

“Integrated Resorts” Promotion Bill was enacted (Japan)

“Integrated Resort” is defined as tourism and commercial complex with combined facilities such as casino, international convention center/exhibition hall, hotel, amusement facilities and shopping mall. It is often referred to as IR which is an abbreviation of “Integrated Resorts”. It is expected that number of foreign visitors to Japan (both tourists and business visitors) increases and companies related to the businesses benefit, once construction and operation of “Integrated Resorts” start. “Integrated Resorts” Promotion Bill (Casino Bill) passed Diet and was enacted on 15th December 2016.

Point 1

The bill was enacted by a vote in the Lower House plenary session “Implementation bill” is required to be enacted within one year

- Before dawn of 15th December 2016, “Integrated Resorts” Promotion Bill was enacted by a vote in the Lower House plenary session with majority vote from Liberal Democratic Party and Nippon Ishin no Kai. This bill is still a basic law which promotes construction of facilities such as casino, international convention center/exhibition hall and hotel as an “Integrated Resorts”. The bill requires the Japanese government to enact “Implementation bill” which incorporates regulatory requirements and concrete provisions to deal with gambling addiction within one year.

Point 2

Expectation on attraction of foreign tourists Provision to deal with gambling addiction is necessary

- Legalization of casino by “Integrated Resorts” Promotion Bill seems to be effective to further enhance Abe administration’s promotion to attract foreign tourists. In addition, earnings expansion of “Integrated Resort” related corporations are expected, supported by such deregulation.
- With regard to casino, a part of “Integrated Resort”, adequate measures are required as there is concern over (i) increase in gambling addiction, (ii) involvement of antisocial forces and (iii) money laundering.

Future Outlook

Casino resorts will start operation after 2020 Tokyo Olympic Games and will help boost the economy

- Focus of “Integrated Resorts” Promotion Bill will shift to preparation of “Implementation bill” within one year after the enactment of promotion bill. “Implementation bill” needs to incorporate various issues such as (i) selection of construction location, (ii) designing of regulatory body for operators and (iii) crime prevention measures. Therefore, first operation of “Integral Resorts” is expected to start after 2020 Tokyo Olympic Games and demand stimulation effect after the Tokyo Olympic game will gather attention. Economic ripple effect is expected through expansion of range of economic and consumption activities, as “Integrated Resorts”, integrated multiple entertainment facilities, will become a new Japanese tourist attractions.

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