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

EIGHTEENTH CONGRESS

First Regular Session

HOUSE RESOLUTION NO.

715



Introduced by: ATTY. JESUS "BONG" C. SUNTAY

A RESOLUTION URGING HIS EXCELLENCY PRESIDENT RODRIGO ROA DUTERTE TO TEMPORARILY SUSPEND THE OPERATIONS OF ALL PHILIPPINE OFFSHORE GAMING OPERATORS (POGOS) IN THE COUNTRY

WHEREAS, the establishment and operation of the Philippine Offshore Gaming Operators (POGOs) started in 2016 through the government's investment promotional agencies;

WHEREAS, through Executive Order 23 (2017) issued by His Excellency President Rodrigo Roa Duterte, the Philippine Amusement and Gaming Corporation (PAGCOR) has been authorized as the national licensor of offshore gaming operators in the country;

WHEREAS, through the same Executive Order, the Cagayan Economic Zone Authority (CEZA), Aurora Pacific Economic Zone and Freeport Authority (APECO), and the Authority of the Freeport Area of Bataan (AFAB), under respective charters, were granted the authority to directly operate, or license others to operate tourism-related activities including games and amusements such as casinos and online gaming facilities;

WHEREAS, as of October 2019, there are already a total of sixty (60) POGOs in the Philippines, fifty-one (51) of which are located in the National Capital Region and the remaining ten (10) are located outside NCR;

WHEREAS, with the continuing growth of POGOs in the country, an increase of foreign national workers in the country particularly Chinese nationals ballooned the number of Alien Employment Permits (AEPs) issued by the Department of Labor and Employment to Chinese employees to more than 51, 000 and the Special Working Permits (SWPs) issued by the Bureau of Immigration to Chinese employees to almost 120,000, posing threats to local employment;

WHEREAS, the proliferation of offshore gaming companies in the country now occupy almost tenth of available office space in Metro Manila, driving higher space rental fees;

WHEREAS, there are numerous Police reports linking POGOs to illegal activities such as kidnapping, money laundering, and human trafficking among others;

WHEREAS, the Local Government of Makati, considered as the biggest hub with almost 45% of the total operating POGOs in the country, suspended the issuance of business permits to service providers of Philippine Offshore Gaming Operators following reports of alleged illegal activities that are catering to POGOs and their employees within the city;

WHEREAS, the Embassy of the People's Republic of China in the Republic of the Philippines reiterated that in the Chinese laws and regulations, any form of gambling by Chinese citizens, including online-gambling, gambling overseas, opening casinos overseas to attract citizens of China as primary customers, is illegal;

WHEREAS, the PAGCOR through Chairman and CEO Andrea D. Domingo issued a moratorium last August 2019 on the issuance of licenses for the Philippine Offshore Gaming Operators (POGOs) to review and monitor existing POGO contracts to address issues on security and legality of its operations;

WHEREAS, there is a need to examine the policies effected in relation to POGOs and its enforcement as far as the regulatory agencies is concerned particularly in the determination of the revenues from POGO, collection of the operators' and their employees' taxes, employment issues, human trafficking, and money laundering among others;

NOW THEREFORE, BE IT RESOLVED that the House of Representatives, in session assembled, urge His Excellency President Rodrigo Roa Duterte to temporarily suspend the operations of all Philippine Offshore Gaming Operators (POGOs) in the entire country until all the issues regarding its operations including proper mechanism on tax revenue collection, human trafficking prevention, money-laundering avoidance and employment are clarified and established.

Adopted,

ATTY. JESUS "BONG" C. SUNTAY