vtn-partners.com)
admin@vtn-partners.com

reforms foster a more favorable environment for new market entrants, thereby promoting innovation, product diversification, and enhancing the competitiveness of the domestic online gaming sector.

Illegal online video games and cross-border gambling games provided into Vietnam have caused many serious problems. This situation has resulted in significant revenue losses for legitimate domestic online video game enterprises. Moreover, unlicensed games, particularly gambling games, have been widely distributed on foreign application marketplaces. Foreign enterprises providing cross-border online video game services often do not establish a legal entity in Vietnam, which creates difficulties for state authorities in management and enforcement. Therefore, Article 37.4 of Decree 147 requires foreign organizations and individuals providing online video game services to users in Vietnam to establish an enterprise in Vietnam. This provision aims to level the playing field and ensure a fair business environment between domestic enterprises and foreign enterprises providing cross-border services. It also enables state authorities to more easily supervise, monitor, and require compliance with regulations on content, payment, and user protection, particularly in the prevention of illegal online video games and gambling games. For online video game players, this provision serves as a legal basis for filing complaints and protecting their legitimate rights and interests in case of disputes.

1.2. Classification of Online Video Games by Age and Responsibilities of Enterprises

Before the promulgation of Decree 147, the classification of online video games by age was guided by Circular No. 24/2014/TT-BTTTT. However, these regulations were considered too general and left significant loopholes in management. As a result, many children could still easily access and play online video games that were inappropriate for their age.

With the primary objective of more effectively protecting children and underage players in cyberspace, Decree 147 introduced a

new classification group of “16+,”³ in addition to the existing categories of 18+, 12+, and 00+. This more detailed classification enables online video game developers to more accurately self-assess and label their products, while also providing parents and players with a clearer and more reliable tool to select age-appropriate games.

Article 38.2 of Decree 147 specifies the responsibilities of enterprises providing online video game services. Enterprises must self-classify their online video games based on concrete criteria as prescribed in Article 38.1. The classification results must be continuously displayed within the online video game and on all related advertising content. This requirement ensures that information reaches players and parents in a direct, visible, and unavoidable manner.

In addition, Decree 147 empowers MCST as well as local authorities to require enterprises to adjust their classification if violations are detected. If an enterprise fails to comply, the competent authorities have the right to suspend the release of the online video game and even revoke the license granted⁴. This mechanism demonstrates a strong shift in regulatory approach, i.e. from reliance on the self-awareness of enterprises to the imposition of stricter enforcement measures, thereby ensuring compliance in practice.

2. Strengthening Player Protection and Financial Management in Online Video Games

2.1. Player Protection and Management of Virtual Items

Articles 56 and 57 of Decree 147 are designed to address financial risks and protect the rights of players in an increasingly complex online video game environment. The regulation emphasizes the necessity for players to provide accurate information and grants them control over their personal data, particularly through additional safeguards for

³ Article 38.1.b

⁴ Article 38.3

minors, in order to mitigate risks of personal data abuse such as identity theft.

Enterprises are obliged to focus on managing virtual items, virtual units, and reward points, as well as regulating transactions to prevent fraud and the conversion of virtual assets into real money. Article 57.4 and Article 57.5 prohibit the exchange of virtual items for cash and prohibit the trading of virtual items between players. These provisions aim to eliminate black markets, minimize fraud and disputes, and combat money laundering. At the same time, enterprises are strictly required to only create virtual items in accordance with the content already registered and are prohibited from linking them with promotional programs that provide cash rewards.

This regulatory framework is closely linked to the Law on Anti-Money Laundering. By prohibiting peer-to-peer transactions and monetary conversion, Decree 147 closes legal loopholes and prevents the misuse of online video games as tools for money laundering. At the same time, it redefines the “nature” of virtual item transactions they are not “digital assets” with convertible value.

The prohibition of virtual item trading between players is not only a measure to protect users but also represents a shift in the business model for enterprises. Previously, some online video game companies could indirectly benefit from secondary markets. Under the new rules, enterprises can no longer rely on these markets to retain players or create financial incentives. Instead, they must focus on creating intrinsic value within the online video game, investing in content development, in-game features, and internal promotional programs to encourage spending directly in the game. This fosters a more sustainable and legitimate business model, centered on user experience rather than speculative activities.

