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Vietnam's Online Services Reforms Leave Gaming Barriers Unresolved

Background and Summary

On July 13, 2026, Vietnam's Ministry of Culture, Sports and Tourism released draft amendments¹ to Decree 147, the 2024 measure² that regulates the provision of internet services, including the distribution and use of online games. The amendment removes one redundant licensing condition and creates a new regulatory category, but otherwise leaves intact one of the most restrictive licensing regimes in the world—thereby greatly impeding U.S. firms' ability to distribute gaming applications and manage online services in Vietnam. The most restrictive aspect of the original decree is its effective ban on cross-border services.

To date, several U.S. game publishers and game distribution platforms such as Steam and Netflix have curtailed their presence in the market³ or been blocked.⁴ With Vietnamese authorities pressing for the removal of unlicensed games⁵ and the licensing regime imposing a significant burden,⁶ new game developers may now view the market as too difficult to navigate, and some established developers have pulled out of Vietnam altogether.⁷ Given U.S. strength in the mobile gaming sector, with U.S. publishers accounting for over 30 percent of games on app stores globally,⁸ and U.S. firms operating the world's biggest app stores, Vietnam's policies have a significant effect on U.S. economic interests.

Once viewed with suspicion and subject to a ban on new games (in 2010),⁹ the online gaming sector is now recognized by the government of Vietnam as an engine of growth to be promoted¹⁰—and grew 13 percent last year to reach \$1.6 billion in revenue.¹¹ According to the Vietnam Game Development Association, Vietnam now boasts 400 game companies and 1,500 indie developers.¹² In promoting the sector, however, the government has used a domestic licensing regime originally designed to control and restrict games, repurposing it to promote exports and provide advantages to the local industry. In specific aspects, as outlined below, these unreasonable restrictions directly contravene trade commitments Vietnam has undertaken.

¹<https://abei.gov.vn/thong-tin-dien-tu/lay-y-kien-du-thao-nghi-dinh-sua-doi-bo-sung-mot-so-dieu-cua-nghi-dinh-so-1472024nd-cp-ngay-09-thang-11-nam-2024-cua-chinh-phu-quan-ly-cung-cap-su-dung-dich-vu-internet-va-thong-tin-tren-mang/119401>.

² https://www.gtsc.com.vn/uploads/files/2024/12/30/147_2024_ND-CP_636187-eng.pdf.

³ <https://digitalinasia.com/decree-147-vietnam-gaming/>;

<https://vietnamnet.vn/en/netflix-stops-distributing-games-on-its-platform-in-vietnam-2283224.html>; see also

<https://www.pocketgamer.biz/vietnam-issues-decree-1472024-to-regulate-online-games-and-internet-services/>.

⁴<https://e.vnexpress.net/news/business/companies/gaming-platform-steam-blocked-in-vietnam-for-refusal-to-cooperate-with-authorities-4752391.html>.

⁵ <https://e.vnexpress.net/news/news/142-illegal-games-removed-from-apple-google-app-stores-in-vietnam-3953610.html>.

⁶ <https://digitalinasia.com/decree-147-vietnam-gaming/>.

⁷ <https://www.ea.com/en-gb/playtesting/news/fifa-mobile-no-longer-available-in-vietnam>.

⁸<https://appfigures.com/resources/insights/20230728?f=5#:~:text=US%2Dbased%20publishers%20lead%20the,second%20with%20a%205%25%20share>.

⁹ <https://www.theguardian.com/world/2010/jul/29/vietnam-cracks-down-online-games>.

¹⁰ <https://vietnamnet.vn/en/resolution-80-opens-new-chapter-for-vietnam-s-gaming-industry-2526929.html>.

¹¹<https://vietnamnews.vn/economy/1782291/gaming-industry-grows-rapidly-needs-strong-ecosystem-for-global-competitiveness.html>.

¹² <https://www.youtube.com/watch?v=r1kEQKC2prc>.

