



# **IFHA Council on Anti-Illegal Betting and Related Crime**

## **Quarterly Bulletin**

### **November 2024**

Globalising the Council on Anti-Illegal Betting &  
Related Financial Crime - Transition to the IFHA

- James Ogilvy & Sara Yau

The Ban on Philippines POGOs and the  
Consequent Global Expansion of Illegal Betting  
Hubs

- James Porteous

Game Changers: How INTERPOL is Leading Global  
Response to Illegal Betting and Related Crime

- Claudio Marinelli

## **Globalising The Council on Anti-Illegal Betting & Related Financial Crime – Transition to the IFHA**

*By James Ogilvy, Executive Manager, International and Racing Regulation, The Hong Kong Jockey Club; Member, IFHA Council on Anti-illegal Betting and Related Crime; and Sara Yau, Assistant Manager, International Engagement, The Hong Kong Jockey Club*

At the recent 58<sup>th</sup> International Conference of Horseracing Authorities held in Paris, it was announced that the Asian Racing Federation’s (“ARF”) Council on Anti-illegal Betting & Related Financial Crime (“ARF Council”) will transition to become a global body under the International Federation of Horseracing Authorities (“IFHA”) and be named the IFHA Council on Anti-illegal Betting and Related Crime (“IFHA Council”). This development is a logical and meaningful evolution of the intensive and extensive work undertaken by the ARF over many years to build knowledge and awareness of the threat of illegal betting.

### **The foundation of the IFHA Council – the ARF Council**

The ARF established a taskforce dedicated to the issue of anti-illegal betting in 2017, shortly after the 36<sup>th</sup> Asian Racing Conference. The taskforce was directed to foster and enhance international cooperation among horse racing operators, regulators, intergovernmental organisations, governments and international organisations in order to better combat the threat of illegal betting and related financial crime risks to horse racing integrity in particular, and sport in general.

In 2020, the ARF moved to permanently establish the Council to become a think tank, representing horse racing as a sport and the ARF as a leading sports federation. The primary objective of the Council has been to educate government policy makers, regulators, and other stakeholders about illegal betting as a major threat to racing and sports integrity and also to highlight its various negative impacts on society. In addition, the Council has sought to promote horse racing as a sport by illustrating to key stakeholders the importance of integrity in racing and also the good practices that are employed in racing to effectively maintain integrity.

Over time, the Council expanded its membership to include leaders from across racing regulation, academia, law enforcement, sports integrity and beyond. It produced an exceptional body of work, with its many publications and international engagement leading to it being recognised as the leading authority on how illegal betting and related financial crime impact racing and other sports. The Council’s readership spread across the globe, reflecting the international relevance of, and interest in, the complex issues researched. The Council’s stakeholder engagement also extended globally, focused on key stakeholders including the Council of Europe (“Macolin Convention”), INTERPOL, the United Nations Office on Drugs & Crime (“UNODC”), the World Lottery Association (“WLA”), and the World Tote Association (“WoTA”).

With a global impact, a global set of stakeholders, and addressing global issues affecting racing and other sports relating to illegal betting and financial crime, the ARF and IFHA agreed that expanding the scope of the Council to become a global entity under the IFHA would bring clear benefits to horse racing and the broader sports integrity landscape. There are multiple advantages from this move of the Council to the IFHA.

### **Tackling the globalisation of illegal betting**

From a global perspective, one of the key challenges confronting the sport of racing relates to the escalation in illegal betting activities transcending borders, which has been propelled by advancements in technology. The evolution of what were traditionally regarded as national concerns into major international threats concerning the integrity of racing and other sports now demands an integrated, collaborative and international approach.

As highlighted in the Council's Quarterly Bulletin published in August 2024, the emergence of offshore international gambling and betting licensing hubs has created formidable obstacles to existing national policies, such as those governing betting and gambling taxation. The pervasive reach of online betting, facilitated by the borderless nature of the internet, empowers betting operators to attract and cultivate consumers worldwide, irrespective of whether they hold licences to operate within certain jurisdictions. Laws formulated prior to the advent of the internet era are inevitably no longer applicable to this landscape. The internationalisation of the issue requires a global and coordinated response by racing authorities and related organisations. The transition of the Council to the IFHA will enable all major and emerging racing bodies to work together in a more unified way on a global platform.

### **Enhancing collaboration and partnerships with stakeholders**

As a global entity, the IFHA Council will benefit from increased collaboration and information sharing among international racing jurisdictions, law enforcement agencies, regulatory bodies, and sports organisations. The sharing of resources, tools, and technologies among a broader range of member jurisdictions will enable more efficient and effective responses to emerging threats related to illegal betting and match-fixing. The nature of the expansion presents the IFHA Council with the opportunity to tap into a wider pool of data and expertise from other international and regional organisations, and support international investigative work. By working from a truly global perspective, the IFHA Council will more effectively support information sharing, joint investigations, and cooperation in combating illicit activities in the racing industry.