2.2. Management of Information, Children Protection, and Cybersecurity

Article 54 of Decree 147 expands and specifies the rights and obligations of enterprises providing online video game services, going far beyond the scope of Article 34 of Decree 72. These new provisions include requirements on cybersecurity, children protection, and secure payment management, which are provided under Articles 54, 56, and 57 of Decree 147. Specifically, children protection measures, such as playtime limits, and cybersecurity requirements such as account authentication using a mobile phone number in Vietnam, are identified as core safeguards. Article 48 regulates playtime limits, while Article 54 establishes account authentication requirements. Enterprises are further required to implement systems that connect to the National Population Database in order to verify player information at the request of competent authorities, as stipulated under Articles 56 and 54 of Decree 147.

Decree 147 also concretizes cybersecurity obligations set out in the Law on Cybersecurity. Account authentication using mobile phone numbers in Vietnam serves as a technical measure to implement the principle of user identification in the online video game environment, enabling authorities to trace and address violations of the law more effectively. Permanent suspension of accounts that violate national security is likewise a direct specification of the Cybersecurity Law, as stipulated in Article 23.5 and Article 35.7 of Decree 147.

Furthermore, Decree 147 requires companies and relevant organizations to monitor and remove copyright-infringing contents. This obligation is provided in Article 79 of Decree 147, under which enterprises must supervise copyright-infringing information in accordance with the Law on Intellectual Property and relevant regulations. This provision enhances the responsibility of service providers in protecting intellectual property rights, which is an essential factor in attracting foreign investment and fostering the development of copyrighted content.

3. Management of Online Video Game Cards and Public Online Video Game Service Points

3.1. Management of Online Video Game Cards

Article 58 of Decree 147/2024/ND-CP establishes specific and stringent regulations on the issuance and management of online video game cards, which remain one of the most common payment instruments in the industry.

According to Decree 147, only enterprises licensed to provide online video game services are permitted to issue and bear responsibility for managing such cards. A key provision is the strict limitation on the scope of their use: online video game cards may only be used to top up lawful online video games operated by the game studio, or by other enterprises within the same economic group, corporate group, or parent-subsidiary structure. Decree 147 strictly prohibits the use of online video game cards to top up unlicensed games or for any other purposes.

In addition, issuing enterprises are required to promulgate detailed internal regulations on card issuance within their systems. For non-physical cards, enterprises must prepare specific documentation describing key processes such as card activation/deactivation, transaction execution, risk management (including identification, measurement, control, and mitigation), and internal control measures to ensure that cards are used strictly within the agreed scope.

With respect to reporting obligations, enterprises must submit periodic reports to the Ministry of Information and Communications as well as local Departments of Information and Communications, providing details on the number, denomination, and total revenue of issued cards. At least 30 days prior to ceasing issuance, enterprises must provide written notification accompanied by aggregated data on the status of issued and used cards.

These provisions are not merely administrative procedures but represent a strategic policy mechanism for controlling financial flows and content. By restricting the use of online video game cards

exclusively to legal online video games, Decree 147 creates a direct financial barrier against illegal games, gambling games, and other unlawful services. Without access to legitimate payment systems, illegal game operators face significant difficulties in attracting and retaining players. This not only protects consumers but also creates a distinct competitive advantage for law-abiding enterprises, thereby fostering a more transparent and sustainable online video game market.

3.2. Management of Public Online Video Game Service Points

Decree 147 also introduces important regulations governing public online video game service points. Two of the most notable provisions concern operating hours and changes to distance requirements.

Under Article 68.8 of Decree 147, video game service points are prohibited from operating between 10:00 p.m. and 8:00 a.m. the following day. This regulation is designed to protect the health and sleep of young people, particularly students, and to help ensure public order and security within residential areas. However, reports from localities such as Da Nang and Ho Chi Minh City indicate that many of them openly violate this rule. The primary reason cited is the persistent demand for late-night gaming, as prices are significantly lower during these hours and players do not need to wait for available computers⁵.

Another significant policy shift is the removal of the requirement that video game service points must be located at least 200 meters away from schools. The elimination of this physical distance requirement reflects a shift in regulatory philosophy, rather than controlling physical space, regulators are now focusing on controlling player behavior and playing time - a more modern and suitable approach given the digital nature of online video game services. This adjustment enables business owners to select more advantageous locations for their

⁵ <https://nld.com.vn/game-online-nao-nhiet-xuyen-dem-196241231213903018.htm>

operations, provided they comply with other rules on operating hours and player management.

4. Practical Challenges in the Implementation of the Law

Although the provisions in Section 3, from Articles 37 to 69 of Decree 147, reflect a comprehensive and progressive vision, their implementation in practice continues to face significant challenges and shortcomings. These issues not only hinder the effectiveness of the policy but also create legal gaps that require resolution.