Categorization and Regulation of Games

In addition to an age-rating system (**Article 38**), Vietnam categorizes games (**Article 37**) based on a sliding scale based on degree of user interactivity and need for a dedicated computer server. At the one end, “massively multiplayer online” (MMO) games like Pokémon Go are regulated most strictly and subject to licensing requirements (so-called G1); at the other end of the spectrum (G4 of the G2 to G4 category) are games that only interact with a device, which are regulated more lightly.¹³ G2-G4 games do not formally require a license, but must be notified 30 days before launch to the Vietnamese Authority of Broadcasting and Electronic Information (ABEI) and obtain a “certificate of notification,” resulting in a quasi-licensing regime.¹⁴

Amendments to Decree 147 also create a new regulatory category for platforms that enable users to create and distribute self-developed games (e.g., Roblox and itch.io), a trend accelerated by the introduction of AI-based coding. Vietnam has proposed to require a separate license for this service as well.

Based on the original Decree 147, games cannot be launched in Vietnam before the 30-day notification period expires (during which period the regulator may seek changes to the content of the game). With very few exceptions (e.g., China, Saudi Arabia), requiring either a license or notification prior to the release of an online game is not international practice. Vietnam cites strict content controls—including bans on explicit depictions of blood, extreme violence, and gambling—to justify this approach. Even accounting for these sensitivities, however, Vietnam’s approach is more restrictive and burdensome than necessary and, together with the localization mandates described below, create a major market access barrier for U.S. firms.

Based on these restrictions, all major publishers (Sony, Scopely, Roblox, Supercell) have significant, non-controversial titles (e.g. Pokémon Go) that are now unavailable to download from app stores in Vietnam. Even where available, access to the global gaming community for G1 games may be restricted based on the requirement to use a server based in Vietnam and institute local authentication. Practically, this often results in publishers foregoing direct access to the market and licensing their games to the dominant Vietnamese publisher, VNG Games, which runs a server network in Vietnam.¹⁵

These restrictions severely impact the interests not only of game publishers and developers but also companies at the first layer of distribution (app stores), for which games represent a major share of catalogs—up to 14 percent of app listings¹⁶—and a much higher share of revenue.

¹³ <https://giaypheap.abei.gov.vn/>.

¹⁴ The amendment proposes to migrate jurisdiction for implementing these requirements from ABEI (under the Ministry of Communications) to the Ministry of Culture, Sports and Tourism.

¹⁵ <https://www.lexology.com/library/detail.aspx?g=4bdc3be7-a421-496d-8a56-94c7fe6ec268>.

¹⁶ <https://sqmagazine.co.uk/google-play-store-statistics/>.

Specific Provisions that Should be Revised

Licensing

Evaluating the reasonableness of a licensing and notification regime must start with appreciating the scale of the online gaming market. According to global industry reports, the Google Play Store carried 264,000 mobile games in the second quarter of 2024,¹⁷ whereas Apple's App Store carried 183,000.¹⁸ This contrasts with significantly fewer games made available in Vietnam,¹⁹ reflecting the impact of this restrictive regulatory regime (including the removal of thousands of games that developers and/or publishers were unable or unwilling to get licensed for Vietnam).²⁰

A proposed amendment of **Article 37.2** simplifies licensing of G1 games by eliminating the need for both a general and a game-specific license, retaining only the latter. While this is a welcome improvement, its practical effect is limited. All G1 game distribution and management services still require the latter license, along with a local entity and Vietnamese partner, as conditions for publishing games in Vietnam. Processing license applications does follow a timeline, but only requires the regulator, after 20 days, to “consider” a grant, with no meaningful deadlines for a decision. The broad latitude offered to the regulator is a key reason for slow processing, and many foreign game developers and publishers are unwilling to subject themselves to such an uncertain process.

- **Proposed change: Article 37.2**, Decree 147 should be amended to eliminate licensing for G1 games, and rely on what currently applies to G2-G4 games: a notification system. Additionally, rather than requiring a 30-day waiting period and a “certificate of notification” games should be allowed to be published upon providing notice without having to wait for explicit confirmation. Assuming clear provisions identifying prohibited content, game developers should be able to conform to Vietnamese requirements without the regulator needing to make an affirmative finding for every game. If the regulator asserts that it does not have the capacity to review games in the established timelines (30 days), Vietnam should consider employing AI tools to this end.

