

# CHILDREN OF THE WEBCAM:

UPDATED REPORT ON WEBCAM CHILD  
SEX TOURISM



**terre des hommes**  
stops child exploitation



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# TABLE OF CONTENTS

<b>Acronyms</b>	3
<b>Executive Summary</b>	4
<b>Introduction</b>	5
<b>WCST in a changing context: Economy, Internet and Globalisation</b>	6
<b>Scale of WCST in the Philippines</b>	8
<b>Root causes of WCST</b>	11
<b>Changing nature of WCST in Philippines</b>	13
<b>The financial side of WCST</b>	15
<b>Legal considerations</b>	17
<b>Lengthy Judicial Processes</b>	19
<b>Government efforts</b>	21
<b>Conclusions and recommendations</b>	23
<b>References</b>	24

# ACRONYMS

CLB	Children's Legal Bureau
DILG	Department of the Interior and Local Government
DOJ-OCC	Department of Justice - Office of Cyber Crime
DSWD	Department of Social Welfare and Development
FORGE	Fellowship for Organizing Endeavours
IACAP	Inter Agency Council Against Child Pornography
IJM	International Justice Mission
ISP	Internet Service Provider
NBI-CCD	National Bureau of Investigation - Cyber Crime Department
NGO	Non-Governmental Organisation
PNP-ACG	Philippine National Police - Anti Cybercrime Group
PNP-WCPC	Philippine National Police - Women and Children Protection Centers
PREDA	People's Recovery, Empowerment and Development Assistance (Foundation)
UNICEF	United Nations Children's Fund
VGT	Virtual Global Task Force
WCST	Webcam Child Sex Tourism

# EXECUTIVE SUMMARY

In November 2013, Terre des Hommes published its report 'Fullscreen on View' on the phenomenon of online child sexual exploitation in the Philippines. This 2016 report provides updated information on trends and the changing nature of sexual exploitation online. Webcam Child Sex Tourism (WCST) takes place when adults offer payment or other rewards to direct and view live streamed video footage of children in another country performing sexual acts in front of a webcam. Online child sexual exploitation is enabled and fueled by modern-day developments such as advanced Information and Communications Technologies and increasing global connectivity, as well as persisting poverty rates and a growing imbalance in the global distribution of resources. The Philippines strongly reflects these developments and thus offers the 'ideal' circumstances for a continuing increase of sexual exploitation of children online.

## INCREASE

The practice of WCST has increased substantially in scale since 2013, both in geographical distribution and in the growth of "cyber sex dens" and in the numbers of children being coerced into it by people known to them. The key factors identified as responsible for increased prevalence of WCST in the Philippines are persistent grinding poverty, a good grasp of the English language, affordable and widespread internet access, the "easy money" perception of webcam sex and a norm culture of "family first" which promotes unquestioning loyalty to the needs of the family over the child's own welfare.

## ADVANCES IN TECHNOLOGY

Online child sexual exploitation is a constantly changing phenomenon. Since 2013 the advances in technology have enabled it to take diverse forms and to move to new locations. Despite recent changes made by the authorities to money transfer methods which could help identify and trace online child sex abusers, new avenues such as PayPal, prepaid credit cards and Bitcoin have opened up, offering anonymity or false identities for financial transactions. From a legal point of view issues such as the right to privacy, the age of consent, shortage of trained professionals and congested courts are all hindering the prosecution of individuals for WCST.

## INITIATIVES TO ADDRESS WCST

As most of the **demand** for WCST is coming from outside the Philippines it is essential that the Philippine National Police and other law enforcement bodies receive cooperation from the foreign countries involved in order to apprehend predators and child pornographers. The Government of the Philippines has undertaken several initiatives to address WCST in the country both on an international level by, for instance, joining the Virtual Global Taskforce and on a national level by strengthening the capacity of the National Police force. However, more is required in terms of law enforcement, putting pressure on Internet Service Providers and especially in supporting victims of commercial online child sexual abuse. Most importantly, the Government should pressure the international community to tackle the "demand side" of WCST. As long as this overwhelming international demand exists, the fight in the Philippines will remain an uphill battle.

# INTRODUCTION

Following alarming signals from project partners working in the Philippines in 2011, Terre des Hommes Netherlands embarked on a journey to understand and fight a new form of sexual exploitation of children: the live-streaming of child sexual abuse online; webcam child sex tourism (WCST) or “cybersex” as it is known in the Philippines. Every day hundreds of thousands of perpetrators from all over the world look for children to get in contact with online, paying them for sexual acts performed in front of webcams in countries such as the Philippines. It is a modern day phenomenon enabled and fuelled by rapid technological advances, increasing global connectivity, persisting poverty rates, and growing disparity in the global distribution of resources. Its victims are often invisible, hidden in webcam dens or family homes, and exposed to harmful events that are likely to stay with them and shape their behaviour for a lifetime.

In November 2013, Terre des Hommes Netherlands published its report ‘Fullscreen on View’ on the phenomenon of online child sexual exploitation in the Philippines. In the following years, ‘Fullscreen on View’ has been used as a key reference for local and international media reporting on sexual exploitation of children online. Despite the considerable efforts of national and international authorities, law enforcement agencies, and the broader international community many more children are falling victim to webcam child sex tourism in the Philippines. This report provides updated information on trends and the changing nature of sexual exploitation online.

