

ICE Asia Digital – Interview with Andrea Domingo, Chairman and CEO of PAGCOR

Manila, Philippines – ICE Asia Digital 2020 kicked off today for three full days of exciting and intelligent content around the future of Asia’s gaming scene including innovations, challenges and expert opinions.

The Philippine Amusement and Gaming Corporation (PAGCOR) has been instrumental in working with the ICE Asia brand in the development of the show (including support for both the digital event in 2020 and the planned 2021 event to be held in Manila). Clarion Gaming sat down with Andrea Domingo, the Chairman and CEO of PAGCOR, to answer a few questions before her discussions at ICE Asia Digital 2020.



Clarion Gaming: PAGCOR is headlining ICE Asia Digital 2020 this June – why was it important for PAGCOR to throw its support behind this event?

Andrea Domingo: It is important for PAGCOR to support events like ICE Asia Digital 2020 in order to broaden its market and establish its presence, not just in the Philippines and Asia, but globally. Considering that PAGCOR is both a regulator and an operator, it is important for it to keep abreast of gaming developments worldwide, especially during this pandemic. One of the functions of PAGCOR is to provide funding for the government which is really badly needed now. And by participating in events like this, PAGCOR will learn from what other gaming regulators and operators have been doing in

trying to cope with the situation we all are in right now.

Clarion Gaming: How has the Philippines emerged as a central hub for gaming in Asia and the ASEAN? What hurdles will it have to navigate in order to maintain its crown in the region?

Andrea Domingo: Throughout history the Philippines has been a pioneer in gaming, emerging as a central hub in the region. This fits nicely with our current management's vision; ensuring that there is a level playing field, maintaining transparency, and regulating and operating with credibility and integrity. Furthermore, the Philippines is known for tourism, entertainment, and hospitality, foreign players do not just come here to play, but also to enjoy the other attractions that our country has to offer. With the emergence of the Integrated Resorts and Casinos, there is now a holistic approach to tourism, entertainment, and amusement. There are a few hurdles that need to be navigated in order to maintain its lead in the region, such as:

- a) Conservatives in the Philippines who believe that gambling is evil.
- b) The emergence of other countries which would want to go and develop their respective gaming industry, such as Japan, Cambodia, Vietnam, Malaysia, Laos, Singapore, Korea and Taiwan.
- c) Politics the continuous opposition of one small group whose sole objective is to bring down the gains of the current administration
- d) The COVID-19 pandemic, which requires social distancing and other health protocols and overcoming the fear it has caused.

Clarion Gaming: The gaming industry in the Philippines is the third-highest source of revenue after taxes, how big a role does this sector have to play in securing the country's economic future post-COVID-19?

Andrea Domingo: The gaming industry, specifically PAGCOR, plays a significant role in securing the country's economic future post-COVID-19. People need to realise that PAGCOR and the Government do not only benefit from the gaming fees and taxes but also trigger economic activities as well. The whole industry employs about 132,000 direct hires. It also generates many other economic activities and businesses like restaurants, hotels, malls in IRs, services, transport, and real estate. There will even be more economic and employment opportunities when other gaming stations and casinos open.

Clarion Gaming: Senate Minority Leader Franklin Drilon has called PAGCOR and the PCSO low hanging fruit, that should be sold off to raise funds to aid the fight against COVID-19- how would you respond to this?

Andrea Domingo: PAGCOR is one of the biggest government earners next only to the Bureau of Internal Revenue and the Bureau of Customs. To harvest it and toss it to the private sector will mean cutting down a tree that bears sweet fruits for all Filipinos and giving it instead to a very few already rich persons. Since July 1, 2016, PAGCOR has increased its revenues exponentially and all financial indicators show an exponential increase in dividends, and its contribution to nation-building almost doubled from 2015 to 2019. PAGCOR owned and operated casinos generated 69.40 billion in 2019, up 25.89 billion from 2015, while licensed casinos brought in 181.37 billion, almost 100 billion more than in 2015. POGOs accounted for a still respectable 5.73 billion towards GGR. In 2018, PAGCOR was recognised by President Rodrigo Duterte in his state of the nation address as the corporation with the highest remitted dividend among all the Government-Owned and Controlled Corporations. With the passage of the Universal Health Care Act, and the recognition of PAGCOR as one of the highest revenue earners, PAGCOR has been tasked to help the funding of the said Act.

Clarion Gaming: A moratorium was placed on the issuing of POGO

licenses from August 2019 until the end of this year, pending review – what is the situation as of today?

Andrea Domingo: The moratorium is still in place. Until we finish our evaluation of the whole operating manual on POGOs and have arrived at a much superior one, we will not lift the ban.

Clarion Gaming: Do POGOs have an important role to play in helping the industry in Asia to operate in a sound, regulated framework?

Andrea Domingo: POGOs play an important role in helping the industry in Asia to operate a sound and regulated framework. Considering that the trend right now under the New Normal is doing business online through the internet because of the need to have physical distancing, POGOs will now be a trend in gaming. There will be players who will prefer to play online. Thus, there is a need to ensure that proper regulations are in place to address money laundering, prohibiting banned players like minors, responsible gaming, data privacy, cyber fraud, proper collection of bets and payouts, auditing and ensuring that proper taxes are remitted to the government.

Clarion Gaming: China has been very clear on what they think of online gambling – is their voice loud enough to upset future plans for a stable, regulated framework?

Andrea Domingo: I think this has been addressed. The Philippines has its own sovereignty and laws which we enforce within our jurisdiction and China respects that, as we respect their laws.

We have been coordinating with the Embassy of China to ensure that only legitimate POGOs, those that are registered under Philippine laws, are allowed to operate in our country.

Andrea Domingo will be a keynote speaker at ICE Asia Digital 2020, including discussions on both Day 1 (8 June) and Day 2

(9 June) of the event.

Registration to ICE Asia Digital is free of charge, including the full training session on Day 3. For more information, including the full agenda, speakers, advanced registration and sponsorship opportunities, visit www.ice-asia.com.