

Republic of the Philippines **QUEZON CITY COUNCIL**

Quezon City
22nd City Council

PO22CC-326

74th Regular Session

ORDINANCE NO. SP- 3297, S-2024

AN ORDINANCE BANNING THE OPERATION, APPLICATION AND APPROVAL OF PERMIT TO OPERATE PHILIPPINE OFFSHORE GAMING OPERATIONS (POGO) OR ITS EQUIVALENT AND ANY BUSINESS DIRECTLY RELATED THERETO WITHIN THE TERRITORIAL JURISDICTION OF QUEZON CITY AND PROVIDING PENALTIES FOR VIOLATION THEREOF

Introduced by Councilors MARRA C. SUNTAY, DOROTHY A. DELARMENTE, M.D., JOSEPH P. JUICO, TATAY RANNIE Z. LUDOVICA, WENCEROM BENEDICT C. LAGUMBAY, IRENE R. BELMONTE, AIKO S. MELENDEZ and VICTOR "Vic" BERNARDO

Co-Introduced by Councilors Bernard R. Herrera, Tany Joe "TJ" L. Calalay, Nikki V. Crisologo, Charm M. Ferrer, Candy A. Medina, Aly Medalla, Dave C. Valmocina, Kate Galang-Coseteng, Geleen "Dok G" G. Lumbad, Albert Alvin "Chuckie" L. Antonio III, Don S. De Leon, Atty. Anton L. Reyes, Edgar "Egay" G. Yap, Imee A. Rillo, Raquel S. Malañgen, Nanette Castelo-Daza, Joseph Joe Visaya, Alfred Vargas, MPA, Ram V. Medalla, Shaira "Shay" L. Liban, Mutya Castelo, Maria Eleanor "Doc Ellie" R. Juan, O.D., Kristine Alexia R. Matias, Eric Z. Medina, Emmanuel Banjo A. Pilar, Vito Sotto Generoso and Jose Maria M. Rodriguez

WHEREAS, City Ordinance No. SP-2773, S-2018, otherwise known as the Quezon City Gambling Regulatory Ordinance of 2018, regulates the operation of Philippine Offshore Gaming Operations (POGOs) and businesses directly related thereto by requiring the issuance of a Fixed Term Special Permit by the City Council;

WHEREAS, POGOs refer to the offering by a Philippine Amusement and Gaming Corporation (PAGCOR)-licensed entity of authorized online games of chance, via the internet, using a network and software or program, exclusively to offshore-authorized players, excluding Filipinos abroad, who have registered and established an online gaming account with a PAGCOR-licensed entity;

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WHEREAS, House Bill No. 10525 and Senate Bill No. 2689 seek to revoke licenses issued and declare as illegal the Offshore Gaming Operations in our Country;

WHEREAS, POGOs have brought economic benefits to the Philippines. However, the negative impacts of POGOs far outweigh the positive. POGOs have entailed a net benefit of about 133 to 144 Billion Pesos annually. However, POGOs have also cost the Philippines 147 Billion Pesos due to foregone potential investments and tourism revenues, alongside costs associated in enforcement and immigration according to the Department of Finance;

WHEREAS, the presence of POGOs have been associated with various criminal activities, including money laundering, online scams, human trafficking, prostitution and other illicit activities which pose significant risks to public safety and undermine the moral fabric of society;

WHEREAS, President Ferdinand Marcos, Jr., in his State of the Nation Address on July 22, 2024, ordered a ban on POGOs due to their involvement in criminal activities, and instructed the PAGCOR to wind down and cease POGOs by the end of the year;

WHEREAS, under Section 16 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, the City is expressly vested with police power to promote general welfare, improve public morals, maintain peace and order and preserve the comfort and convenience of its inhabitants;

WHEREAS, Section 458(a)(1)(v) of the same Code provides that the City Council may enact ordinances intended to prevent, suppress and impose appropriate penalties for gambling and other prohibited games of chance, and such other activities inimical to the welfare and morals of the inhabitants of the City;

WHEREAS, it is imperative for Quezon City to ban POGOs in order to protect its constituents;

WHEREAS, by banning POGOs, Quezon City aims to safeguard its constituents from exploitation and ensure a secure, orderly and morally sound environment;

WHEREAS, the decisive action to ban POGOs reflects the City's commitment to upholding the welfare and dignity of its constituents.

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NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED:

SECTION 1. SHORT TITLE. – This Ordinance shall be known as the "Anti-POGO Ordinance of Quezon City."

SECTION 2. DECLARATION OF POLICY. – It is hereby declared a policy of the Quezon City to prioritize the safety, welfare and moral integrity of its constituents. Recognizing the detrimental impacts of POGOs, which include increased crime rates, human trafficking and online scam, the City is committed to take proactive measures to protect its constituents. In line with this, Quezon City shall enforce a strict ban on POGOs and any related businesses within its territorial jurisdiction. This Ordinance aims to create a secure, orderly and morally-sound environment, ensuring that the rights and dignity of all inhabitants are respected and preserved.