## **METHODOLOGY**

This study analyses information published over the last 3 years concerning webcam child sex tourism in the Philippines in journals, official reports and print and online media. To support this information interviews have been conducted with six NGOs working to fight child webcam sex tourism namely: Fellowship for Organizing Endeavours, International Justice Mission, International Organization for Migration, Children’s Legal Bureau, Children of Cebu Foundation, and Home of Love; and key stakeholders involved in the issue such as police officers, staff of the Department of Social Welfare and Development, and an official at the Department of Justice.

# WCST IN A CHANGING CONTEXT: ECONOMY, INTERNET AND GLOBALISATION

## **BACKGROUND: WHAT IS WEBCAM CHILD SEX TOURISM?**

Webcam Child Sex Tourism takes place when adults offer payment or other rewards to direct and view live streamed video footage of children in another country performing sexual acts in front of a webcam. WCST is a combination of the concepts of child pornography and child prostitution. The distinction between WCST and those two forms of child sexual exploitation is that WCST almost always involves predators who live outside of the countries where the child victims live. This distinction brings WCST closer to child sex tourism, a form of child prostitution in which adults travel abroad to engage in child prostitution for the purpose of avoiding laws in their own country.

The phenomenon is referred to by different names, including “pay-per-view child porn,” “cyber sex tourism,” and “cyber child pornography.” Filipino child victims of WCST who were interviewed for a Terre des Hommes Netherlands report referred to WCST using the term “show me your boobs,” or “show me” for short—a reference to the instructions they inevitably get from online predators. They also call it “show-show” or “chat-chat” because, in the Visayan dialect of the Philippines, repeating a word twice communicates a casual, lighthearted tone, perhaps to veil the severity of the pain surrounding the practice. International law enforcement agencies usually refer to this phenomenon as “live streaming of child sexual abuse”.

Online child sexual exploitation is enabled and fueled by modern-day developments such as advanced Information and Communications Technologies and increasing global connectivity, as well as persisting poverty rates and a growing imbalance in the global distribution of resources. The Philippines strongly reflects these developments and thus offers the ‘ideal’ circumstances for a continuing increase of sexual exploitation of children online.

## **PERSISTENT POVERTY IN THE PHILIPPINES**

Child prostitution flourishes mainly in impoverished regions of developing countries with weak child protection policies and lax law enforcement. For years, the Philippines have seen economic growth but also persistent poverty. This paradox implies that, simply put, the economic growth in the Philippines has not benefited the poor as much as it has benefited businesses and wealthier families.<sup>1</sup>

The most recent poverty statistics available through the Philippine Statistics Authority show an increased poverty incidence of 1,2% from 2013 (24,6) to 2014 (25,8), implying that more than a quarter of the Filipino population live in poverty. The poverty threshold per capita (the minimum income required to meet one’s basic needs) rose by 9,4% in one year from 9,630PHP (approx. 187 euros) in 2013 to 10,534PHP (approx. 204 euros) in 2014.<sup>2</sup> Varying explanations for

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<sup>1</sup> <http://opinion.inquirer.net/5857/the-paradox-of-growth-and-persistent-poverty>

<sup>2</sup> [http://www.nscb.gov.ph/pressreleases/2015/PSA-20150306-SS2-01\\_poverty.asp#fl](http://www.nscb.gov.ph/pressreleases/2015/PSA-20150306-SS2-01_poverty.asp#fl)

this increase are given, such as the fast-rising food prices and the devastating effects of typhoon Haiyan which hit the Philippines in November 2013.

When living with such systematic undernourishment, poor education and health, and limited economic opportunities, children and families look for new ways to earn a family income.

## **GROWING ACCESS TO ICT**

The Philippines has experienced a 34 percent (34%) increase of online users over the past decade, making it the fastest growing internet market in Southeast Asia<sup>3</sup>. From 2012-2013 alone, the number of online users increased by 22% according to the Southeast Asia “ Digital in Focus 2013” report by international marketing agency comScore.

With a total population of over 102 million, 43.5 percent have internet access<sup>4</sup>. 71 percent of those with access to internet are aged between 15 and 34<sup>5</sup>, using a variety of gadgets like their personal computers, tablets, and mobile phones to access the web, thus making it easier to ensure internet connectivity. According to FORGE, growing internet access in the country has exposed children to social media and dating sites where they meet sexual offenders.

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<sup>3</sup> <http://stream.aljazeera.com/story/201405221627-0023755>

<sup>4</sup> <http://www.internetlivestats.com/internet-users/philippines/>

<sup>5</sup> <http://www.rappler.com/life-and-style/technology/35384-philippine-internet-audience-growth-comscore>

# SCALE OF WCST IN THE PHILIPPINES

“The Philippines provides a perfect storm to allow these crimes to develop, with its entrenched poverty and high level of internet access, as well as widespread knowledge of the English language” - Stephanie McCourt, south-east Asia liaison for the National Crime Agency in the UK.