### **Strengthening membership of the Council**

Given the international recognition of the work of the Council, the IFHA Council is presented with the opportunity to further expand its membership to include more experts from other regions globally. In particular, there are opportunities to include more racing and sports integrity experts from regions including the Americas and Europe, which will further enhance the IFHA Council's research capability and legitimacy as a global think tank focused on sports integrity and anti-illegal betting.

### **Providing Global Authority**

By operating from a global platform, the IFHA Council will allow the sport of racing to speak with one authoritative voice on illegal betting and related criminal matters. This is both logical and important for the sport to more effectively engage with government, and major transnational bodies and professional sports to educate and bring about key reforms.

### **The future of the IFHA Council**

The transition of the Council into a global entity under the IFHA will significantly amplify its influence to support horse racing and other sports integrity operations, and strengthen the fight against illegal betting and corruption in the industry, promoting a culture of integrity and fair play across international racing and other sports.

# **The Ban on Philippines POGOs and the Consequent Global Expansion of Illegal Betting Hubs**

*By James Porteous, Senior Manager, Due Diligence and Research, The Hong Kong Jockey Club; Head of Research, IFHA Council on Anti-illegal Betting and Related Crime*

## **Introduction**

For more than 20 years, the Philippines has been a hub for online betting operators targeting customers primarily in Greater China<sup>1</sup> and other parts of Asia where gambling is illegal or heavily restricted.<sup>2</sup> In July 2024, the Philippine government announced a ban on Philippine Offshore Gaming Operators (POGOs) following overwhelming evidence linking many to cyber scams, human trafficking, money laundering, and other organised criminal activities – in addition to their core “licensed” business of facilitating illegal betting. This article examines the developments following the ban and explores how this move may affect illegal betting across the globe.

## **Background on POGOs**

Offshore online betting in the Philippines dates back to the early 2000s, when the Cagayan Economic Zone Authority (CEZA), a special economic zone in the country’s northern tip, began issuing licences to companies seeking a veneer of legitimacy for their online betting operations. These licences allowed operators to present themselves as “licensed” betting companies, but their primary customer base was bettors in jurisdictions like China, where online gambling is illegal.

In 2016, President Rodrigo Duterte decreed that the Philippine Amusement and Gaming Corporation (PAGCOR) would become the sole offshore betting licensor, reporting directly to the Office of the President. This led to a boom in the industry, with hundreds of POGO licences issued, and sub-licences for technology support companies, call centres and similar entities.

While some individuals amassed significant wealth from this burgeoning sector, the broader benefits to the Philippine population were questionable. Widespread tax avoidance, fraud, and systemic corruption marred the industry. The immigration process was manipulated to bring in hundreds of thousands of Chinese-speaking workers to Manila, often under exploitative conditions.

Due to close ties between illegal betting and organised crime in Asia, POGOs quickly became associated with a spectrum of illicit activities, including human trafficking, labour exploitation, kidnappings, prostitution rings, money laundering, and violent crimes such as torture and murder.<sup>3</sup> The industry facilitated alleged corruption among government officials and was publicly linked to transnational criminal networks.

These negative impacts intensified from around 2019 as organised crime-run illegal betting operators expanded their business lines into factory-like online scamming, as detailed in reports from the Asian Racing Federation<sup>4</sup> and the United Nations Office on Drugs and Crime (UNODC).<sup>5</sup>

### **2023–2024 Raids and the Ban Announcement**

Some Filipino politicians had long campaigned to ban POGOs due to their extensive negative impacts, but no decisive action was taken until President Ferdinand Marcos Jr. succeeded Duterte in June 2022. Throughout 2023 and into 2024, authorities conducted a series of high-profile raids on POGOs, uncovering criminal activities far beyond their supposed purpose of online betting.<sup>6</sup>

Operations such as raids on Clark Sun Valley Hub Corporation,<sup>7</sup> Xinchuang Network Technology,<sup>8</sup> Rivendell Global Gaming,<sup>9</sup> Smart Web Technology,<sup>10</sup> and Zun Yuan Technology<sup>11</sup> revealed a complex web of illegal activities, including forced labour, human trafficking, prostitution, cyber fraud, and money laundering. Thousands of workers from multiple countries were found in exploitative conditions. In some instances, investigations implicated local officials in the criminal networks.

In his State of the Nation Address in July 2024,<sup>12</sup> Marcos announced a total ban on POGOs, declaring:

“Disguising as legitimate entities, their operations have ventured into illicit areas furthest from gaming, such as financial scamming, money laundering, prostitution, human trafficking, kidnapping, brutal torture—even murder. The grave abuse and disrespect to our system of laws must stop.”

### **A Web of (alleged) Corruption and Organised Crime**

The fall-out from these raids and the ban announcement has been to expose a massive web of alleged criminality and corruption which has been detailed on a daily basis through hearings of the “Quad Comm” – a four-part committee in the House of Representatives looking into public order and safety, dangerous drugs, human rights, and appropriations.

