



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

MEMORANDUM NO. M-2017- 031

To : ALL BSP-SUPERVISED FINANCIAL INSTITUTIONS (BSFIs)

Subject : Clarification on the Deadline for Compliance with the Requirement of Circular No. 958 dated 28 April 2017

BSP Circular No. 958 dated 28 April 2017 requires all concerned BSP-supervised financial institutions (BSFIs) to adopt multi-factor authentication (MFA) techniques for sensitive communications and/or high risk transactions by 30 September 2017. In this regard, the BSP reiterates that non-compliance with the aforementioned requirement shall be classified as a "serious offense" pursuant to Appendix 67 of the Manual of Regulations for Banks (MORB) which shall be subject to monetary sanctions provided under Sections/Subsection X199 and 4199Q and 4196N.9 of the MORB and Manual of Regulations for Non-Bank Financial Institutions (MORNBFIs). Alternatively, non or partially compliant BSFIs should undertake the following pending full implementation of their MFA solutions within the initially committed timeline:

1. Disable functionalities used to facilitate sensitive communications and/or high risk transactions as defined in Circular No. 958; or
2. Implement acceptable interim/compensating controls to mitigate the risk of fraud and protect cardholders.

For information and compliance.


CHUCHI G. FONACIER
Deputy Governor

4 October 2017