

24 NOV -5 P 1:51

SENATE

S. No. 2868

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(In substitution of Senate Bill Nos. 2689 and 2752)

Prepared by the Committees on Ways and Means; and Labor, Employment and Human Resources Development with Senators Gatchalian, Villanueva, and Go as authors

AN ACT
BANNING AND DECLARING ILLEGAL OFFSHORE GAMING OPERATIONS IN THE PHILIPPINES AND OTHER OPERATIONS RELATED THERETO, REPEALING FOR THE PURPOSE REPUBLIC ACT NUMBERED ELEVEN THOUSAND FIVE HUNDRED NINETY, OTHERWISE KNOWN AS "AN ACT TAXING PHILIPPINE OFFSHORE GAMING OPERATIONS", AND FOR OTHER PURPOSES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "Anti-POGO Act of
2 2024".

3 **SEC. 2. Declaration of Policy.** – The State recognizes that the maintenance of
4 peace and order, the protection of life, liberty, and property, and the promotion of the
5 general welfare are paramount for the meaningful enjoyment of democracy. The State
6 likewise values the dignity of every human person and guarantees full respect to
7 human rights.

8 Towards this end, offshore gaming operations in the Philippines are hereby
9 banned and declared unlawful.

10 **SEC. 3. Definition of Terms.** – For this purpose, the following terms or words
11 or phrases shall be understood as:

- 12 a. "Accredited Service Provider" refers to any person or entity duly licensed by the
13 authorities who supplies support services which are necessary facets of
14 offshore gaming to Philippine Offshore Gaming Operators (POGOs). Support

1 services may include customer service, information technology service,
2 marketing, customer registration and verification, payment solutions, odds
3 making, office support, leasing of office space, and other similar services which
4 must prove to be indispensable for offshore gaming operations in the
5 Philippines.

- 6 b. "Gaming Content Provider" refers to any person or entity who supplies or
7 manages gaming contents for the gaming websites such as gaming software
8 or platforms provider and data or contents streaming provider for POGOs.
- 9 c. "Gaming Equipment" refers to any equipment such as computer, computer
10 systems, and information and communication technology devices used
11 remotely or directly in connection with offshore gaming.
- 12 d. "Gaming Paraphernalia" refers to any apparatus, furnishing, or accessories
13 used in or necessary in the conduct of offshore gaming operations.
- 14 e. "Local Gaming Agent" refers to a duly constituted business enterprise organized
15 in the Philippines or a person of good repute and financial standing who will
16 represent foreign-based POGOs in the Philippines.
- 17 f. "Offshore Gaming" refers to offering of or participating in online games of
18 chance or sporting events via the internet using a network and software or
19 program operating within the Philippines, exclusively to offshore authorized
20 players.
- 21 g. "Philippine Offshore Gaming Operators" (POGOs) refers to any person or entity
22 organized in the Philippines or any foreign country who conducts offshore
23 gaming operations themselves in the Philippines or through the services of
24 accredited service providers.
- 25 h. "POGO Hub or Pogo Site" refers to any structure including residential or
26 commercial buildings or complexes that hosts or houses any of the offshore
27 gaming operations in the Philippines, as well as other logistical, administrative
28 and support services for offshore gaming businesses or operations.

29 **SEC. 4. Prohibited Acts.** – Beginning January 1, 2025, it shall be prohibited for
30 any person or entity to conduct or offer offshore gaming within the Philippine territory,
31 exclusively to offshore authorized players. This prohibition includes, but not limited
32 to, the following acts:

- 1 a. Establishment, operation, or conduct of offshore gaming in the Philippines;
- 2 b. Acceptance of any form of betting for purposes of offshore gaming
- 3 operations;
- 4 c. Acting as a gaming content provider or accredited service provider for
- 5 POGOs;
- 6 d. Creation and operation of a POGO hub or POGO site in the Philippines;
- 7 e. Possession of gaming equipment or gaming paraphernalia; and
- 8 f. Aiding, protecting, or abetting the conduct of any act or activity prohibited
- 9 under this Act.

10 **SEC. 5. *Revocation of POGO Licenses and Prohibition to Operate.*** – Any person
11 or entity who have been previously licensed by Philippine Amusement and Gaming
12 Corporation (PAGCOR), any special economic zone authority, tourism zone authority,
13 or freeport authority, or any other government agency, as POGO, gaming content
14 provider, and accredited service provider in relation to offshore gaming operations in
15 the Philippines, are hereby withdrawn, revoked, or cancelled permanently by
16 December 31, 2024 and shall wind down their operations not later than the said date.