Following the POGO ban announcement, several high-profile arrests were made. One of the most prominent was that of former Bamban town mayor Alice Guo. Apprehended while on the run by Indonesian authorities in September 2024 and deported back to the Philippines,<sup>13</sup> Guo is accused of being a significant figure in POGO-linked corruption in her town, where she was elected mayor in 2022. Investigators allege that POGOs linked to her were fronts for illegal activities, including cryptocurrency scams and human trafficking.<sup>14,15</sup>

Reporting in the Philippines has highlighted connections between Guo, other POGOs in the Philippines accused of trafficking,<sup>16</sup> entities in Cambodia sanctioned for human rights violations, individuals convicted in Singapore’s largest-ever money laundering case connected to illegal betting, and a defunct Hong Kong cryptocurrency exchange whose owner is accused of defrauding users.<sup>17</sup>

Guo maintains her innocence and denies all allegations.<sup>181920</sup>

### **Organised Crime Leadership**

In October 2024, Philippine authorities arrested an individual they labeled a “kingpin” connected to multiple POGOs, including one shut down in June for alleged involvement in torture, human trafficking, and cyber scams. The Presidential Anti-Organised Crime Commission (PAOCC) identified the individual as Lin Xunhuan and believes he is connected to Guo, who claims not to know him.<sup>21</sup> The PAOCC described Lin as a “figure of significant concern within the landscape of organised crime in the Philippines” who, since 2016, has “systematically built a network of scam farms, often employing legal businesses as fronts to obscure his illicit activities.”

Investigations are ongoing, and no convictions have been made regarding these allegations, nor substantiation as to whether Lin is truly the senior leader of these criminal enterprises.<sup>22232425</sup>

### **Effects of the POGO Ban**

The decision to ban POGOs will have economic implications, leading to job losses for Filipino workers<sup>26</sup> and impacting commercial real estate. PAGCOR’s chairman estimated a potential annual loss in revenue of over PHP 20 billion (approximately USD 342 million).<sup>27</sup> However, considering the extensive alleged corruption, criminality, and social costs<sup>28</sup> associated with the industry, it is certain that government revenue gains were far outweighed by negative impacts.<sup>29</sup>

Despite the ban, it is doubtful whether illegal betting and related cyber scams will be much affected.<sup>30</sup> Some licensed POGOs will rebrand<sup>31</sup> as “business process outsourcing” (BPO) firms, a trend already being observed, or move to another “pseudo-regulator” – Timor-Leste on the tip of the Malay peninsula is seeking to introduce its own POGO-style legislation despite warnings from the Philippines about likely negative impacts, while others such as the Pacific islands of Vanuatu and Papua New Guinea have also been mentioned as eyeing this business.<sup>32</sup>

Additionally, CEZA continues to issue offshore gambling licences. CEZA claims its licensees are “interactive gaming support service providers” only and are not involved in illicit activities associated with POGOs.<sup>33</sup> However, the UNODC has shown that several criminal syndicates, including those linked to Macau’s junket operator Suncity, have or had associations with operations in Cagayan.<sup>34</sup>

Finally, since there are somewhere between 100-300 unlicensed POGOs already acting illegally, the ban will only drive them further underground.

## **Displacement of Operators to Other Jurisdictions**

Some operators will migrate to jurisdictions where they have existing infrastructure and/or connections – previous industry upheaval in the Philippines in 2016 led to the proliferation of POGO-style illegal betting and related cyber-scam compounds across Laos, Cambodia, and Myanmar and the resulting global epidemic of transnational organised crime which continues to operate from these regions.

ASEAN countries are showing greater coordination in combating these operations, partly due to pressure from China. In September 2024, the ASEAN-China Ministerial Meeting issued a joint statement<sup>35</sup> recognising the regional threat posed by telecommunications fraud and online gambling crimes, committing to enhanced cooperation.

However, endemic corruption, political instability and weak legal frameworks in some of these jurisdictions will continue to pose challenges – the massive profits generated by illegal betting and related crime provide ample ammunition to encourage politicians and law enforcement to look the other way, whatever is said in public statements.

## **Global Exportation of the Illegal Betting Crime Model**

Nevertheless, as scrutiny and awareness of this issue increases in Asia, there is evidence<sup>36</sup> that crime syndicates are exporting their illegal betting and related crime model globally to regions less familiar with this modus operandi. Similar operations have been uncovered in Europe, the Middle East, South America, Africa, and the Pacific.

Recent examples include the rescue of over 40 Malaysians held captive by a Taiwanese Organised Crime syndicate in Peru in late 2023;<sup>37</sup> in April 2024, authorities in Zambia arrested 77 suspects, including 22 Chinese nationals, linked to similar syndicates; in October 2024, 120 Chinese nationals were arrested in Sri Lanka in connection with POGO-like operations.