Notification

As noted above, even just submitting a notification for every one of the potentially hundreds of thousands of games that a developer may want to market in Vietnam poses a substantial burden. Vietnam's regulators are unlikely to have the capacity to process such volumes, and in practice many developers and publishers appear to have chosen to forego the market rather than navigate the process

- **Proposed change: Article 39.3** should be eliminated. Although ostensibly less restrictive than a license, and subject to a more meaningful timeline (an obligation to allow launch within 30 days absent a finding of non-compliance) the discretion to

¹⁷ <https://www.statista.com/statistics/780229/number-of-available-gaming-apps-in-the-google-play-store-quarter/>.

¹⁸ <https://www.statista.com/statistics/780238/number-of-available-gaming-apps-in-the-apple-app-store-quarter/>.

¹⁹ <https://giayphep.abej.gov.vn>. According to the Ministry of Culture, Sports, and Tourism's game licensing website, as of July 28, 2026, only 2,568 G1 games, and 16,512 G2-4 games are licensed for distribution in Vietnam, totaling less than 20,000 available games.

²⁰ https://investgame.net/wp-content/uploads/2026/02/2026-02-06-VietnamMobile_Gaming_2025.pdf.

request arbitrary changes and engage in iterative demands of a developer injects unreasonable uncertainty into the approval process. If Vietnam decides to retain a notification system, it should allow publication upon launch, with no waiting period. As a more reasonable alternative, Vietnam should rely on the notice and takedown system in place under Decree 147 (Article 23.5(b)), that allows the regulator to order the takedown (subject to appropriate due process protections) of a game deemed non-compliant with published standards and requirements. Platforms should maintain the ability to review takedown orders either against a legal requirement or their own internal policies.

Trade Implications of Vietnam's Current Restrictions

Local presence/Foreign equity restriction

A key reason foreign game developers and publishers forgo the Vietnamese market is the requirement for games to be offered through a locally-established entity (**Article 37.4**), either by licensing the game to a Vietnamese publisher, or setting up a local company. Since Vietnam categorizes online gaming as a value-added telecommunications service, and its investment law²¹ restricts foreign equity to the levels committed to in the WTO (49 percent equity),²² such an entity must be majority Vietnamese controlled, a major disincentive for any investor.

This requirement appears inconsistent with Vietnam's international trade obligations in several respects:

- Vietnam's WTO commitment allows for the cross-border distribution, without limitation, of "computer software for personal or commercial use." In short, for the purposes of distribution, Vietnam should not be requiring a local presence as a condition of marketing software games to Vietnamese consumers.²³
- In CPTPP,²⁴ the constraint on Vietnam is more explicit: cross-border online gaming services are clearly encompassed by Vietnam's commitments,²⁵ given the absence of a relevant "Non-conforming Measure" that allows Vietnam to discriminate against cross-border supply, as its current regime clearly does. As currently written, Decree 147 violates this commitment.
- CPTPP also includes an explicit prohibition on requiring a local presence absent a negotiated exception which Vietnam did not obtain.²⁶
- With respect to foreign equity in investments related to online gaming, for companies seeking that business model, Vietnam did negotiate limits in CPTPP (initially limiting access to its WTO commitments), but those limits expired in 2024. Accordingly, for

²¹<https://english.luatvietnam.vn/law-on-investment-no-143-2025-gh15-dated-december-11-2025-of-the-national-assembly-422585-doc1.html>.

²²<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=O:/SCHD/GATS-SC/SC142.pdf&Open=True#page=49>.

²³ This does not address the separate service of managing interactive games through a server, but many games can be played locally on a device (e.g. a phone) without such service.

²⁴ Although the United States is not

a <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=O:/SCHD/GATS-SC/SC142.pdf&Open=True#page=28> part to CP-TPP, the rights this agreement established accrue generally to any entity established in a CP-TPP country, including Japan and Singapore, which are both significant locations for U.S. service suppliers.