To determine the increase in the scale of WCST in the Philippines it is advisable to place it in the global context of growth in child pornography in general, namely that since 2001 a global increase of 345% in child porn internet sites has been recorded. Currently over twenty thousand (20,000) child pornographic images are uploaded to the internet every week and based on 2005 data from the Convergence of Councils and Committees for Child Protection and an IT Magazine Top Ten Reviews, child pornography is a three billion dollar (\$ 3B) industry.<sup>6</sup>

## STEADY INCREASE IN NUMBER OF CASES REPORTED

Child pornography takes diverse forms nowadays and it is increasingly difficult to trace and apprehend perpetrators. For example a most recent form is live streaming of child sex abuse via Skype or Snapchat which leaves very little digital evidence afterwards. The victims of online sexual exploitation often go unnoticed, as they are hidden in webcam dens or family homes far removed from the public eye. In 2013 however, Terre des Hommes Netherlands estimated that tens of thousands of children were involved in this sinister practice. Reliable statistics on the prevalence of WCST or the exact number of victims are currently still not available.

Nonetheless, there are various indications of the overwhelming and increasing scale of the phenomenon in the Philippines;

For instance the number of child victims of online exploitation identified by the Philippine National Police (PNP-ACG = Anti Cybercrime Group) has increased from 51 in 2013 to 136 cases in 2015; an increase of 160% over two years.<sup>7</sup> This can be partly attributed to the increased attention for the subject and a stronger commitment to detect victims and perpetrators.

However, separately, NGOs on the “hotspot” island of Cebu report that their fieldworkers are encountering more and more victims of WCST mainly due to advanced technologies and wireless networks. Child victims are identified through outreach activities by NGOs in which children show signals or disclose information about their exploitation during psychosocial activities or from tip-offs by community members concerned about the victims’ well being. One center that offers support to victims of exploitation in Cebu has received 40 new cases of commercial sexual exploitation of which 27% (11 cases) were related to cybersex.

The PNP are also confirming an increase in the number of cases of WCST, despite government efforts to tackle it. From 2013 to June 2016, the PNP-ACG received notification of 130 cases of WCST, of which 100 came from international law enforcement agencies (Interpol, the Federal Bureau of Investigation (FBI), Australian Federal Police (AFP), US Homeland Security, and certain international NGOs including the International Justice Mission (IJM), National Center

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<sup>6</sup> [https://www.doj.gov.ph/files/cybercrime\\_office/2014-2015\\_Annual\\_Cybercrime\\_Report.pdf](https://www.doj.gov.ph/files/cybercrime_office/2014-2015_Annual_Cybercrime_Report.pdf)

<sup>7</sup> <http://www.gmanetwork.com/news/story/552124/news/nation/npn-number-of-children-falling-victim-to-cybersex-crimes-on-the-rise>

for Missing and Exploited Children (NCMEC), and even Facebook through the Office of Cyber Crime under the Justice Department (OCC DOJ).

About 30 cases were referred by national government agencies like DILG, DSWD, and IACAP and even Bantay Bata, a local NGO.

The Cyber Crime Department of the National Bureau of Investigation (NBI-CCD) provided general data on cybersex crime against women and children recording 355 cases in 2015 as compared to 286 cases in 2014.

In an interview, the Women and Children's Protection Center of the Philippine National Police (PNP-WCPC) referred to a recent Department of Justice (DOJ) report which stated that the 200 reported cases of WCST represent a 46% increase in the incidence of it. The report also confirmed that online child sex abuse was the leading cyber-related crime. This applied to Mindanao (like in Iligan, Northern Mindanao,) , Visayas (such as Bohol, Cebu, Dumaguete) and Luzon (Quezon City, Taguig, Pasig, and Central Luzon).

## **WIDER GEOGRAPHICAL DISTRIBUTION**

That the incidence of WCST has become more widespread in the last few years has been borne out by an informal study by Terre des Hommes Netherlands of online sexual exploitation cases in government reports and the media. This reveals that cyber sex dens are being operated by organized crime groups, neighbors, relatives, and even the parents of children involved. In national media a wide range of case stories can be found, such as a case in Cebu where an 18-year-old mother used her camera phone for sex videos<sup>8</sup> and one in Taguig City where parents sexually exploited girls aged 13-17 online<sup>9</sup>. A Filipino cyber sex den operated by an organized gang with a reach of over 19 countries on four continents, including the United States, United Kingdom, and Canada, has received international media attention, as has a cyber sex den operation which used at least 30 children for seven years to perform sexual acts after payments were made via international wire transfer services<sup>10</sup>. Raids in the Philippines conducted by various agencies rescued girls and boys, with the youngest being a 1-year-old, and some with special needs (deaf, mute, intellectual disability).

With regard to the location of WCST a summary of monitoring information from PNP-ACG shows that cyber sex dens are operating in almost all parts of the country since 2012. Particular concentration is present in 31 provinces in Luzon (including metro Manila), Visayas (including Cebu), and Mindanao.<sup>11</sup> However, there are also reports from NBI and PREDA that a new region is emerging as a WCST "hotspot". It covers the provinces of Bataan, Pampanga, Zambales, Aurora, Tarlac and Nueva Ecija, (Region 3) heretofore not associated with the crime. It is thought that families moving here from the urban areas frequented by foreign tourists introduced the practice to others in this more rural place, making it virtually widespread nationally amongst poorer populations.

