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Legal Update on the Mobile Money Decision

On 09 March 2021, the Prime Minister officially issued the long-awaited pilot program for mobile money in Vietnam under Decision No. 316/QĐ-TTg (**Pilot Program**) with the immediate effect. The Pilot Program will last for two years, allowing certain businesses to provide mobile money service in Vietnam. It is hoped to transform the financial inclusion landscape, contribute to the development of cashless payment, especially in rural, mountainous, remote, border and island areas, and realise the national digital economy.

In this legal update, we will highlight some major points under the Pilot Program that, from our point of view, mobile money service providers should take into account.

1. Scope of the Pilot Program

- (a) Eligible service providers: enterprises qualified to provide mobile money service are
 - (i) those having licenses to provide intermediary (e-wallet) payment services, licenses to establish a public mobile terrestrial telecommunications network using radio frequencies, or
 - (ii) subsidiaries having permission from the parent company which has a license to establish a public mobile terrestrial telecommunications network using radio frequencies to use telecommunications, network, and data infrastructure.
- (b) Target users: individual users whose mobile accounts are registered and associated with such users' identity cards/ passports. Users must use mobile services for at least three consecutive months before registering for mobile money service. At each service provider, one user will be allowed to open only one mobile money account.
- (c) Scope of mobile money service provision: service providers must ensure that the users are

able to perform the following tasks when using mobile money service

- (i) to top up cash into mobile money account at the selected business points; to top up the mobile money account from the user's bank account or e-wallet provided by the same service provider of the mobile money service;
 - (ii) to withdraw cash from the mobile money account; to withdraw fund from the mobile money account to the user's bank account or e-wallet provided by the same service provider of the mobile money service;
 - (iii) to use mobile money to pay for the goods and services; and
 - (iv) to transfer money among the mobile money accounts opened at the same service provider, between the mobile money account and user's bank account, between the mobile money account and user's e-wallet which is provided by the same service provider of the mobile money service.
- (d) Prohibited actions:
- (i) to use other means and channels which are not accepted by the Pilot Program to top up into, and/or withdraw funds from, mobile money account;
 - (ii) to use mobile money account to conduct other transactions/ tasks which are out of the scope of mobile money service provision;
 - (iii) to grant credit for the user, pay interest on the balance of the mobile money account or conduct any action which leads to the excess amount of the amount injected by the user into the mobile money account;
 - (iv) to conduct banking activities (e.g., lending, capital mobilisation);
 - (v) to conduct transactions for the purposes of money laundering, terrorism sponsoring, fraudulent, cheating and other violations;
 - (vi) to hire, borrow, allow others to hire or borrow, exchange, give, grant, transfer, purchase mobile money accounts, information about and associated with mobile money accounts; and
 - (vii) to use funds from users' mobile money accounts for other purposes of the service providers.
- (e) Transaction limit: a maximum transaction limit of a mobile money account is VND 10 million per month for all transactions, including withdrawals, transfers and payments.

2. Conditions to participate in the Pilot Program

In order to provide mobile money service under the regime of the Pilot Program, an enterprise must fulfil the following conditions:

- (a) the enterprise is in the list of eligible service providers;
- (b) the enterprise must constitute a completed professional procedure to explain and describe the detailed service provision activities;

- (c) the enterprise must set up a professional unit to manage and operate the service provision, and separate the provision of mobile money service from SIM card service;
- (d) the enterprise must constitute the policies on Know-Your-Customer (KYC), anti-money laundering, terrorism sponsoring prevention, and customer protection;
- (e) the enterprise must have selection criteria and policies on its business points and units accepting payment by mobile money;
- (f) the enterprise must meet certain technical conditions (e.g., conditions on information system, encryption, data retention);
- (g) the enterprise must also meet certain personal conditions (e.g., qualifications, working experience); and
- (h) the enterprise is approved by the State Bank of Vietnam (**SBV**) to participate in the Pilot Program.

3. Steps to participate in the Pilot Program

Step 1: An enterprise submits a registration dossier to the SBV. The dossier includes a copy of licenses and other documents to prove that such enterprise meets all conditions as required.