Humanity Research Consultancy, an NGO, has identified seven illegal betting and online fraud operations in Dubai,<sup>38</sup> which has also emerged as a key destination for laundering the profits from illegal betting and related crime. Key individuals linked to Asian illegal betting have been shown to have “legitimate” businesses in European jurisdictions too, such as Georgia and Montenegro – coincidentally or not, there have also been illegal betting and trafficking operations in these countries that are very similar to the Philippines POGOs.<sup>39 40</sup>



### **Case Study: The Isle of Man**

A recent case in the Isle of Man – like the Philippines, a pseudo-regulator specialising in issuing licences to betting companies targeting Asia – illustrates the global expansion of these operations and their negative impacts. In April 2024, the Isle of Man Constabulary conducted raids linked to an investigation into King Gaming Ltd, a licensed online betting company. The Gambling Supervision Commission suspended the licences of King Gaming Ltd and Dalmine Ltd, while the Financial Services Authority directed Soteria Solutions Limited, a related cryptocurrency business, to suspend operations.<sup>41</sup>

There is no official detail about the case, but news media have reported<sup>42</sup> that “pig-butcher” – a key cyber-scam line of such operators – had been taking place since 2022 alongside online betting. This is verified by Chinese court records, which show seven individuals were imprisoned in China in 2023 for participating in large-scale overseas fraud run by this company in the Philippines and Isle of Man between 2019 and 2022, which defrauded victims of approximately CNY 38.87 million (approximately USD 5.4 million).<sup>43</sup> One hundred employees had been transferred from a Philippines POGO to work in the Isle of Man. Meanwhile, the UNODC has outlined connections between the co-founder of King Gaming Ltd and illegal betting and related crime compounds in Cambodia, and between him and Zhao Wei and the Golden Triangle Special Economic Zone in Laos, which is notorious for illicit activities.<sup>44</sup>

King Gaming Ltd had signed a planning agreement late in 2023 for a huge headquarters on the site of a former naval training base described as the “largest single private investment in the Isle of Man”, underlining that due diligence often is abandoned when such entities begin to deploy their illicit profits.<sup>45</sup>

### **Conclusion**

The Philippines’ ban on POGOs highlights yet again the profound negative impacts of illegal betting, which is intertwined with organised crime, human trafficking, cyber fraud, and corruption. These present significant challenges not only for the Philippines or Asia alone, but globally.

The very real worry is that organised crime syndicates are exporting their model to new territories, and suborning regulators and officialdom by presenting as “legitimate” enterprises. Illegal betting is not, as many people wrongly believe, a victimless crime, but a key pillar supporting a vast range of other transnational criminality – a key fact which global stakeholders need to understand.

- 
- <sup>1</sup> Defined for the purposes of this article as Mainland China, Hong Kong, Macau and Taiwan.
- <sup>2</sup> <https://firstcagayan.com/>
- <sup>3</sup> Annabelle Liang, 'Philippines bans online casinos linked to scam centres', *BBC News*, 23 July 2024 (<https://www.bbc.com/news/articles/crgm1k01kdyo> accessed 17 October, 2024)
- <sup>4</sup> 'How Organised Crime Operates Illegal Betting, Cyber Scams & Modern Slavery in Southeast Asia', Asian Racing Federation, 10 October 2023 (<https://assets-global.website-files.com/5fbe2bde2b2ef4841cd6639c/651e89> accessed 17 October, 2024)
- <sup>5</sup> 'Casinos, Money Laundering, Underground Banking, and Transnational Organized Crime in East and Southeast Asia: A Hidden and Accelerating Threat', United Nations Office on Drugs and Crime, January 2024 ([https://www.unodc.org/roseap/uploads/documents/Publications/2024/Casino\\_Underground\\_Banking\\_Report\\_2024.pdf](https://www.unodc.org/roseap/uploads/documents/Publications/2024/Casino_Underground_Banking_Report_2024.pdf) accessed 17 October 2024)
- <sup>6</sup> Paolo Romero, 'Over 300 victims in 102 POGO-related crimes', *Phil Star*, 1 February 2023 (<https://www.philstar.com/headlines/2023/02/01/2241671/over-300-victims-102-pogo-related-crimes> accessed 17 October 2024)
- <sup>7</sup> Joann Manabat, 'Over 1,000 human trafficking victims rescued in Clark, official confirms', *Rappler*, 5 May 2023 (<https://www.rappler.com/philippines/human-trafficking-victims-rescued-clark-may-4-2023/> accessed 17 October 2024)
- <sup>8</sup> 'POGO investigations heat up, with PAGCOR targeting Xinchuang', *Asia Gaming Brief*, 3 July 2023 (<https://agbrief.com/news/philippines/03/07/2023/pogo-investigations-heat-up-with-pagcor-targeting-xinchuang/> accessed 17 October 2024)
- <sup>9</sup> Alexis Romero, 'Deport 200 foreigners in POGO raid – PAOCC', *Phil Star*, 25 August 2023 (<https://www.philstar.com/nation/2023/08/25/2291125/deport-200-foreigners-pogo-raid-paocc> accessed 17 October 2024)
- <sup>10</sup> Joann Manabat, 'Internet gaming license hub raided in Pasay over alleged human trafficking', *Rappler*, 28 October 2023 (<https://www.rappler.com/philippines/internet-gaming-license-hub-raid-human-trafficking-october-27-2023/> accessed 17 October 2024)
- <sup>11</sup> Victoria Tulad, 'Senate investigation into text scams pushed', *ABS-CBN News*, 20 June 2024 (<https://news.abs-cbn.com/news/2024/6/20/senate-investigation-into-text-scams-pushed-1512> accessed 17 October 2024)
- <sup>12</sup> State of the Nation Address 2024 News Release, 22 July 2024 ([https://pco.gov.ph/news\\_releases/pbbm-bans-all-pogos/](https://pco.gov.ph/news_releases/pbbm-bans-all-pogos/) accessed 17 October 2024)
- <sup>13</sup> Frank Schuengel, 'Alice Guo back in Manila, faces decades in prison if convicted of money laundering', *Asia Gaming Brief*, 6 September 2024 (<https://agbrief.com/news/philippines/06/09/2024/alice-guo-back-in-manila-faces-decades-in-prison-if-convicted-of-money-laundering/> accessed 17 October 2024)
- <sup>14</sup> Kathleen Magramo, 'Who is the real Alice Guo? Fugitive mayor accused of spying for China faces legal reckoning after weeks on the run', *CNN News*, 6 September 2024 (<https://edition.cnn.com/2024/09/04/asia/philippines-alice-guo-fugitive-arrested-intl-hnk/index.html> accessed 17 October 2024)
- <sup>15</sup> Rebecca Ratcliffe and Guill Ramos, 'Cognac, tortoisés and a pink-striped helicopter: inside the mystery of Alice Guo, the missing Philippines mayor', *The Guardian*, 4 August 2024 (<https://www.theguardian.com/world/article/2024/aug/04/inside-mystery-alice-guo-missing-philippines-mayor> accessed 17 October 2024)
- <sup>16</sup> Lian Buan, 'Chinese crime gangs penetrate PH through Alice Guo, POGOs', *Rappler*, 14 October 2024 (<https://www.rappler.com/newsbreak/investigative/chinese-crime-gangs-penetrate-philippines-alice-guo-pogos/> accessed 17 October 2024)
- <sup>17</sup> Martin Young, Yan Z.H., 'Alleged Hong Kong Crypto Swindler Tied to Singapore Money Laundering Syndicate', *Organized Crime and Corruption Reporting Project*, 14 October 2024 (<https://www.occrp.org/en/scoop/alleged-hong-kong-crypto-swindler-tied-to-singapore-money-laundering-syndicate> accessed 17 October 2024)
- <sup>18</sup> 'Philippine President Duterte's Former Economic Adviser was a "Drug Lord," Says Affidavit in New ICC Case', *Organized Crime and Corruption Reporting Project*, 10 November 2021 (<https://www.occrp.org/en/investigation/philippine-president-dutertes-former-economic-adviser-was-a-drug-lord-says-affidavit-in-new-icc-case> accessed 17 October 2024)