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<sup>8</sup><http://cebudailynews.inquirer.net/77119/group-developing-advanced-chat-robot-vs-child-offenders#ixzz3yuITWTKV>

<sup>9</sup> [https://www.senate.gov.ph/press\\_release/2015/1219\\_poel.asp](https://www.senate.gov.ph/press_release/2015/1219_poel.asp)

<sup>10</sup> <http://sea-globe.com/the-end-of-innocence-online-child-abuse/>

<sup>11</sup><http://www.gmanetwork.com/news/story/344345/news/nation/phl-among-top-producers-of-child-pornography-international-task-force-says>

## **VICTIMS ARE YOUNGER, VIOLENCE MORE EXTREME**

It is commonly assumed that more girls than boys become victims of commercial sexual exploitation. In 2016, NBI-CCD, PNP-ACG and PREDA reported that the majority of victims<sup>12</sup> and rescued minors are young women and girls ranging from 7 to 16 years old. However, although local NGOs working with child victims indeed identify more girls than boys being sexually exploited, the scale of exploitation of boys should not be underestimated. Out of the 15 WCST cases identified and supported by a partner in Cebu, 4 were male (26%). In another instance IJM rescued 11 boys from a den some of whom were as young as two years old. That victims are getting younger since 2013 is also becoming evident in practice. In the documentary film entitled “Children of the Webcam” based on a case in Iligan, one of the children rescued was 4 years old.<sup>13</sup>

There are alarming reports about the more extreme nature of some of the live stream “shows” and the violence that child victims have been exposed to, as in the really disturbing case of “Daisy’s Destruction”.<sup>14</sup> Australian perpetrator Peter Scully is presently on trial in the Philippines for numerous crimes, including child molestation, the murder of an 11-year old Filipina girl and the torture and sexual abuse of at least eight girls, including an 18-month old infant.

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<sup>12</sup> Interviews. See under References.

<sup>13</sup> “Children of the webcam”, Springfilm 2016

<sup>14</sup> [https://en.wikipedia.org/wiki/Peter\\_Scully](https://en.wikipedia.org/wiki/Peter_Scully)

# ROOT CAUSES OF WCST

The key factors identified as responsible for increased prevalence of WCST in the Philippines are persistent grinding poverty, a good grasp of the English language, affordable and widespread internet access, the “easy money” perception of webcam sex and a norm culture of “family first” which promotes unquestioning loyalty to the needs of the family over one’s own welfare.

## POVERTY

Poverty is seen as a major driver of online sexual exploitation of children in the Philippines. With over a quarter of the population living in poverty, families are desperate for opportunities to make a living. Money earned through live streaming is perceived as ‘easy’ or ‘lazy’ money by many families, according to a local NGO. Compared to the daily minimum wage of 481 PHP (approx. €9,25) in the National Capital Region, including Manila, and the daily minimum wage of 295 PHP (€5, 65) in Cebu<sup>15</sup>, families and pimps can easily make between 430 PHP-4700 PHP (€8-€88) a day by showing their children online<sup>16</sup>. In fact, an investigation, which was conducted by operatives in Cebu, yielded that a family may earn up to 200,000 PHP - 300,000 PHP (€3720-€5590) in a year from WCST operations alone.

However, poverty is not the sole factor in determining the occurrence of online sexual exploitation. Not all poor families sexually exploit their children and children from relatively affluent backgrounds can still find themselves in the world of cybersex.

## SOCIAL NORMS AND ACCEPTANCE

Although poverty forms a significant vulnerability for children, many stakeholders are convinced that cultural values decide whether or not children are exploited online by adults through family operations, organised dens or within their peer groups. Terre des Hommes Netherlands’ 2013 report discusses the ambivalence of Filipino family values and how their application can vary according to circumstance. In a social system of extreme insecurity and poverty, the positive qualities of Philippine values can be put to a negative use<sup>17</sup> by justifying pressuring children into WCST for the benefit of the family. The child owes a debt to their parents and this is a way of paying it off.

## EASY MONEY

Due to its specific character, online child sexual exploitation is often viewed differently than other forms of commercial sexual exploitation in the Philippines. The phenomenon seems to have a better ‘reputation’ among victims and families than other forms of sexual exploitation. A recent study from Terre des Hommes Netherlands’ partner FORGE among 300 children who

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<sup>15</sup> [http://www.nwpc.dole.gov.ph/pages/statistics/stat\\_current\\_regional.html](http://www.nwpc.dole.gov.ph/pages/statistics/stat_current_regional.html)

<sup>16</sup> <http://www.dw.com/en/the-philippines-booming-cybersex-industry/a-19026632>

<sup>17</sup> Vitaliano R. Gorospe, S.J., “Understanding the Filipino Value System” in Values in Philippine Culture and Education: Philippine Philosophical Studies I: Cultural Heritage and Contemporary Change, Series III. Asia, Volume 7, edited by Manuel B. Dy, Jr. Washington D.C.: The Council for Research in Values and Philosophy, 1994.

had been sexually abused online found that exploitation behind the webcam was a 'step up' as it was perceived to have a lower risk of physical violence.<sup>18</sup>

So although it can be difficult to relate to the decisions of parents and communities to expose their children to sexual abuse and exploitation, especially in the Philippines where the role of the family is so important, it is worthwhile noting<sup>19</sup> that parents who were involved in webcam child sex felt that it didn't pose harm to their children as there is no direct physical contact between the perpetrator and the victim.<sup>20</sup>

**The above factors, set against a backdrop of increasingly widespread affordable access to internet and the universal use of English as a second language, have combined to provide a "perfect storm" in which WCST was able to grow and flourish with relative ease over the last 3 years.**

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<sup>18</sup> <http://sea-globe.com/the-end-of-innocence-online-child-abuse/>

<sup>19</sup> <http://www.iht.com/2014/04/20/the-lost-children-of-cebu/>

<sup>20</sup> <http://sea-globe.com/the-end-of-innocence-online-child-abuse/>

# CHANGING NATURE OF WCST IN THE PHILIPPINES

“Last December of 2015, WCPC arrested 45 suspects, we are so worried about it. It only means one thing, WCST is becoming rampant” - General Rosario Acio, Chief Director Women and Children Protection Center.