17 The power of PAGCOR, any special economic zone authority, tourism zone
18 authority, freeport authority, any investment promotion agency, or any other
19 government agency, to issue license or permit for the conduct of offshore gaming, or
20 license, permit, or accreditation to gaming content provider catering to POGOs and
21 accredited service providers catering to POGOs are hereby revoked upon the
22 effectivity of this Act.

23 **SEC. 6. *Cancellation of Work Permits and Visas.*** – All Alien Employment Permits
24 (AEP) issued by the Department of Labor and Employment (DOLE) and any visa or
25 work permit issued by the Bureau of Immigration (BI) or any other visa-issuing
26 agencies to persons engaged in offshore gaming operations or employed by POGOs,
27 gaming content provider catering to POGOs and accredited service providers catering
28 to POGOs are hereby withdrawn, revoked, or cancelled permanently: *Provided*, That
29 beginning January 1, 2025, the DOLE, the BI, or any other visa-issuing agencies shall
30 not be allowed to issue any visa or work permit to any person for purposes related to
31 offshore gaming operations.

1 **SEC. 7. *Payment of fees and taxes.*** – All POGOs, gaming content providers,
2 accredited service providers, and local gaming agents whose licenses have been
3 revoked under this Act shall continue to be liable for all taxes, duties, regulatory fees,
4 and all other charges due and payable to the government arising from or in connection
5 to their operations up to the last day their operations.

6 Notwithstanding the revocation of license and closure of operations, the Bureau
7 of Internal Revenue (BIR) shall audit the aforementioned persons or entities in order
8 to determine any tax liabilities.

9 **SEC. 8. *Predicate Offense.*** – The operation, as well as financing, of offshore
10 gaming in the Philippines shall constitute “unlawful activity” under Republic Act No.
11 9160 otherwise known as the “Anti-Money Laundering Act of 2001”, as amended, and
12 shall be subject to its covered and suspicious transaction reporting requirement:
13 *Provided, That for purposes of the Anti-Money Laundering Act (AMLA):*

- 14 a. Any person who, in any way, operates, participates, or finances offshore
15 gaming operations in the Philippines shall be considered a “covered
16 person”; and
17 b. Any transaction entered into with covered persons using any local or foreign
18 currency, regardless of amount, for purposes of offshore gaming operations
19 shall be considered a “suspicious transaction”.

20 **SEC. 9. *Ban on Local and Foreign Employment and Human Trafficking Offense.***
21 – It shall be prohibited for any person or entity to recruit, obtain, hire, provide, offer,
22 transport, transfer, maintain, harbor, or receive any Filipino or alien, for purposes of
23 employment or training or apprenticeship on offshore gaming operations in the
24 Philippines.

25 To recruit, obtain, hire, provide, offer, transport, transfer, maintain, harbor, or
26 receive a person by any mean, including those done under the pretext of employment
27 or training or apprenticeship, for the purposes of offshore gaming operations in the
28 Philippines shall be considered unlawful under Section 4 of Republic Act No. 10364,
29 otherwise known as the “Expanded Anti-Trafficking in Persons Act of 2012”, and shall
30 be punishable under such law.

31 **SEC. 10. *Filipino Workers’ Transition Program.*** – The DOLE shall formulate and
32 implement plans, programs, and activities for the transition of all affected Filipino

1 workers, such as, but not limited to, skilling, upskilling, and reskilling, employment
2 facilitation, and other interventions: *Provided*, That the DOLE shall coordinate with
3 the Technical Education and Skills Development Authority (TESDA), Department of
4 Information and Communications Technology (DICT), Department Of Trade and
5 Industry (DTI), Commission on Higher Education (CHED), and other relevant
6 government agencies for the training, re-tooling, skills development, and transition to
7 quality work of the affected Filipino workers.

8 **SEC. 11. *Compliance Monitoring and Reporting.*** – Not later than one (1) year
9 after the effectivity of this Act, and annually thereafter, the Department of Justice
10 (DOJ) shall submit to the Office of the President and to both Houses of Congress its
11 compliance monitoring report which shall contain, among others, actions,
12 accomplishments, and status in the implementation of this Act.

13 **SEC. 12. *Penalties*** – Except for specific violations and prosecution under other
14 laws which already provided specific penalties, violations of the provisions of this Act
15 shall be punishable by:

16 a. First Offense: Punishable by imprisonment of not less than six (6) years nor
17 more than eight (8) years and a fine of not less than Three Hundred Thousand
18 Pesos (PhP300,000.00) nor more than Five Hundred Thousand Pesos
19 (PhP500,000.00), at the discretion of the Court.

