



# BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

## CIRCULAR NO. \_\_\_\_\_ Series of 2025

**Subject: Regulations on Online Gambling Payment Services**

The Monetary Board, in its Resolution No. \_\_\_\_ dated \_\_\_\_\_ 2025, approved the issuance of the following regulations on online gambling payment services that aim to promote responsible use of digital financial services, strengthen financial consumer protection, uphold financial health, and mitigate the social and financial risks associated with online gambling.

**Section 1.** The following definitions shall be included in the Manual of Regulations for Payment Systems (MORPS):

### **GLOSSARY OF TERMS**

a. **Beneficial Owner** – refers to any natural person who:

- (1) Ultimately owns or controls the customer and/or on whose behalf a transaction or activity is being conducted; or
- (2) Has ultimate effective control over a legal person or arrangement

Ultimate effective control refers to situation in which ownership/control is exercised through actual or a chain of ownership or by means other than direct control. Beneficial owner shall be:

- (a) The natural persons, if any, who ultimately have controlling ownership interest in a juridical person.

A shareholding or ownership interest of at least twenty percent (20%) in the customer held by a natural person shall be an indication of direct ownership. A shareholding or ownership interest of at least twenty percent (20%) in the customer held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.

- (b) The natural persons, if any, exercising control over the juridical person through other means, to the extent that there is a doubt under Item “(1)” above, as to whether the persons with the controlling ownership interest are the

beneficial owners or where no natural person exerts control through ownership interests.

Control through other means, includes control exerted by means of trusts, agreements, arrangements, understandings, or practices, or when an individual can exercise control through making decisions about financial and operating policies. In addition, control also includes: (a) power to govern the financial and operating policies of the enterprise under statute or an agreement; (b) power to appoint or remove the majority of the members of the board of directors or equivalent governing body; (c) power to cast the majority votes at a meeting of the board of directors or equivalent governing body; or (d) any other arrangements similar to any of the above.

(c) The natural person(s) who hold the position of senior managing official(s) or equivalent ranks, where no person under Items “(1)” and “(2)” is identified, or if there is any doubt that the person(s) identified are the beneficial owners(s).

b. **Eligible Account Owner** – as used in Section 1106 of the MORPS, refers to an individual who meets the following legal and regulatory requirements to engage in gambling activities in the Philippines:

- (1) Must be at least 21 years old<sup>1</sup>;
- (2) Must not be a student at any school, college, or university in the Philippines<sup>2</sup>;
- (3) Must not be a government official connected directly with the operation of the Government or any of its agencies<sup>3</sup>;
- (4) Must not be a member of the Armed Forces of the Philippines, including the Army, Navy, Air Force, or the Philippine National Police<sup>4</sup>;
- (5) Must not be a beneficiary of the 4Ps program of the Department of Social Welfare and Development (DSWD)<sup>5</sup>;
- (6) Must not be included in the National Database of Restricted Persons of the Philippine Gaming and Amusement Corporation (PAGCOR)<sup>6</sup>;
- (7) Must not be a holder of PAGCOR's Gaming Employment License<sup>7</sup>; and

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<sup>1</sup> Section 14 (4.c), Presidential Decree (PD) No. 1869, as amended

<sup>2</sup> Section 14 (4.c), PD No. 1869, as amended

<sup>3</sup> Section 14 (4.a), PD No. 1869, as amended

<sup>4</sup> Section 14 (4.b), PD No. 1869, as amended

<sup>5</sup> Section II (3.1.3), DSWD National Advisory Council Resolution No. 4, series of 2014

<sup>6</sup> Item 2, Part III - Limited Access, PAGCOR's Responsible Gaming Code of Practice Version 6.0

<sup>7</sup> Item 4, Part III - Limited Access, PAGCOR's Responsible Gaming Code of Practice Version 6.0

(8) Must not be subject to other legal or contractual prohibitions.

