



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR
FINANCIAL SUPERVISION SECTOR

CIRCULAR LETTER NO. CL-2021- 012

To : ALL BSP-SUPERVISED FINANCIAL INSTITUTIONS


Subject : Advisory on Illegal Online Gambling

The Philippine Amusement and Gaming Corporation (PAGCOR) has issued a number of public warnings¹ and press statement² against illegal online gambling being offered by unscrupulous individuals and groups and promoted through social media platforms. PAGCOR warned the public not to patronize these illegal gambling activities due to risk of being scammed and falling prey to identity theft and credit card fraud. The warning also emphasized that no person or organization other than those licensed by PAGCOR and other government agencies may operate gambling in the Philippines. It is illegal for any person or organization without a license to, in any manner, directly or indirectly take part in any unauthorized gambling activities, including online, internet, or remote gambling³.

It was noted that these unlicensed online gaming or betting operators use banks, remittance transfer companies (RTCs), virtual currency exchanges (VCEs), electronic money issuers (EMIs) and operators of payment system (OPS) as conduits of funds (collection of bets and remittance of winnings) for their illegal operations.

BSFIs are cautioned to strictly observe the requirements under Part 9 of the Manual of Regulations (MOR) for Banks and MOR for Non-Bank Financial Institutions, particularly on customer due diligence, ongoing monitoring, and reporting of suspicious transactions, as well as BSP Memorandum No. 2018-002⁴. BSFIs are also reminded to, among others, deal only with gambling and/or online gaming businesses that are authorized/licensed by or registered with the appropriate government agency duly empowered by law or its charter to license or authorize entities or businesses to engage in such activities, and file suspicious transaction reports as warranted.

For guidance and strict compliance.

 Digitally signed by
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CHUCHI G. FONACIER
Deputy Governor

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ELECTRONIC RECORD ON FILE**

06 February 2021

¹ <https://www.pagcor.ph/index.php>

² <https://www.pagcor.ph/press-releases/pagcor-reiterates-public-warning-against-illegal-online-gambling.php>

³ Presidential Decree 1602 (Prescribing Stiffer Penalties on Illegal Gambling) in relation to Republic Act 10175 (Cybercrime Prevention Act of 2012), see also EO13 s. 2017.

⁴Reminder on Sound Risk Management Practices when Dealing with Customers Engaged in Gambling and/or Online Gaming Business


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