- 
- <sup>19</sup> Shiela Crisostomo, ‘Michael Yang, associate linked to ‘web of criminal activities’’, *The Philippine Star*, 29 September 2024 (<https://qa.philstar.com/headlines/2024/09/29/2388760/michael-yang-associate-linked-web-criminal-activities> accessed 17 October 2024)
- <sup>20</sup> Jarius Bondoc, ‘Lawmakers trace Michael Yang to drugs, heinous POGO crimes’, *The Philippine Star*, 11 September 2024 (<https://www.philstar.com/the-freeman/opinion/2024/09/11/2384330/lawmakers-trace-michael-yang-drugs-heinous-pogo-crimes> accessed 17 October 2024)
- <sup>21</sup> Emmanuel Tupas, ‘PAOCC witness claims Guo connected to POGO kingpin’ *Phil Star*, 13 October 2024 (<https://www.philstar.com/headlines/2024/10/13/2392162/paocc-witness-claims-guo-connected-pogo-kingpin> accessed 13 October 2024)
- <sup>22</sup> Kelly Ng & Virma Simonette, ‘‘Chinese spy mayor’ wanted by Philippines arrested’, *BBC News*, 4 September 2024 (<https://www.bbc.com/news/articles/c0mnyrm8739o> accessed 17 October 2024)
- <sup>23</sup> ‘She Zhijiang: Discarded Chinese spy or criminal mastermind?’, *Al Jazeera*, 26 September 2024 (<https://www.aljazeera.com/program/101-east/2024/9/26/she-zhijiang-discarded-chinese-spy-or-criminal-mastermind> accessed 17 October 2024)
- <sup>24</sup> United Kingdom Office of Financial Sanctions Implementation HM Treasury Financial Sanctions Notice, 8 December 2023 ([https://assets.publishing.service.gov.uk/media/6572d548049516000d49be78/Notice\\_Global\\_Human\\_Rights\\_081223.pdf](https://assets.publishing.service.gov.uk/media/6572d548049516000d49be78/Notice_Global_Human_Rights_081223.pdf))
- <sup>25</sup> ‘Philippines takes allegations of foreign spying in the country seriously’, *Reuters*, 3 October 2024 (<https://www.reuters.com/world/asia-pacific/philippines-takes-allegations-foreign-spying-country-seriously-2024-10-03/> accessed 17 October 2024)
- <sup>26</sup> ‘PAGCOR Chair: Spare outsourcing companies from POGO ban’, *Gambling Insider*, 31 July 2024 (<https://www.gamblinginsider.com/news/26233/pagcor-chair-spare-outsourcing-companies-from-pogo-ban> accessed 17 October 2024)
- <sup>27</sup> ‘PAGCOR chief Tengco says banning IGLs likely to drive legitimate operators underground’, *Inside Asian Gaming*, 11 June 2024 (<https://www.asgam.com/index.php/2024/06/11/pagcor-chief-tengco-says-banning-igls-likely-to-drive-legitimate-operators-underground/> accessed 17 October 2024)
- <sup>28</sup> Felix Iglesias, ‘The Problem With POGOs’, *The Dipomat*, 8 July 2024 (<https://thediplomat.com/2024/07/the-problem-with-pogos/> accessed 17 October 2024)
- <sup>29</sup> ‘DOF chief welcomes Marcos’ total Pogo ban order’, *Philippine News Agency*, 23 July 2024 (<https://business.inquirer.net/470680/dof-chief-welcomes-marcos-total-pogo-ban-order> accessed 17 October 2024)
- <sup>30</sup> Andrea Taguines, ‘PH authorities preparing for more underground POGO ops after ban’, *ABS-CBN News*, 11 September 2024 (<https://news.abs-cbn.com/news/2024/9/11/ph-authorities-preparing-for-more-underground-pogo-ops-after-ban-2254> accessed 17 October 2024)
- <sup>31</sup> Dianne Sampang, ‘Netizens wary about Pogo ban effectivity due to ‘supposed rebranding’’, *Inquirer.Net*, 23 July 2024 (<https://globalnation.inquirer.net/243472/netizens-wary-about-pogo-ban-effectivity-due-to-supposed-rebranding> accessed 17 October, 2024)
- <sup>32</sup> Viviana Chan, ‘Relocating POGOs: Risks and considerations in a changing landscape’, *Asia Gaming Brief*, 24 October 2024 (<https://agbrief.com/intel/deep-dive/24/10/2024/relocating-pogos-risks-and-considerations-in-a-changing-landscape/> accessed 25 October 2024)
- <sup>33</sup> Lian Buan, ‘Before Duterte’s POGO, Cagayan had ‘i-Gaming.’ Where did it go wrong?’, *Rappler*, 1 August 2024 (<https://www.rappler.com/newsbreak/in-depth/before-rodriigo-duterte-pogo-cagayan-internet-gaming-where-did-go-wrong/> accessed 17 October 2024)
- <sup>34</sup> ‘Transnational Organized Crime and the Convergence of Cyber-Enabled Fraud, Underground Banking and Technological Innovation in Southeast Asia: A Shifting Threat Landscape’, *United Nations Office on Drugs and Crime*, October 2024 ([https://www.unodc.org/roseap/uploads/documents/Publications/2024/TOC\\_Convergence\\_Report\\_2024.pdf](https://www.unodc.org/roseap/uploads/documents/Publications/2024/TOC_Convergence_Report_2024.pdf) accessed 17 October 2024)
- <sup>35</sup> ASEAN-China Joint Statement on Combatting Telecommunication Network Fraud and Online Gambling, 10 October 2024 (<https://asean.org/asean-china-joint-statement-on-combating-telecommunication-network-fraud-and-online-gambling/>)
- <sup>36</sup> INTERPOL announcement, 7 June 2023 (<https://www.interpol.int/en/News-and-Events/News/2023/INTERPOL-issues-global-warning-on-human-trafficking-fueled-fraud>)
- <sup>37</sup> ‘Dozens of Malaysians rescued in Peru after being trafficked to commit online fraud’, *The Guardian*, 9 October 2023 (<https://www.theguardian.com/world/2023/oct/09/dozens-of-malaysians-rescued-in-peru-after-being-trafficked-to-commit-online> accessed 17 October 2024)