- c. **Online Gambling Transaction Account (OGTA)** – refers to the specific transaction account that shall be created upon the instance of the eligible account owner in order to participate in online gambling. Funding of the OGTA shall only be through on-us transfers from the eligible account owner. The payment service provider (PSP) shall allow only one account per eligible account owner.
- d. **National Database of Restricted Persons** – refers to the list of individuals compiled and updated by the PAGCOR who are prohibited from entering and from playing in specific PAGCOR-authorized gaming premises in the Philippines.
- e. **Online Gambling** – refers to internet-based and electronic games of chance, betting or wagering.
- f. **Online Gambling Operator (OGO)** – refers to an individual, corporation or other private entity authorized by the appropriate government agency through issuance of a license to set-up and to operate a gaming site. This is different from the operator of a payment system (OPS) as used under Section 101 of the MORPS.
- g. **Online Gambling Payment Services** – refer to the transfer of funds from a transaction account of the account owner with a PSP to his/her OGTA. This also covers the transfer of funds/proceeds from and to the payment acquirer/aggregator of the OGO.
- h. **Responsible Online Gambling Policy** - refers to a set of policies and practices designed to ensure that online gambling is conducted in a controlled and ethical manner, minimizing the risk of harm to individuals and society.

**Section 2.** The following Section shall be created in the MORPS:

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## **PART ELEVEN END-USER PROTECTION**

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### **1106. REGULATIONS ON ONLINE GAMBLING PAYMENT SERVICES**

**1106.1 Policy Statement.** It is the policy of the Bangko Sentral to ensure a safe, efficient, and reliable retail payment system in the Philippines. Towards this end, it is imperative to ensure that digital payment services of payment service providers (PSPs) are not misused for activities that are socially harmful and detrimental to financial health. These regulations establish standards and expectations for PSPs in the provision of online gambling payment services as well as set the

enhanced know-your-customer (KYC) measures to uphold applicable legal prohibitions on access to and participation in online gambling.

**1106.2 Scope.** This Section shall apply to PSPs that engage or intend to engage in online gambling payment services (hereinafter referred to as 'PSPs concerned'). This shall also apply to operators of a payment system (OPSs) serving as payment acquirer/aggregator of the OGO (hereinafter referred to as 'OPSs concerned').

**1106.3 Application for Prior Authority to Facilitate Online Gambling Payment Services.** All PSPs and OPSs engaging or intending to engage in online gambling payment services shall secure prior authority from the Bangko Sentral and must meet the following requirements:

- a. Must have a composite rating which is not lower than 3<sup>8</sup>;
- b. Must have a minimum capitalization of ₱300,000,000;
- c. Must have a strong anti-money laundering and counter-terrorism financing (AML/CTF) risk management, as complemented by a robust fraud management system covering prevention and detection of fraudulent and suspicious transactions; and
- d. Must have a board-level committee on AML/CTF compliance, and an effective procedure in implementing AML/CTF rules.

The appropriate supervisory department of the Bangko Sentral shall assess the qualifications of applying PSPs and OPSs. Further, the continuing possession of PSPs and OPSs of these requirements shall be assessed by the Bangko Sentral during the conduct of its offsite surveillance and onsite examination, as applicable. Non-compliance with any of the above requirements may result in the denial, suspension or revocation of said authority.

The authority granted under this Section shall cover only the services as defined under the MORPS. PSPs that offer or facilitate online gambling payment services shall not be allowed to provide links to online gambling websites or otherwise provide any functionality that will redirect a user to an OGO platform.

**1106.4 OGO Onboarding and Monitoring.** PSPs and OPSs concerned shall have prudent acceptance criteria and procedures for the onboarding and monitoring of OGO as approved by its board of directors. The said criteria and procedures must incorporate the following:

- a. PSPs and OPSs concerned shall ensure that they engage or partner with OGO that are licensed/authorized by or registered with the appropriate government agency duly empowered by law or its charter to license or authorize entities or business to engage in such activities;

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<sup>8</sup> Based on BSP Supervisory Assessment Framework (SAFr)