Step 2: The SBV, in cooperation with the Ministry of Information and Communications, the Ministry of Public Security and other relevant authorities, appraises and reviews the registration dossier.

Step 3: If the dossier is satisfied, the SBV will approve for such enterprise to participate in the Pilot Program.

We note that enterprises that wish to participate in the Pilot Program can submit the registration dossier from 09 March 2021. The two-year term of the Pilot Program will be counted from the day on which first approval is granted.

4. Conclusion

It can be said that the introduction of this Pilot Program shows the Government's efforts to transform Vietnam's economy to the digital phase with the focus on building a cashless society. Importantly, the introduction of mobile money service will help promote the cashless payment in rural areas, especially in the context of COVID-19 pandemic, as well as include individuals who do not have bank accounts in the transformation process.

The results from the Pilot Program will be the practical basis for the authorities to consider, review and promulgate the official legal framework for the provision of mobile money service in Vietnam.

ANNEX

**LIST OF ENTITIES HAVING INTERMEDIARY PAYMENT SERVICES LICENSES
(NON-BANK ENTITIES)**

(updated to 29 January 2021)¹

No	Company name	Office address	License
1	National Payment Corporation of Viet Nam (NAPAS)	Levels 17 - 18, Pacific Place Building, No. 83B Ly Thuong Kiet, Tran Hung Dao Street, Hoan Kiem District, Hanoi, Vietnam	11/GP-NHNN dated 9 August 2015; and 02/GP-NHNN dated 5 January 2018
2	Viet Nam Payment Solution Joint Stock Company (VNPAY)	Level 8, No. 22 Lang Ha Street, Lang Ha Ward, Dong Da District, Hanoi, Vietnam	56/GP-NHNN dated 16 July 2020 (the second license)
3	Online Mobile Service Joint Stock Company (M_SERVICE JSC)	No. 40 Hoang Viet, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam	16/GP-NHNN dated 16 October 2015; and 42/GP-NHNN dated 13 July 2017
4	Viet Uc Online Service Joint Stock Company (BANKPAY)	198/A5-A6 Hoang Van Thu, Ward 9, Phu Nhuan District, Ho Chi Minh City, Vietnam	17/GP-NHNN dated 19 October 2015
5	Vietnam Online Service Trade Joint Stock Company (Vietnam Online)	No. 5A Phan Ke Binh, Da Kao Street, District 1, Ho Chi Minh City	23/GP-NHNN dated 30 October 2015
6	Viet Union Online Services Corporation (VIET UNION CORP)	No. 9, Dinh Tien Hoang Street, Da Kao Ward, District 1, Ho Chi Minh City	27/GP-NHNN dated 23 November 2015
7	AirPay Joint Stock Company (AIRPAY)	Level 29, Lotte Center Hanoi, No. 54 Lieu Giai Street, Cong Vi Ward, Ba Dinh District, Hanoi, Vietnam	52/GP-NHNN dated 3 July 2020 (the second license)

¹ State Bank of Vietnam, “List of Non-Bank Institutions Licensed For Providing Payment Intermediary Service”, 29 January 2021, https://www.sbv.gov.vn/webcenter/portal/en/home/sbv/statistic/settleactiv/ulcipss?_afLoop=17464006857989224#%40%3F_afLoop%3D17464006857989224%26centerWidth%3D80%2525%26leftWidth%3D20%2525%26rightWidth%3D0%2525%26showFooter%3Dfalse%26showHeader%3Dfalse%26_adf.ctrl-state%3Dqgnbsy5a7_41 (accessed on 12 March 2021).

In addition to the list under this Appendix, we note that MobiFone was granted the license on 09 March 2021 (<https://baodautu.vn/mobifone-duoc-cap-giai-phep-trung-gian-thanh-toan-du-dieu-kien-xin-thi-diem-mobile-money-d139143.html>).