---

<sup>38</sup> ‘HRC BRIEFING: Uncovering the Spread of Human Trafficking for Online Fraud into Laos and Dubai’, Humanity Research Consultancy, 31 July 2024 (<https://www.humanity-consultancy.com/publications/hrc-briefing--uncovering-the-spread-of-human-trafficking-for-online-fraud-into-laos-and-dubai> accessed 17 October 2024)

<sup>39</sup> Matthew Strong, ‘Taiwan Criminal Investigation Bureau helps scammer return from Georgia’, *Taiwan News*, 7 December 2023 (<https://www.taiwannews.com.tw/news/5054705> accessed 17 October 2024)

<sup>40</sup> Taiwan Taichung District Prosecutors Office announcement, 3 June 2020 (<https://www.tcc.moj.gov.tw/296098/296099/685148/685150/788328/post>)

<sup>41</sup> Frank Schuengel, ‘More details emerge in King Gaming Isle of Man investigation’, *Asia Gaming Brief*, 29 April 2024 (<https://agbrief.com/news/europe/29/04/2024/more-details-emerge-in-king-gaming-isle-of-man-investigation/> accessed 17 October 2024)

<sup>42</sup> ‘China scam run from Isle of Man’, *BBC News*, 23 August 2024 (<https://www.bbc.com/news/articles/cz6x1q11yelo> accessed 17 October 2024)