²⁵ See <https://www.dfat.gov.au/sites/default/files/annex-i-viet-nam.pdf#page=16>.

²⁶ See Article 10.6: <https://www.dfat.gov.au/sites/default/files/10-cross-border-trade-in-services.pdf#page=5>.

companies (including U.S. companies) established in CPTPP jurisdictions, no equity limits may be imposed, and Decree 147 is inconsistent with these commitments.

- **Proposed changes:** to bring Vietnam into conformity with its international trade obligations **Article 37.4** of Decree 147 should be eliminated, as should parallel investment restrictions preventing 100 percent foreign equity investment in the online gaming sector.

Local Server Requirement

Another restriction on foreign suppliers created by Decree 147 is its requirement that G1 games be managed through a local server (**Article 54**). CPTPP also constrains this requirement, through **Article 14.13**,²⁷ which prohibits a party from requiring the use of local computing facilities as a condition for conducting business.

- **Proposed changes:** to bring Vietnam into conformity with its international trade obligations **Article 54** of Decree 147 should be eliminated.

Conclusion

Vietnam has successfully promoted a vibrant and globally-competitive online gaming sector.²⁸ It no longer needs protection through highly restrictive regulation, which will only impede its own developers and shrink the gaming ecosystem, both of which are contrary to the government’s own policy aims. The parallel domestic goal of ensuring consistency with Vietnamese values and laws can be achieved through markedly less burdensome means.

Annex

Key Provisions and Proposed Amendments to Decree 147

Article/Section	Provision/Proposed Amendment	Effect on Foreign Suppliers
Article 37.1	Definitions. 1. Online video games shall be classified as follows: a) Video games with interactions among many players at the same time through the game server systems of enterprises (G1 games);	Requirements differ based on nature of the game

²⁷ <https://www.dfat.gov.au/sites/default/files/14-electronic-commerce.pdf#page=7>.

²⁸ <https://digitalinasia.com/vietnam-mobile-gaming-market/> (“Vietnamese studios shipped 6.7 billion Google Play downloads in 2024 — the most of any country on earth.”); see also https://investgame.net/wp-content/uploads/2026/05/2026-05-04-gamegeek_vietnam_mobile_game_report_2025_wp.pdf, at 8 (“In 2025, Vietnam’s mobile gaming industry reached a new record with 4.9 billion downloads, ranking 2nd globally, just behind China with 5.3 billion downloads. With a distribution rate of 9300 downloads per minute, Vietnamese-developed games demonstrate strong global appeal and an exceptional ability to reach users at an international scale.”).

	b) Video games with interactions between players and the game server systems of enterprises (G2 games); c) Video games with interactions among many players, but there are no interactions between players and the game server systems of enterprises (G3 games); d) Video games downloaded using networks with no interactions among players and between players and the game server systems of enterprises (G4 games);	
37.2	2. Enterprises may release online G1 video games when they have licenses to provide G1 video game services online and decisions to release online G1 video games. [Article 19 of the Draft Decree]	Eliminates dual licensing regime (general service and game-specific authorization), but retains game-specific license.
37.3	3. Enterprises may release online G2, G3, and G4 video games when they have written confirmations of the provision of online G2, G3, and G4 video games and written confirmations of notices of the release of online G2, G3, and G4 video games. [Article 19 of the Draft Decree]	Similar streamlining with respect to notification.
37.4	4. Foreign organizations and individuals providing online video game services for users in Vietnam, including cross-border provision services, shall establish enterprises under the law of Vietnam to provide online video game services according to this Decree and regulations on outward investment.	This provision essentially prohibits cross-border services, forcing the supply of the service to be conducted through a local entity. Vietnam's general investment regime, that tracks its WTO GATS commitments, caps foreign equity at 49% and does not include cross-border supply. TPP fully liberalized this sector.
37.5	5. Businesses are provided with a digital platform that allows users to create and distribute video games when they possess a License to provide and manage a digital platform that allows users to create and distribute video games.	This is a new regulatory category for services platforms facilitating the creation and distribution of user-generated games.