No	Company name	Office address	License
8	Electricity and Telecommunications Payment Solutions Joint Stock Company (ECPay)	Level 6, Anna Building, Software Park, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City	31/GP-NHNN dated 17 December 2015
9	ZION Company Limited (ZION CO.,LTD)	No. 76 Tran Dai Nghia Street, Dong Tam Ward, Hai Ba Trung District, Hanoi, Vietnam	19/GP-NHNN dated 18 January 2016
10	VNPT Electronic Payment Joint Stock Company (VNPT EPAY)	Level 3, Far East Building, 36 Hoang Cau, O Cho Dua Ward, Dong Da District, Hanoi, Vietnam	21/GP-NHNN dated 22 January 2016
11	Viet Phu Payment Services Support Corporation (VIET PHU PAYMENT SURPORT CORP)	No. 104, Mai Thi Luu Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam	24/GP-NHNN dated 01 February 2016
12	BaoKim Electronic Commerce Joint Stock Company (BAOKIM E-COMMERCE.,JSC)	No. 51 Le Dai Hanh Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	26/GP-NHNN dated 01 February 2016
13	Vi Mo Technology Joint Stock Company (VIMO TECHNOLOTY.,JSC)	Level 12A, VTC Online Building, No. 18, Street Tam Trinh, Minh Khai Street, Hai Ba Trung District, Hanoi, Vietnam	30/GP-NHNN dated 22 February 2016
14	Vietnam Multimedia Corporation (VTC)	No. 67B, Ham Long Street, Hang Bai Street, Hoan Kiem District, Hanoi, Vietnam	31/GP-NHNN dated 24 February 2016
15	MoCa Technology and Service Corporation (MOCA.,CORP)	No. 27, Ly Thai To Street, Ward Ly Thai To Street, Hoan Kiem District, Hanoi, Vietnam	32/GP-NHNN dated 25 February 2016
16	FPT Wallet Company Limited (FPT WALLET)	No. 153 Nguyen Dinh Chieu, Ward 06, District 3, Ho Chi Minh City, Vietnam	42/GP-NHNN dated 08 April 2016
17	M-PAY Trade and technology services joint stock company (M-PAY.,JSC)	Level 18, VTC Online Building, No. 18, Street Tam Trinh, Minh Khai Street, Hai Ba Trung District, Hanoi, Vietnam	76/GP-NHNN dated 07 December 2016

No	Company name	Office address	License
18	ONEPAY Online service and commercial joint stock company (ONEPAY JSC)	No. 194, Tran Quang Khai Street, Ward Ly Thai To Street, Hoan Kiem District, Hanoi, Vietnam	80/GP-NHNN dated 28 December 2016
19	WEPAY payment services company limited (WEPAY CO.,LTD)	Level 19, Building Center Building, No. 1 Nguyen Huy Tuong, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi, Vietnam	81/GP-NHNN dated 29 December 2016
20	NGANLUONG Joint Stock Company (NGANLUONG JSC)	Level 12A, VTC Online Building, No. 18, Road Tam Trinh, Minh Khai Ward, Hai Ba Trung District, Hanoi, Vietnam	22/GP-NHNN dated 10 February 2017
21	True Monney VietNam Joint Stock Company (True Monney VietNam., JSC)	Level 22, VPBank Building, No. 89 Lang Ha, Lang Ha Ward, Dong Da District, Hanoi, Vietnam	38/GP-NHNN dated 16 th April 2020
22	VNPT Media Corporation (VNPT - Media)	No. 57 A Huynh Thuc Khang Street, Lang Ha Ward, Dong Da District, Hanoi, Vietnam	41/GP-NHNN dated 06 July 2017
23	VINID PAY Joint Stock Company (VINID PAY)	No. 7, Bang Lang 1 Street, Vinhomes Riverside Ecological Urban Area, Viet Hung Ward, Long Bien District, Hanoi, Vietnam	89/GP-NHNN dated 16 September 2019 (the second license)
24	Viettel Group (VIETTEL)	Lot D26 Cau Giay New Urban Area, Yen Hoa Ward, Cau Giay District, Hanoi, Vietnam	57/GP-NHNN dated 21 July 2020 (the third license)
25	Vina Investment Development and Technology Transfer Company Limited (VINATTI CO.,LTD)	Unit 505, Level 5, Indochina Plaza Building, No. 241, Xuan Thuy Street, Dich Vong Hau Ward, Cau Giay District, Hanoi, Vietnam	37/GP-NHNN dated 01 March 2018
26	Vietnam Mobile - Based Services Company Limited (VIMASS CO.,LTD)	Level 12A, No. 444, Hoang Hoa Tham Street, Thuy Khue Ward, Ho Tay District, Hanoi, Vietnam	41/GP-NHNN dated 12 March 2018

