

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Third Regular Session

House Bill No. **10636**



Introduced by Representative Richard I. Gomez, DPA

EXPLANATORY NOTE

The proliferation of Philippine Offshore Gaming Operators (POGOs) in the country has raised several social, economic, and national security concerns. Despite their potential to generate revenue, the negative consequences of POGOs have become increasingly apparent. These include issues related to crime, such as human trafficking, money laundering, and illegal immigration, as well as the adverse social impacts on communities.

The POGO industry has been linked to an increase in criminal activities, including kidnapping, extortion, and prostitution. The Philippine National Police (PNP) and other law enforcement agencies have documented numerous cases involving POGO-related crimes, indicating a significant threat to public safety and order. For instance, a notable rise in kidnapping incidents involving POGO gamers or bettors has been reported, with victims often being held for ransom by criminal syndicates.

The influx of foreign workers, particularly from China, employed by POGOs has strained local resources and led to social tensions. There have been numerous instances of illegal immigration, with foreign nationals overstaying their visas or entering the country without proper documentation. This situation has put additional pressure on the Bureau of Immigration and other regulatory bodies to monitor and control the activities of these workers.

The economic impact of POGOs is also a point of contention. While POGOs contribute to government revenue through taxes and fees, the economic benefits are overshadowed by the costs associated with increased crime and regulatory enforcement. The Department of Finance (DOF)

has highlighted challenges in collecting taxes from POGOs, with some operators evading tax liabilities through various schemes. This has led to revenue losses and undermined the integrity of the tax system.

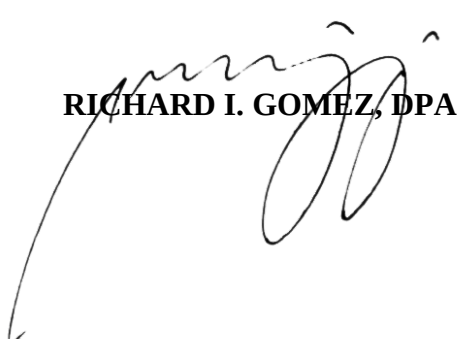
Socially, the presence of POGOs has had a disruptive effect on communities. Reports have emerged of residential areas being converted into makeshift dormitories for POGO workers, leading to overcrowding and a decline in living conditions for local residents. Additionally, the increased demand for real estate by POGO operators has driven up property prices, making it more difficult for ordinary Filipinos to afford housing.

Furthermore, concerns have been raised about the potential for money laundering activities within the POGO industry. The Anti-Money Laundering Council (AMLC) has identified suspicious transactions linked to POGO operations, indicating a risk of illicit financial flows that could undermine the country's financial stability and international reputation.

In light of these issues, this bill seeks to ban the operation of POGOs in the Philippines to address these pressing concerns and safeguard public order and welfare. By prohibiting POGO activities, the government aims to reduce crime rates, mitigate social tensions, protect economic interests, and uphold the integrity of the nation's financial systems.

This legislative measure is a proactive step towards ensuring a safer, more stable, and harmonious society for all Filipinos.

In view of the foregoing, the passage of this bill is earnestly sought.



RICHARD I. GOMEZ, DPA

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**AN ACT BANNING PHILIPPINE OFFSHORE GAMING OPERATORS (POGOs)
IN THE PHILIPPINES AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives of file Philippines in Congress
assembled:*

SECTION 1. *Short Title.* — This Act shall be known as the "*POGO Ban Act of 2024.*"

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to protect and promote the general welfare of its citizens. In pursuit of this policy, the State shall regulate and prohibit activities that pose a threat to social order, economic stability, and national security.

SEC. 3. *Definition of Terms.* — For the purposes of this Act, the following terms are defined as follows:

- a. **Philippine Offshore Gaming Operators (POGOs)** - refers to entities that offer and operate online gaming services to offshore clients.
- b. **Gaming Activities** - refers to any form of wagering or betting conducted through electronic means involving games of chance, including but not limited to sports betting, casino games, and other similar activities.

SEC. 4. *Prohibition on POGO Operations.* —

- a. The operation, establishment, and conduct of POGO activities, whether physical or digital operations, anywhere in the Philippines are hereby prohibited.
- b. All licenses and permits previously issued to POGOs by the Philippine Amusement and Gaming Corporation (PAGCOR) or any other regulatory body are hereby revoked.

SEC. 5. *Enforcement and Implementation.* —

- a. The PAGCOR shall release to the Philippine National Police (PNP) and National Bureau of Investigation (NBI) the names of management and employees with pertinent details of all licensed POGO operators in the Philippines.
- b. The PNP, NBI, Bureau of Immigration (BI), and other relevant government agencies are hereby mandated to ensure the strict implementation of this Act, including physical inspection of operations on all POGO-related premises, investigations and facilitation of closure procedures.
- c. All foreign nationals connected with POGO organizations shall be accounted for, subjected to an exit interview and if warranted, shall be deported, at the soonest time possible.
- d. All POGO employees found in violation of any Philippine law, whether or not related to gaming, shall be held legally liable.
- e. The Department of Information and Communications Technology (DICT) shall coordinate with internet service providers to block access to online gaming websites operated by POGOs.

SEC. 6. *Penalties.* —

- a. Any person or entity found violating the provisions of this Act shall, upon conviction, be punished with imprisonment of not less than six (6) years and a fine of not less than Five Hundred Thousand Pesos (₱500,000.00) but not more than Five Million Pesos (₱5,000,000.00).
- b. Any public officer who fails to implement or enforce this Act shall be administratively liable under existing civil service laws.

SEC. 7. *Transitory Provisions.* —

- a. Existing POGOs shall be given a period of ninety (90) days from the effectivity of this Act to cease operations and wind down their activities.
- b. The Department of Labor and Employment (DOLE) shall provide assistance and facilitate the reemployment of Filipino workers displaced due to the closure of POGOs.

SEC. 8. *Implementing Rules and Regulations.* — Within thirty (30) days from the effectivity of this Act, the Department of Justice (DOJ), in coordination with PAGCOR, the Department of Finance (DOF), the Department of Labor and Employment (DOLE), the Department of Information and Communications Technology (DICT), the Philippine National Police (PNP), and other relevant agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 9. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 10. *Repealing Clause.* – All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,