4.1. Deficiencies in Licensing and Classification

While the age-rating criteria are now more detailed, the process of content assessment to ensure that a game is assigned to the appropriate age category remains a considerable challenge. For instance, Article 38.1 of Decree 147 outlines criteria concerning imagery, sound, and violence, however, the application of such standards can be subjective and difficult to apply consistently across all games. Furthermore, the supervision and enforcement of cross-border, unlicensed games remain a pressing problem. According to the Authority of Broadcasting, Television, and Electronic Information, revenue from pirated games accounts for up to 30% of the entire Vietnamese gaming market. These games are able to bypass regulation by avoiding official payment gateways or by operating on platforms outside the jurisdiction of Vietnam⁶.

4.2. Difficulties in Managing the Payment Ecosystem and Virtual Items

Despite the prohibition on trading virtual items, such transactions remain widespread in “black markets” or underground marketplaces, operating mainly on third-party platforms such as social networks, online forums, or specialized websites. These transactions often rely on

⁶ <https://vneconomy.vn/game-lau-chiem-30-ty-trong-doanh-thu-nganh-game-viet.htm>

informal payment methods, such as phone top-up cards exchanged through intermediaries (“black market shops”), peer-to-peer account transfers, or cryptocurrencies (e.g., BTC, USDT) in certain international transactions that are difficult to trace. None of these are recorded within the official game systems, placing them beyond the control of both game publishers and regulatory authorities. This creates a legal “grey area” that undermines the enforceability of Decree 147.

Before the enactment of the Law on Digital Technology Industry, concepts such as “virtual assets” or “virtual currencies” were not recognized as lawful property under Vietnamese law. Instead, these items only existed as “property rights” or “objects of use,” primarily governed by End-User License Agreements (EULAs) imposed by game developers or digital platforms. This prolonged state of legal ambiguity left virtual asset transactions and related rights insufficiently protected under the law.

The Law on Digital Technology Industry, adopted by the National Assembly and effective from 1 January 2026, formally recognizes “virtual assets” as a category of “digital assets,” thereby ending this longstanding legal uncertainty. However, this change creates a direct and unavoidable conflict between the two legal instruments, whereas the Law on Digital Technology Industry permits virtual assets to be “used for exchange or investment purposes,” Decree 147 prohibits the “trading of virtual items between players.” Under the principle of hierarchy in the legal system, laws have higher legal authority than decrees, thereby requiring an urgent review and amendment of Decree 147 to ensure consistency and legal coherence.

4.3. Difficulties in Managing Players and Time Restrictions

Although Article 39 and 48 clearly stipulate time limits for players under 18, many underage users can easily “circumvent” these restrictions by creating multiple accounts or purchasing pre-registered accounts online to continue playing after their main account has reached the limit. This undermines the effectiveness of

time-management regulations. Furthermore, implementing a technical system to monitor playing time and verify player information poses major challenges, as the lack of synchronization between state-managed personal data systems and the registration systems of game publishers hampers the accuracy of player identity verification.

4.4. Challenges in Managing Public Online Game Service Points

Article 68 was introduced to protect the health and sleep patterns of young people while also ensuring social order. However, reports from localities reveal that internet cafés continue to operate openly throughout the night due to high late-night demand, lower prices, and the absence of waiting times⁷. One contributing factor is that the administrative fines for violating operating hours, ranging from VND 5 to 10 million VND⁸, are considered too low compared to the profits gained from overnight business operations. As a result, many operators are willing to accept the risk of violations, thereby reducing the policy's deterrent effect. Moreover, the absence of detailed regulations on strong monitoring and enforcement mechanisms, as well as the lack of a clearly defined inter-agency coordination model among authorities (such as MCST and the Ministry of Public Security, and local governments), may result in inconsistent and ineffective enforcement.

5. Conclusion

Overall, Decree 47 is not merely a legal update but a proactive and comprehensive policy response to both social and technological challenges. While Decree No. 72/2013/ND-CP was considered to lack clear provisions on age classification and player protection measures - therefore having to rely on subordinate guidelines such as Circular No. 24/2014/TT-BTTTT, Decree 147 introduces direct and concrete provisions to address these legal gaps. It does not merely respond to

⁷ <https://baodanang.vn/nhieu-tiem-net-hoat-dong-sau-22-gio-3282664.html>

⁸ Articles 105 and 106 of Decree No. 15/2020/ND-CP on administrative penalties in the fields of post, telecommunications, radio frequency, information technology, and electronic transactions

symptoms such as gaming addiction or fraud but establishes structural mechanisms of prevention, including identity verification, financial flow management, and decentralized licensing. This demonstrates a fundamental shift in the mindset of policymakers toward building a safe and sustainable digital ecosystem, rather than passively addressing individual violations on a case-by-case basis.