No	Company name	Office address	License
27	Smart Net Trading Service Company Limited (Smart Net)	Level 16, E-Town Central Building, No. 11 Doan Van Bo, Ward 12, District 4, Ho Chi Minh City, Vietnam	30/GP-NHNN dated 30 January 2019
28	Connexion Viet Nam Company Limited (Connexion)	Levels 6 - 7, Me Linh Point Building, No. 2, Ngo Duc Ke Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	51/GP-NHNN dated 3 July 2020 (the second license)
29	PayTech Joint Stock Company (PayTech)	House number 20-N03 Dich Vong New Urban Area, Dich Vong Ward, Cau Giay District, Hanoi, Vietnam	32/GP-NHNN dated 30 January 2019
30	EPAY Joint Stock Company (EPAY)	Level 10, Building 319 Ministry of Defense, No. 63, Le Van Luong Street, Trung Hoa Ward, Cau Giay District, Hanoi, Vietnam	54/GP-NHNN dated 24 May 2019
31	FINVIET Technology Corporation	Level 9, Hoang Viet Building, Số 34 Hoang Viet road, 4 Ward, Tan Binh District, Ho Chi Minh, Vietnam	87/GP-NHNN dated 23 August 2019
32	PAYME Technology Corporation	Levels 15 - 17, Co Thach Street, An Loi Dong Ward, District 2, Ho Chi Minh City, Vietnam	83/GP-NHNN dated 15 December 2020
33	G Payment Joint Stock Company (G PAY)	Unit 207, Level 2, N01 Golden Land Building, 275 Nguyen Trai, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi, Vietnam	37/GP-NHNN dated 15 April 2020
34	VIDIVA Technology Joint Stock Company (VIDIVA)	Level 22, Lim 3 Building, 29A Nguyen Dinh Chieu, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam	65/GP-NHNN dated 09 September 2020
35	FPT TELECOM Joint Stock Company	Level 2, FPT Cau Giay Building, No. 17 Pho Duy Tan, Dich Vong Hau Ward, Cau Giay District, Hanoi, Vietnam	50/GP-NHNN dated 02 July 2020

No	Company name	Office address	License
36	1 Number Finance Information Technology Joint Stock Company (1 FINTECH)	Unit 405, Ocean Park Building, No. 1 Dao Duy Anh, Phuong Mai Ward, Dong Da District, Hanoi, Vietnam	55/GP-NHNN dated 16 July 2020
37	9PAY Joint Stock Company	No. 34, Nguyen Khanh Toan, Quan Hoa Ward, Cau Giay District, Hanoi, Vietnam	60/GP-NHNN dated 13 August 2020
38	Payment Telecom Informatics Post a Member of Company Limited	No. 158/2, Hong Mai Street, Quynh Loi Ward, Hai Ba Trung District, Hanoi, Vietnam	72/GP-NHNN dated 08 October 2020
39	APPOTAPAY Joint Stock Company	No. 11, Alley 71, Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi, Vietnam	74/GP-NHNN dated 08 October 2020
40	ONEFIN VietNam Company Limited	No. 72, Tran Dinh Xu Street, Co Giang Ward, District 1, Ho Chi Minh City, Vietnam	05/GP-NHNN dated 22 January 2021
41	JETPAY Joint Stock Company	Level 9, Technosoft Building, Lane 15, Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi, Vietnam	06/GP-NHNN dated 22 nd January 2021

Key contacts

If you have any questions or would like to know how this might affect your business, please contact the key contacts.



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