SECTION 3. DEFINITION OF TERMS. – For the purpose of this Ordinance, the following terms shall be defined as:

- a. Offshore Gaming refers to the offering by a PAGCOR-licensed entity of authorized online game of chance, via the internet using a network and software or program, exclusively to offshore authorized players, excluding Filipinos abroad, who have registered and established an online gaming account with a PAGCOR-licensed entity;
- b. Philippine Offshore Gaming Operators refer to entities which provide and participate in offshore gaming services i.e., providing games to players, taking bets and paying the winning players;
- c. Local Gaming Agent refers to the representative of an offshorebased and licensed operator in the Philippines;
- d. Gaming Content Provider of POGO refers to an entity that supplies or manages gaming contents for the gaming website;

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- e. Gaming Support Provider for POGO refers to an entity that supplies support service to necessary facets of gaming operations e.g. customer services, marketing, payment solution, customer registration, odds making, office support, leasing of space and other similar services which must prove to be indispensable for gaming operations;
- f. Fixed Term Special Permit refers to a type of Special Permit allowing POGOs, gaming agent, gaming support or content providers and other games of chance on the regular basis which is granted by the City Council through a Resolution; and
- g. Letter of No Objection refers to the documents issued by the City Mayor, through Business Permits and Licensing Department (BPLD), which is a requirement prior to the issuance of a Fixed Term Special Permit.

SECTION 4. APPLICATION. – This Ordinance shall apply to POGOs or its equivalent, local gaming agent, gaming content or support providers of POGOs and businesses directly related thereto which may provide only a specific component of the gaming activities of POGOs.

SECTION 5. PROHIBITED ACTS. -

a. It is hereby unlawful for owners and/or operators of covered entities mentioned in Section 4 hereof to continue with POGOs or any businesses directly related thereto after December 31, 2024;

All Fixed Term Special Permits, Letter of No Objection and business permits granted to these entities are deemed revoked after the said date;

b. It shall be unlawful for lessors of offices and/or commercial spaces to lease such offices and/or spaces to entities mentioned in Section 4 hereof after December 31, 2024.

SECTION 6. PENALTIES. – For the purpose of this Ordinance, the following penalties shall be imposed:

a. The penalty of imprisonment of 1 year or Fine of Php5,000.00, or both, at the discretion of the court, shall be imposed upon any person, natural or juridical, found to be in violation of Section 5(a) hereof;

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- b. The penalty of imprisonment of 1 year or Fine of Php5,000.00, or both, at the discretion of the court shall be imposed upon any person, natural or juridical, found to be in violation of Section 5(b) hereof;
- c. In both Section 5(a) and 5(b), the revocation of the business permit (if any) and/or closure of the establishment shall be imposed by the BPLD;
- d. In case of a juridical person, the president, manager or any responsible officer of the corporation or entity shall be held liable for any violation of this Ordinance.

SECTION 7. IMPLEMENTING OFFICES. -

- a. The BPLD shall be responsible for the implementation of this Ordinance.
 - (1.) Deny business permit applications of entities mentioned in Section 4 hereof from the time of the effectivity of this Ordinance.
 - (2.) Revoke the business permits of entities mentioned in Section 4 hereof on the 1st working day of CY 2025.
- b. The BPLD and the City Treasurer's Office shall ensure that all business permits subject to retirement shall be complete on the 1st working day of CY 2025.
- c. The implementing offices shall submit a joint report to the City Council within 15 days from the date of issuance of the Certificate of Retirement.

SECTION 8. REPEALING CLAUSE. – All ordinances, local executive orders, rules and regulations, or any part thereof inconsistent herewith are deemed repealed, modified or amended accordingly.

SECTION 9. SEPARABILITY CLAUSE. – If, for any reason or reasons, any part or provision of this Code shall be held unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

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SECTION 10. EFFECTIVITY CLAUSE. – This Ordinance shall take effect within fifteen (15) days following its publication in any newspaper of general circulation.

ENACTED: August 5, 2024.

GIAN G. SOTTO City Vice Mayor Presiding Officer

ATTESTED:

ATTY. JOHN THOMAS S. ALFEROS, III City Government Department Head III (City Council Secretary)

APPROVED: SEP. 1 0 2024

MA. JOSEFINA G. BELMONTE City Mayor

CERTIFICATION

This is to certify that this Ordinance was APPROVED by the City Council on Second Reading on August 5, 2024 and was PASSED on Third/Final Reading on August 12, 2024.

ATTY. JOHN THOMAS S. ALFEROS, III City Government Department Head III (Gity Council Secretary)