20 b. Second Offense: Punishable by imprisonment of not less than eight (8) years
21 and one (1) day nor more than ten (10) years and a fine of not less than Five
22 Hundred Thousand Pesos (PhP500,000.00) nor more than One Million Pesos
23 (PhP1,000,000.00), at the discretion of the Court.

24 c. Third and Succeeding Offenses: Punishable by imprisonment of not less than
25 ten (10) years and one (1) day nor more than twelve (12) years and a fine of
26 not less than of Five Million Pesos (PhP5,000,000.00) nor more than Ten
27 Million Pesos (PhP10,000,000.00), at the discretion of the Court.

28 If the offender is a juridical entity, the penalties shall be imposed on the entity's
29 responsible officers, such as but not limited to, the president, chief executive officer,
30 general manager, or partner directly responsible, or those members of the board of
31 directors and others who have beneficial interest in the juridical entity, or those officers

1 who knowingly permitted or failed to prevent the commission of violations of Sections
2 4, 8, and 9, or other provisions of this Act.

3 If the guilty officer is an alien, he shall summarily be deported after serving his
4 sentence and shall be forever barred from re-entering the Philippines.

5 Any person convicted for violation of any provision of this Act shall not be subject
6 to probation under Presidential Decree No. 968 otherwise known as the "Probation
7 Law of 1976," as amended by Republic Act No. 10707.

8 **SEC. 13. *Liability of Government Employees and Public Officials*** – If the
9 prohibited act is committed by a government employee or public official, he shall, in
10 addition to the penalties provided for in this Act, be dismissed from his employment
11 and shall perpetually disqualified to be elected, appointed, and employed in any
12 government office. In addition, all his retirement benefits shall be forfeited in favor of
13 the government.

14 **SEC. 14. *Prosecution, Judgement and Forfeiture*** – Except for specific violations
15 and prosecution under other laws which already provided specific penalties,
16 prosecution or conviction under this Act shall be without prejudice to prosecution and
17 punishment under the Revised Penal Code or other existing laws.

18 All buildings or other structures or facilities, materials, gaming equipment, and
19 gaming paraphernalia used directly or indirectly in violation of this Act, and the
20 proceeds of such illegal act or activity, shall be forfeited in favor of the government
21 and may be disposed of in accordance with existing laws, rules, and regulations:
22 *Provided*, That the gaming equipment and gaming paraphernalia shall be destroyed
23 by the seizing authority.

24 **SEC. 15. *Implementing Rules and Regulations***. – Within sixty (60) days from
25 the effectivity of this Act, the DOJ, in consultation with the Department of Interior and
26 Local Government, DOLE, BIR, PAGCOR, special economic zone authority, tourism
27 zone authority, freeport authority, or any investment promotion agency, shall issue
28 the Implementing Rules and Regulations for the effective implementation of this Act:
29 *Provided*, That the absence of the Implementing Rules and Regulations within the
30 specified period shall not prevent the automatic implementation and execution of the
31 specific provisions of this Act.

1 **SEC. 16. *Amendatory Clause.*** – Republic Act No. 9160, otherwise known as
2 the “Anti-Money Laundering Act of 2001, as amended”, insofar as Section 8 of this
3 Act, is hereby amended accordingly.

4 Republic Act No. 9208, as amended By Republic Act No. 10364, otherwise
5 known as the “Expanded Anti-Trafficking in Persons Act of 2012”, insofar as Section
6 9 of this Act, is hereby amended accordingly.

7 **SEC. 17. *Repealing Clause.*** – Republic Act No. 11590, otherwise known as
8 “An Act Taxing Philippine Offshore Gaming Operations, Amending for the Purpose
9 Sections 22, 25, 27, 106, 108, and Adding New Sections 125-A And 228(G) Of The
10 National Internal Revenue Code of 1997, As Amended, and for Other Purposes”, is
11 hereby repealed.

12 All other laws, decrees, ordinances, administrative issuances, rules and
13 regulations, or any part thereof, which are inconsistent with this act, are repealed or
14 amended and modified accordingly.

15 **SEC. 18. *Separability Clause.*** – If any section or provision of this Act shall be
16 declared invalid or unconstitutional, the remaining sections or provisions of this Act
17 shall not be affected by such declaration and shall remain in force and effect.

18 **SEC. 19. *Effectivity.*** – This Act shall take effect on January 01, 2025 following
19 its publication in the Official Gazette or in at least one (1) newspaper of general
20 circulation.

Approved,