## **SOCIAL MEDIA FACILITATES CONTACT BETWEEN PREDATORS AND CHILDREN**

The worldwide growth in usage of social media networks such as Facebook has provided predators with a gateway to the world of children online and this is how initial contact is often made, whether with the child itself or family members. Children's unsecured Facebook accounts often provide enough information for a would-be abuser to gain their confidence. The contact will usually move to another site or chatroom then and payment arrangements will be set up from a range of options (see below). Skype or a similar live streaming video is often used for explicit exchanges and acts, which makes it difficult to trace for law enforcement.

Prosecutors and law enforcers are making some inroads into apprehending predators using social media. For example an Australian man was arrested for WCST in Manila in September 2016 on the basis of information supplied by Facebook moderators and Australian police issued a report on Skype use for WCST after apprehending a man for making and distributing child abuse videos<sup>21</sup>.

However most law enforcement agencies admit that the law needs to adapt to the changing circumstances of child sex abuse today.

## **ADVANCED TECHNOLOGIES MAKE WEBCAM CHILD SEX TOURISM POSSIBLE ANYWHERE AND BY ANYONE**

Technological developments over the past 3 years have had a direct effect on the spread of webcam child sex tourism in the Philippines. Researchers have noted a clear move from laptop and PC usage to smartphones and simultaneously from internet access via Ethernet (cable) to WiFi. This means that chat rooms are accessed far less through computers at set locations with the result that online sexual exploitation can now be carried out anywhere by anyone who has access to a smartphone and WiFi. These changes make it even easier for pimps and parents to establish contact with predators online - and much harder to trace possible victims.

An example of the change in practice is given when a local NGO describes how it used to identify possible webcam dens by the presence of satellite dishes and routers, especially if they were placed on small unassuming houses. These were pretty reliable indicators of any illegal online activity and would alert social workers looking for children vulnerable to sexual exploitation. However, advanced technologies have made it much more difficult in recent years

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<sup>21</sup><http://news.abs-cbn.com/focus/08/30/16/how-facebook-helped-in-arrest-of-aussie-sex-tourist>

for community workers to identify potential dens, as satellite dishes have been exchanged for wireless internet and computers for mobile phones. One social worker explains that they locate WCST victims during community activities by asking questions such as ‘What types of toys do you play with at home?’ or ‘Do you have any friends online?’. Additionally all staff keep an eye on the type of smartphones parents use because ‘the parents we look for often have nicer phones than our staff’ and may be earning a family income by means of their mobile device. The more “professional” webcam sex dens or larger family-run businesses tend to monitor their neighborhood closely with modern CCTV cameras to ensure their business is not identified. This has made it more challenging for law enforcement agencies and local organisations to identify dens and has put those directly monitoring neighborhoods at greater risk of individual intimidation and threats.

## **STRICTER CYBER CAFE REGULATIONS MOVE WEBCAM CHILD SEX TOURISM FURTHER OUT OF SIGHT**

Over the past few years, regulation of legitimate cybercafés in cities and villages have become stricter to protect children from harmful practices. This includes a ban on cubicles and curtains and regulated hours for children to be allowed in the cafe. Although it is a positive achievement that in such locations webcam child sex tourism is barely detected anymore, it is obvious that the practice has moved to more diffuse locations because it now can.

Many informal cybercafés (“pesonettes”) still exist in the poorer neighborhoods, often operated from a family home or shop. Open 24 hours a day with irregular supervision, these locations play an important role in online exploitation. The informal cybercafés can both be used to establish contact with predators through social media or even to perform shows in front of the webcam. These cybercafes are much more difficult to monitor.

## **FAMILY-RUN OPERATIONS TURN INTO SEMI-PROFESSIONAL BUSINESSES**

The nature of WCST family-run operations means that they can easily recruit more children from the neighborhood or extended family members from other islands transforming them into more complex and professional operations. According to PREDA, this is more likely to happen in rural villages, whereas the individually-run operation or organised cybersex den (which recruits from the provinces often on false pretexts) is more prevalent in urban areas.

Some of these urban cybersex dens operate on a “guerilla” basis, switching location from time to time, making them harder to trace. The operators are often based outside the Philippines and foreign nationals set up the contacts with foreign clients, mostly from the US. After online contact has been established with a child, the predator may request to have physical contact with him/her and this is arranged by a facilitator based locally in the country, leading to actual physical sexual abuse which is often recorded and circulated later online by the predator.<sup>22</sup>

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<sup>22</sup> <http://www.kansas.com/news/local/crime/article91432407.html>

# THE FINANCIAL SIDE OF WCST

## METHODS OF PAYMENT

Payment for WCST can be made in various ways and changes continually depending on how traceable it becomes over time for law enforcers. Traditionally payments are made through Western Union but lately the authorities in some regions have placed controls on anonymous money transfer via such centres with the result, unfortunately, that perpetrators and facilitators have started using alternative systems such as PayPal and Xoom. However these are not risk free and more and more online payment companies are being alerted to criminal usage, forcing payments follow other routes. Some of these are described below;

## LOCAL MONEY TRANSFER CENTRES

According to the NBI-CCD the most favoured methods after Western Union are local payment/remittance centres such as MLhuillier. These centres are found in abundance all over the Philippines as a means for emigrant workers to send money home. The PNP-WCPC report that the facilitator (intermediary between child and predator) would use other colleagues or persons to collect the money from the money transfer establishment and give it directly to the family. This happens to prevent the payment being traced by the law enforcers. The facilitator demands the payment first before the minor engages in WCST. The predator uses a credit card or PayPal to make the transfer.