<sup>43</sup> 河南省武陟县人民法院刑事判决书(2023)豫0823刑初379号, 31 January 2024 (<https://wenshu.court.gov.cn/website/wenshu/181107ANFZ0BXSK4/index.html?docId=q5nmPTFTik8P/osgYbJ/MEb2dLpOUB6VdAzqLuDA7p2ZfjHjezT%E2%80%A6>)

<sup>44</sup> ‘Casinos, Money Laundering, Underground Banking, and Transnational Organized Crime in East and Southeast Asia: A Hidden and Accelerating Threat’, UNODC, January 2024 ([https://www.unodc.org/roseap/uploads/documents/Publications/2024/Casino\\_Underground\\_Banking\\_Report\\_2024.pdf](https://www.unodc.org/roseap/uploads/documents/Publications/2024/Casino_Underground_Banking_Report_2024.pdf) accessed 17 October 2024)

<sup>45</sup> ‘China scam run from Isle of Man’, *BBC News*, 23 August 2024 (<https://www.bbc.com/news/articles/cz6x1q11yelo> accessed 17 October 2024)

## **Game Changers: How INTERPOL is Leading the Global Response to Illegal Betting and Related Crime**

*By Claudio Marinelli, Operations Coordinator – Head of Unit, Anti-Money Laundering and Asset Recovery, INTERPOL Financial Crime & Anti-Corruption Centre (IFCACC); Member, IFHA Council on Anti-illegal Betting and Related Crime*

INTERPOL is the world's largest international police organisation, dedicated to supporting law enforcement agencies in its 196 member countries to combat all forms of transnational crime. With its truly global presence, INTERPOL provides unique support and collaboration opportunities worldwide. The INTERPOL Match-Fixing Task Force is the cornerstone of INTERPOL's operational efforts to address financial crime and sports-related corruption. Currently, the INTERPOL Match-Fixing Task Force includes 110 member countries - an increase of 10 countries since January 2024 - and over 200 national points of contact globally. The network is currently composed of member countries' law enforcement representatives from the following regions:

- Asia: 16 countries (2 joined in 2024)
- Caribbean & Central America: 4 countries (2 joined in 2024)
- East Africa: 13 countries (1 joined in 2024)
- Europe: 44 countries
- Middle East & North Africa: 8 countries (2 joined in 2024)
- North America: 2 countries
- Oceania: 2 countries
- South America: 9 countries (2 joined in 2024)
- West Africa: 12 countries (1 joined in 2024)<sup>1</sup>

Established in 2011, the INTERPOL Match-Fixing Task Force supports member countries by assisting with investigations and law enforcement operations concerning crimes related to sports. The Task Force also serves as a platform for case coordination and international efforts to protect the sports industry from criminal exploitation. Recognising that manipulation and corruption in sports are often linked to broader criminal activity, the Task Force addresses transnational cases involving fraud and money laundering. Asset recovery is an additional area of focus, as INTERPOL works to enhance the tracing of illicit money flows globally.

### **Operational Initiatives in Southeast Asia**

The INTERPOL Financial Crime and Anti-Corruption Centre (IFCACC) coordinates transnational investigations into cyber-enabled financial crimes through Operation HAECHI. Operation HAECHI tackles some of the most prevalent ones, as voice phishing, romance scams, sextortion, investment fraud, money laundering tied to illegal online betting, business email compromise (BEC) fraud, and e-commerce fraud.

Since its inception, Operation HAECHI has specifically targeted money laundering linked to illegal online betting - a highly profitable and pervasive form of cyber-enabled crime fuelled by high returns and addictive behaviours. Once criminals establish an online betting platform, they can attract participants worldwide, causing harm that far exceeds traditional, offline betting. Given the immense illicit profits generated, money laundering often accompanies these operations to conceal and legitimise unlawful earnings. Notably, this aspect of money laundering is also addressed by Operation SOGA, highlighting its intersection with Operation HAECHI.

The modus operandi used for these crimes are increasingly sophisticated and malicious. Online scam centres, a major threat in this realm, have proliferated and are involved in a range of criminal activities, including human trafficking, voice phishing, illegal online betting promotion, and romance scams. Through coordinated efforts with member jurisdictions, INTERPOL has dismantled several of these operations. These scam centres often house the masterminds behind various crimes investigated under Operation HAECHI, underscoring their pervasive and dangerous nature.

For instance, one recent case coordinated by INTERPOL involved dismantling an online scam centre in the Philippines where illegal online betting was one of the primary crimes. This case underlines how INTERPOL operations complement each other, enhancing global cooperation to combat cyber-enabled crimes like illegal online betting and related financial offences. Similar scam call centres have been reported across Southeast Asia, where they have become regional hubs for transnational crimes and human trafficking, posing significant challenges to law enforcement. In response, INTERPOL and other organisations such as the Asian Racing Federation have issued intelligence reports to prevent the spread of these crimes. INTERPOL actively monitors the evolving tactics of these criminal enterprises and adapts its strategies accordingly.

Another recent case further illustrates INTERPOL's operations. For obvious reasons of confidentiality, as some lines of investigation are still opened, names of the countries involved are masked.