- b. PSPs and OPSs concerned shall only engage with OGO that are in good standing and compliant with government registration, permit and other related requirements;
- c. For purposes of this Section, an OGO is considered a high-risk merchant. Thus, the PSP and OPS concerned must conduct enhanced due diligence for an OGO as appropriate for a high-risk merchant. The same shall include the conduct of a beneficial ownership verification process to verify the identity of the ultimate beneficial owner of the OGO, using relevant information or data obtained from reliable sources, such that the PSP and/or OPS concerned is satisfied that it knows who the ultimate beneficial owner is;
- d. At the minimum, PSPs and OPSs concerned shall require the submission of the following from the OGO:
  - (1) Company profile;
  - (2) Securities and Exchange Commission registration;
  - (3) Gambling operator license, and all documents submitted to PAGCOR during licensing application;
  - (4) Latest/Updated business permits;
  - (5) Tax Clearance from the Bureau of Internal Revenue;
  - (6) Registration with, and ongoing compliant use of, the electronic reporting system of the Anti-Money Laundering Council (AMLC), including the timely submission of covered and suspicious transaction reports as required under applicable AML/CTF regulations;
  - (7) AML/CTF Compliance Program; and
  - (8) Responsible gambling policy;
- e. PSPs and OPSs concerned shall understand, evaluate, analyze, and periodically assess the overall potential risk of an OGO, such as risks related to its financial capacity, legitimacy, operations, money laundering/terrorism financing/proliferation financing, cybersecurity, and consumer protection, among others, using reliable documents, information, or any other appropriate measures to undertake the background verification. When applicable, additional controls may be instituted to manage the potential risk of an OGO. The periodic risk assessment and implementation of additional controls, as applicable, shall be included in the terms of engagement of the PSPs and OPSs concerned with the OGO; and
- f. PSPs and OPSs concerned shall define in the terms of engagement the procedure for the periodic monitoring of the OGO in terms of its business activities, continuous possession of

good standing, and adherence to obligations under the said engagement. The terms of engagement shall specify the grounds for suspension and termination of the engagement, including provisions for the immediate enforcement thereof upon the occurrence of any valid ground.

**1106.5 OGTA Opening and Monitoring.** PSPs concerned must provide the facility for the creation of a separate OGTA for eligible account owners who intend to participate in online gambling. PSPs concerned must ensure that only eligible account owners shall be allowed to open an OGTA by implementing enhanced KYC measures. Only one OGTA per eligible account owner shall be allowed by the PSP concerned.

Further, a mandatory facial biometric verification for account opening and periodic facial biometric re-verifications shall be implemented to reduce the risk of fraud.

Furthermore, PSPs concerned shall facilitate strict monitoring of transactions from and to the OGTA, determine transaction frequency and velocity, and detect unusual and suspicious transactions in accordance with its AML/CTF risk management policies.

**1106.6 Online Gambling Payment Service Limitations.** PSPs concerned must facilitate the implementation of the following measures:

- a. Transfer of funds to the OGTA shall be subject to a daily limit which should not exceed twenty percent (20%) of the average daily balance of the eligible owner's transaction account. The account owner's PSP shall timely reject incoming fund transfers beyond the said limit;
- b. PSPs concerned shall set a transaction window within which online gambling payment services could be offered, and such transaction window should not exceed six (6) hours per day;
- c. In cases of heavy usage of the online gambling payment service, as defined by the PSP concerned, a 24-hour cooling off period shall be implemented, such that the next transfer can only be made after the lapse of said period; and
- d. Upon creation of an OGTA, all lending options in the same digital platform shall be disabled.

**1106.7 Responsible Online Gambling Measures.** PSPs concerned must develop a Responsible Online Gambling Policy (ROGP) which shall include the following information and measures to promote responsible gambling and enable account owners to exercise self-control and prevent gambling addiction:

- a. Definition of heavy usage;
- b. Mandatory account owner-determined limit on the amount of

funds that can be transferred to the OGTA daily, which shall be a pre-requisite for the OGTA activation;

- c. Mandatory account owner-determined limit on the daily playing time, which cannot be more than six (6) hours per day;
- d. Mandatory pop-up alerts for account owners determined to be with heavy usage and periodic pop-up alerts for other users. These alerts should include risks of online gambling and reminders on responsible gaming;
- e. Mandatory opt-in/consent for advertisements related to online gambling; and
- f. Option to disable OGTA for the desired number of weeks.

PSPs concerned must prominently display notices within their digital platforms informing users of available responsible gambling tools, OGTA limitations, and access to support resources. PSPs concerned may also develop other programs and initiatives to promote responsible gaming and aid in deterring possible compulsive or irresponsible gambling behavior.