## PADALA ('CONSIGNMENT OF CASH OR GOODS')

Smart Padala (<https://smartpadala.ph/>). A person needs only a mobile phone number and smart padala number to collect the money, no ID is required. The sim card can be bought anywhere with no registration or identification needed. The money sent through Smart Padala can be claimed in any specific center i.e. a convenience store. The international partners of Smart Padala are Australia mHits ([www.mhits.com.au](http://www.mhits.com.au)), Europe PostFinance ([www.postfinance.ch](http://www.postfinance.ch)), LycaMoney ([www.lycaremit.co.uk](http://www.lycaremit.co.uk)), and Canada QicSEND ([www.qicsend.com](http://www.qicsend.com)). Using this method, the facilitator, pimp and even the client can not be easily identified.

## GCASH PADALA

(<http://www.globe.com.ph/gcash/products-and-services/gcash-remit/international-remittance>). The sim card can be purchased everywhere without registration. Money can be claimed by presenting the ID at a Gcash counter in any Globe Center or in certain remittance centres. The Globe Partners from outside the Philippines are Transfast (Canada and USA- <https://www.transfast.com>), Swift Cash or Swift Connections (United Kingdom <http://www.swiftconnections.com/money-transfer>), BHF Northern Remittance (Hong Kong), Celcom Malaysia (<https://www.celcom.com.my/personal/services/aircash>) IME, Money Gram, New York Bay Remittance, One Transfer, Remit X, Singtel Remit, Speed Remit, and Xoom. All of these remittance payments can be made online using credit cards. BitCoins or Electronic Coins. This is a form of digital currency, created and held electronically, and no one controls it. Bitcoins are not printed unlike dollars or euros. They are produced by

individual people and increasingly businesses for online commerce. Bitcoin has several vital features that set it apart from government-backed currencies:

- (1) It is decentralized;
- (2) It is easy to set up;
- (3) It is anonymous;
- (4) It is completely transparent;
- (5) Transaction fees are miniscule;
- (6) It is fast; and
- (7) It is non-refundable.

Bitcoin can be used in actual transactions or stores in the following way:

A person must have a digital wallet where you can store, send and receive payments. Most Smartphones and android have a digital wallet. An alternative is a coin box, which uses a QR code to send payment. There are also bitcoin point of sale options for retailers which offer a bitcoin service online like Coinify, and Coin kite

[\(http://www.coindesk.com/information/bitcoin-retail-pos-systems/\)](http://www.coindesk.com/information/bitcoin-retail-pos-systems/)

Due to its anonymity, Bitcoin is increasingly popular as a method of payment for “dark net” enterprises and it is ideal for predators either paying for WCST or selling child pornography online.

# LEGAL CONSIDERATIONS

## THE PHILIPPINE LAW AND WCST

Webcam child sex tourism is a criminal act. It is a violation of several Philippine laws, including the Expanded Anti-Trafficking in Persons Act, Cybercrime Prevention Act, and the Anti-Child Pornography Law.

A lawyer supporting victims of WCST during a trial explains that normally, three different charges are pressed against suspects: those of child trafficking, child pornography and child abuse. The offences of child abuse and child pornography are both bail-able, meaning that prosecution often intends to ensure that the charges of child trafficking are made. According to the law, offenders may be sent to prison for between 15 years and life<sup>23</sup>.

In September 2012, the Philippines passed the Cybercrime Prevention Act which aims to stamp out cyber crimes including fraud, identity theft, spamming, and child pornography. However, the Supreme Court blocked the statute due to provisions authorizing heavy prison terms for online libel, giving the state the power to shut down websites, and to monitor online activities. For the time being, Filipino law enforcers are making do with other laws to go after offenders, including one against child pornography.<sup>24</sup>

## PHILIPPINES PRIVACY LAWS; THE RIGHT TO PRIVACY

Internet Service Providers (ISPs) are not bound to provide records or other information to law enforcement agencies upon request as a result of privacy laws. Although it is possible that the right to privacy could be waived if the IP address is suspected of criminal activity, a request for preservation of data by the ISP must be made through a court order which takes a minimum of 3 months according to the PNP Legal Department. Many ISPs do not specify how long they retain data for and frequently the server automatically dumps the archive before the warrant is issued. The PNP Legal Department points out that in the USA a judge may rule instantly on the matter if the FBI can prove there is a need for a service provider to disclose information and a warrant will be issued there and then.

## AGE OF CONSENT

The age of consent in the Philippines is 12 years old according to UNICEF, who state “This makes it harder to convict people for child sexual abuse. We want to see this raised to at least 16 years, along with greater resources for finding and convicting offenders.”<sup>25</sup> Though the age of consent doesn’t apply to child victims of prostitution or trafficking it is an issue that deserves serious attention from Philippine legislators.