Authorities in Country A dismantled an organised criminal group involved in illegal online betting across Countries A, B, and C. The group recruited teenagers in Country A, luring them with the promise of illicit profits. As these teenagers became involved, they not only participated in the crimes but also targeted additional teenage victims. Leveraging the robust networks of Operations HAECHI and SOGA, authorities in Country A, with the cooperation of member jurisdictions in Countries B and C, successfully dismantled the group, which had illicitly earned over USD 33 million. Despite not involving kidnapping or forced labour in call centres, the crime followed a similar modus operandi, benefiting from online recruitment and promotion. Due to the swift response from the investigative team, over USD 5 million was captured and preserved. This case highlights the elements common in these crimes: online recruitment, operations that exploit vulnerable individuals, and rapid money laundering.

INTERPOL is also conducting another project named RESCUE, aimed at enhancing member countries' ability and readiness to combat the illicit financial flows behind cyber-enabled fraud through targeted training and case mentorship activities. The project works to provide law enforcement with the awareness and knowledge on addressing the links of cyber-enabled fraud with other forms of criminality.

Project RESCUE focus on the use of various rapid response mechanisms to facilitate transnational stop-payment requests stemming from cyber-enabled fraud cases, to improve their operational response with attention to scam call centres, and to identify and disrupt laundering of related illicit proceeds.

In addition to the intelligence reported by member countries, IFCACC produces the INTERPOL Biweekly Newsletter on Sports Integrity, a bulletin which offers practitioners a comprehensive overview of open-source reports on sports integrity related issues, investigations, sanctions, sentencing, best practices, criminal modus operandi and new developments. It also regularly includes updates on illegal betting investigations and features publications from the ARF Council on Anti-Illegal Betting and Related Financial Crime (now the IFHA Council on Anti-Illegal Betting and Related Crime).

On the back end, this open-source data set is accessible to law enforcement globally via an intelligence dashboard on the INTERPOL secured platform. The Bi-Weekly Bulletin enables INTERPOL member countries' law enforcement to track media reports of specific cases related to illegal betting throughout the operational period, serving as an open-source detection and reporting tool.

### **Operation SOGA X – modalities, global emerging trends and threats**

Illegal betting generates significant profits for organised crime networks and is often closely associated with other crime such as money laundering and corruption. The illegal betting market is worth some USD 1.7 trillion globally, according to research by the United Nations Office on Drugs and Crime, and is closely tied to other criminal enterprises.

#### ***Operation SOGA***

INTERPOL's Financial Crimes and Anti-Corruption units, with support from the Asia-Pacific Expert Group on Organized Crime (APEG) and the INTERPOL Match-Fixing Task Force, as well as the ARF Council on Anti-Illegal Betting and Related Financial Crime and UEFA Anti-Match-Fixing Unit, launched the 10th wave of joint global anti-illegal betting operation, codenamed SOGA<sup>2</sup> to coincide with the 2024 UEFA European Football Championship (EURO 2024).

EURO 2024 was predicted to generate a surge in betting turnover and lucrative profits for criminal organisations. A total of 28 INTERPOL jurisdictions participated in this year's SOGA operation, with authorities making over 5,100 arrests and recovering more than USD 59 million in illicit proceeds.

Authorities tackled various criminal activities linked to illegal betting, including money laundering, human trafficking, and cyber scams. As a result, over 650 human trafficking victims, including nearly 400 Filipinos, were rescued from exploitation in illegal betting and scams. The operation also dismantled criminal networks by shutting down illegal betting sites, breaking up complex financial crime schemes, and exposing international betting syndicates.

The majority of SOGA cases illustrate a comprehensive and evolving threat landscape in illegal betting, involving complex, technology-driven operations with significant financial, social, and human exploitation components. These have shown how illegal betting fuels human trafficking, money laundering and fraud, with hundreds of victims being trafficked and rescued. The operation also identified and disrupted financial fraud schemes and demonstrated how illegal online betting is linked to other crimes.

The connection between these case studies is that they all involve illegal sports betting operations, often with transnational connections, and highlight the need of strong efforts from law enforcement agencies from different jurisdictions to combat these criminal activities across borders. Additionally, they share common characteristics such as the use of technologies, namely the use of VPNs, fake websites, and mobile apps, to facilitate their illegal activities and evade detection. Law enforcement agencies have seized significant assets, including cash, properties, and luxury items, and made numerous arrests in connection with these illegal gambling operations.

One of the trends worth highlighting from this round of Operation SOGA X is the forced involvement of vulnerable individuals by criminal organisations to engage in betting activities. Especially in cases from the Philippines and Korea, recruitment for these syndicates often spans multiple countries, drawing in individuals with promises of legitimate employment, only to exploit them in illegal betting and fraud operations. Overall, the cases reported during Operation SOGA demonstrate the complexity and scope of illegal betting operations, as well as the efforts of law enforcement agencies to disrupt and dismantle these criminal networks.

---

<sup>1</sup> INTERPOL member countries have been grouped accordingly to reflect the relevance of different regions.

<sup>2</sup> SOGA stands for Soccer Gambling.