OPSS concerned must likewise develop an ROGP which shall include measures to promote responsible gambling as applicable to their business model/operations.

To prevent misrepresentations and false advertisements, PSPs and OPSS concerned should authorize the use of their logos, trademarks, or business names as payment channel or mode in the website, platform, or advertisements of the OGO. Further, PSPs and OPSS concerned must provide their consent to the OGO for the use of their services to facilitate online gambling payments or collections.

***1106.8 Policy on prohibiting PSP and OPS employees to engage in online gambling activities.*** Considering the fiduciary nature of operations of PSPs and OPSS, and the social and financial risks associated with online gambling, PSPs and OPSS concerned shall develop internal policies or incorporate in their code of conduct a provision prohibiting their employees from participating in any form of online gambling. On the other hand, PSPs and OPSS not engaged in facilitating online gambling payment services are encouraged to adopt a similar internal policy or code of conduct to reinforce commitment to maintaining integrity and propriety, which are essential in sustaining public trust in the banking and financial system.

This requirement shall be provided in the ROGP and effective monitoring tools shall be adopted such as human resource disclosures, internal audits, and random checks. Results of the implementation of this policy shall be made available to the Bangko Sentral upon request.

**1106.9 Reportorial Requirements.** PSPs and OPSs concerned shall comply with the reportorial requirements that the Bangko Sentral may require on a monthly or on request basis, and shall be submitted to the appropriate supervising department of the Bangko Sentral. The data/information included in the report (Appendix \_\_\_\_ ) are the following:

- a. Total online gambling-related transactions (volume and value);
- b. Number of users with OGTA;
- c. Number of first time and recurring/active users;
- d. Frequency of access to the online gambling platform (in days);
- e. Transactional data of the user including unique user identifier, volume and value of transactions, age, economic class, total number and amount of top-up, starting and ending balance of transaction account; and
- f. List of partner OGOs, its volume and value of transactions, and number of registered and active accounts.

The guidelines for the preparation and electronic submission of the report required in this Section will be covered by a separate issuance.

Failure to comply with the provisions of this Section shall cause the imposition to the concerned PSP of applicable sanctions for erroneous, delayed, or unsubmitted reports, as prescribed under Sections 103.5 and 1106.10 of the MORPS.

**1106.10 Sanctions.** Violations of the provisions of this Section shall constitute grounds for the imposition of sanctions on the PSP and OPS and/or its directors/officers or a combination of the following in accordance with the Bangko Sentral supervisory enforcement policy:

- a. Monetary penalty – Any amount as may be authorized by the Monetary Board to be appropriate, but not to exceed ₱100,000 per calendar day for violations of a continuing nature, or a maximum monetary penalty of ₱1,000,000 for each transactional violation; and
- b. Non-monetary sanction - In addition to the monetary penalties that may be impose, the following non-monetary sanctions shall likewise be imposed considering the gravity of the offense:
  - (1) First offense – suspension of the authority to offer online gambling payment services; and
  - (2) Second offense – revocation of authority to offer online gambling payment services and suspension of authority to settle through the Philippine Payment and Settlements System.



The Bangko Sentral reserves the right to deploy its range of supervisory tools to promote adherence to the requirements set forth in this Section and bring about timely corrective actions and compliance with Bangko Sentral directives.

**Section 3. Transitory Provision.** PSPs currently providing online gambling payment services shall be given a period of six (6) months from the effectivity of this Circular to secure the necessary authority from the Bangko Sentral and to comply with other requirements set forth herein. Failure to comply within the prescribed period shall require the immediate cessation of services related to online gambling until full compliance is achieved.

The supervising department of the Bangko Sentral shall determine whether there is non-compliance and shall inform the PSP of such non-compliance. Once notified of such non-compliance, the PSP shall immediately cease its online gambling payment services until full compliance has been achieved by the PSP.

**Section 4. Effectivity.** This circular shall take effect fifteen (15) calendar days after publication in a newspaper of general circulation or the Official Gazette.

FOR THE MONETARY BOARD:

**ELI M. REMOLONA, JR.**  
Governor

\_\_\_\_\_ 2025