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<sup>23</sup> <http://www.iht.com/2014/04/20/the-lost-children-of-cebu/>

<sup>24</sup> <http://www.rappler.com/nation/48262-ph-source-child-cybersex-industry>

<sup>25</sup> [http://www.unicef.org/infobycountry/philippines\\_91214.html](http://www.unicef.org/infobycountry/philippines_91214.html)

## **SHORTAGE OF PERSONNEL**

In 2015, the PNP-WCPC was created and mandated to deal with cases of trafficking and sexual exploitation online. WCPC Visayas need around 40-60 personnel to gather evidence, conduct rescue missions, and guide victims; in contrast, the office employs five staff members only.

## **CONGESTED CRIMINAL COURT SYSTEM LEADING TO LONG DELAYS**

In 2013, the National Statistics Coordination Board of the Philippines stated that the lower courts were congested with over a million cases every year. Although the inflow of cases in the lower courts has been declining between 2005 - 2012, the outflow of cases over the same time period has been on an even stronger downtrend, resulting in a growing backlog of cases for lower courts.<sup>26</sup>

A very limited Judiciary budget can be seen as one of the main causes of this backlog: in 2015 only 0.81 percent of the general annual budget was dedicated to the judiciary, a further decrease from 0.87 per cent in 2010.<sup>27</sup>

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<sup>26</sup>

<http://www.philstar.com/headlines/2013/06/14/953927/courts-congested-over-1-million-cases-yearly-nscb>

<sup>27</sup> <http://www.philstar.com/headlines/2015/08/14/1487900/lawmakers-seek-budget-hike-judiciary>

# LENGTHY JUDICIAL PROCESSES

On average a first hearing is planned for 3 months after the arrest and a second hearing often takes place 3 months later. It takes at least 9 months from the arrest before the first testimonies of victims are taken; with an estimate of 2 testimonies per year, this process can easily take up to 6 or more years for suspects operating in dens. After the testimonies, the defense side often needs a minimum of 9 months to prepare a response before a verdict can be formulated by the judge.

## CASES TAKE YEARS

Records show that in the current context and under the most ideal circumstances perpetrators are only convicted after a 2-year process. Unfortunately, all cases followed by a Terre des Hommes Netherlands' partner organisation in Cebu have taken much more time, with the longest current trial running for years. These timeframes are strongly de-motivating for victims (who are growing older in the course of events) and many of the trials are terminated during the process as it is difficult to 'move on' while constantly being reminded of the trauma of the past. Consequently many victims decide to drop charges, sometimes bribed by suspects to do so. Witnesses get "paid off" by cybersex den operators or facilitators and even intimidated, making it very difficult to keep them in the judicial process also. The Philippine Judicial System is making laudable efforts to train the legal profession in dealing with WCST and related crimes and this is reflected in the seven convictions that have been handed down lately in the courts.

## ADDRESSING THE DEMAND SIDE

WCST is viewed as an offence of the supplier of the material, while the predators are allowed "off-the-hook". It is imperative to include the facilitating of such acts as an offence as well. One of the challenges of this approach is the difficulty of prosecuting alleged predators as they must be caught in possession of images or videos of child abuse. This happens rarely since they almost always use live streaming and legitimate mainstream chat sites. Simultaneously, the industry is currently migrating to an unregulated digital economy platform making it even harder for law enforcement to detect<sup>28</sup>.

As most of the demand is coming from outside the Philippines it is essential that the PNP and other law enforcement bodies receive cooperation from the foreign countries involved in order to apprehend predators and child pornographers. Although the national police can and do carry out regular raids on cybersex dens the ever-present demand will ensure new dens and facilitators spring up somewhere else.

## SENSE OF IMPUNITY

In summary than, the laws seem to be in place and law enforcement is serious about upholding them. However, the strict privacy laws in particular are causing serious delays in investigating confiscated computers and therefore vital information is lost, especially that relating to the paying "customers" of WCST.

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<sup>28</sup> <http://sea-globe.com/the-end-of-innocence-online-child-abuse/>

If the Philippine Government has the political will to uphold the laws on cyber pornography they should make the Internet Service Providers more accountable. Or as the PNP-ACG stated: “they have the first hand information. It will be a big move for law enforcement agencies to solve more cases instead of relying on tips from concerned individuals.”

The long trials and lack of convictions strengthen the sense of impunity that exists around the online sexual exploitation of children. Or, as one NGO states, “if there are no convictions, there are no reasons NOT to do it”.

## GOVERNMENT EFFORTS

“Most of our leads come from overseas police counterparts. Filipinos are reluctant to report abuse or file complaints” - Colonel Ivy Castillo, PNP-ACG

The Trafficking in Persons Report 2015, released earlier this year by the US State Department, stated that “the [Philippine] government’s efforts to reduce demand for commercial sex acts were negligible”, pointing at “pervasive corruption” as one of the factors hampering efforts to tackle this phenomenon. The report exhorted the Philippine government to “increase efforts to hold government officials administratively and criminally accountable for trafficking and trafficking-related offences through criminal prosecutions, convictions and stringent sentences.”<sup>29</sup>

One of the challenges faced by the PNP-ACG lies in using evidence and information submitted by foreign law enforcement counterparts. Information should be forwarded from foreign law enforcement to the local enforcers by means of a Mutual Legal Assistance Treaty (MLAT). This requires that the PNP authenticate the source of the information through the Philippine embassy in that country. This procedure entails delaying any proposed action to apprehend WCST perpetrators or rescue children from abuse. To get around this the PNP gather their own evidence to form a basis for the investigation through undercover work and combine this with foreign cited information.

Furthermore, difficulties arise in prosecuting cases due to a lack of knowledge among legal practitioners pertaining to this particular type of criminal activity. The Philippine judiciary are currently building capacity in the profession in the handling of WCST cases and the DOJ has recognised the need to carry out training in this field also.

### LACK OF SUPPORT FOR VICTIMS

Most victims receive support through the Department of Social Welfare and Development, including accommodation and psychosocial support, for an average of 6 months. After this period, an assessment is done to determine what further support a victim needs. From here victims either stay at the DSWD centres, transfer to longer-term shelters or move back into their community. Due to resources and time constraints, there is little to no follow-up or monitoring of victims after they have left the DSWD centers. As one of the Terre des Hommes Netherlands NGO partners explains: “Everyone at social services is overworked. Once the checklist has been filled out ensuring for example financial support, the case is closed and there is no follow-up anymore”.

A pressing issue is the lack of adequate support for male victims of webcam child sex tourism. Due to the absence of facilities catering for them in Cebu, boys are placed in centres for children in conflict with the law, meaning that these victims are housed together with and receive the same treatment as young delinquents.

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<sup>29</sup> <http://sea-globe.com/the-end-of-innocence-online-child-abuse/>

According to PREDA, children rescued by the authorities from WCST are mostly brought to their center instead of to the DSWD, even though that is required by law. This happens because the government-run shelter has either no space or personnel, or both, for the child.

## **GOOD PRACTICES AND SUCCESSES IN TACKLING WEBCAM CHILD SEX TOURISM**

The PNP-ACG has taken the initiative of setting up a collaborative model of cooperation and partnership between all the stakeholders in WCST. For example, in Taguig City, there is now a collaborative program focusing on online child pornography and human trafficking. It consists of staff members from the Department of Justice (DOJ), National Bureau of Investigation (NBI), Non-Government Organizations (NGOs) and other international bodies. This is a kind of model program which can be replicated in other places.

There is strong collaboration with foreign counterparts. Frequently due to advanced technology, it is international law enforcement agencies that alert the PNP-ACG to suspect activity. Australian Federal Police, US Homeland Security, Federal Bureau of Investigation and others are all involved in providing assistance in tackling WCST in the Philippines. The PNP has recently joined the Virtual Global Task Force (VGT), the international partnership of law enforcement agencies, NGOs and Industry working together to tackle online child sexual abuse. The most welcoming development however, is the decision to strengthen PNP's Women and Children Protection Centers. An extra 275 officers will be added to the 70 at present. A new agency - ICAT = Internet Crimes Against Children - has been formed under the WCPC to focus solely on Webcam Child Sex Tourism. ICAT officers are presently undergoing specialized training.

## **AWARENESS RAISING**

Another intervention that has been undertaken by the authorities is increased dissemination of information about WCST. This is done by holding meetings and lectures in educational institutions, for example, at the moment the NBI-CCD is conducting an information campaign in schools highlighting issues such as online child sexual exploitation and cyber bullying. NGOs such as PREDA also do a lot of awareness raising work on the issue within communities and often receive information about WCST operations, which is passed on to the police cyber crime division for further action.

# CONCLUSIONS AND RECOMMENDATIONS

In the three years since the publication of our first report it seems safe to assume that the practice of Webcam Child Sex Tourism has increased substantially both in geographical distribution and in the amount and size of “cyber sex dens” in use. We have also seen a huge increase in demand for child pornography in general and live streaming via the internet in particular, as it leaves no digital trace behind. A combination of factors (poverty, internet access, English as a second language, cultural norms) though not unique to the Philippines, have fostered this growth in the “industry” which is now becoming “professionalised”.

## USE OF NEW TECHNOLOGIES AND LENGTHY COURT CASES

Despite the efforts of law enforcement in the Philippines, WCST has now spread all over the country, its victims are getting younger and in many cases exposed to ever more extreme sexual violence. The predators, pimps and facilitators are managing to keep one step ahead of the authorities by using new online payment technologies and mobile devices which make it more difficult to trace digitally or physically. In the courts, long delays in processing cases resulting from privacy laws mean that prosecutions can take years with the result that witnesses and victims withdraw from the process or are bribed to do so.

## INCREASE PRESSURE

On a more positive note the Government of the Philippines has undertaken several initiatives to address WCST in the country both on an international level (by for instance joining the VGT) and on a national level by strengthening the capacity of the National Police force. However, more is required in terms of law enforcement, for example, by putting pressure on Internet Service Providers to release suspect data.

## INCREASE RESOURCES

There is also a grave shortage of resources for providing support for the victims of the ever increasing sinister phenomenon of commercial sexual exploitation of children.

Most importantly, the Government should pressure the international community to tackle the “demand side” of WCST. As long as this enormous international demand exists, the fight in the Philippines will remain an uphill battle.

## INCREASE PRESENCE

Terre des Hommes Netherlands is also in favour of a more visible presence of law enforcement on **public areas** of the internet. There is no doubt that such a presence will serve as a deterrent to potential perpetrators and make the internet a safer place for children.

The internet should remain free, but not lawless<sup>30</sup>.

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<sup>30</sup> <chrome-extension://bpmcpldpdmajfigpchkicefoigmkfalcv/views/app.html>

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