



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
BANKING SERVICES SECTOR, RESEARCH & TREASURY**

**CIRCULAR-LETTER
Series of 2001**

TO : ALL AUTHORIZED AGENT BANKS

SUBJECT: Strict Compliance with Section 12 of CB Circular No. 1389, as Amended

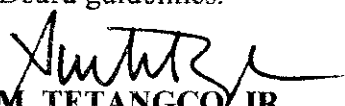
It has come to our attention that some banks are selling foreign exchange to service applications to pay importations purportedly by direct remittance under Section 12 of said Circular, when supporting documents indicate that they pertain to unregistered D/A-O/A importations.

Please be reminded that under aforesaid Section, banks may sell foreign exchange (FX) to service applications for direct remittance of import payments effected through modes "other than those under L/C, D/P, D/A or O/A" (underlining supplied), subject to submission of prescribed documents.

Accordingly, payments of D/A-O/A importations should not be allowed to be serviced using FX purchased from AABs, under said Section 12. Payments of BSP registered D/A-O/A imports shall continue to be allowed to be serviced using FX purchased from AABs under Section 11 of the aforesaid Circular.

For purposes of said Section 12, the direct remittance mode of import payment shall refer to a non-L/C importation which is payable immediately upon receipt of the shipping documents provided that AABs may service such import payment applications if the required original shipping documents are presented and payment is made not later than fifteen (15) banking days after the Bill of Lading/Air Waybill date. Any non-L/C importation payable at some future date after shipment as indicated in the covering commercial invoice/purchase order/sales contract shall be considered Documents Against Acceptance (D/A), if importer's acceptance to seller's bill of exchange is required, or Open-Account (O/A) importation under Section 11 of said Circular, not as a direct remittance of import payment under said Section 12.

Strict compliance herewith is enjoined and violations by AABs of said rules shall be imposed fines/sanctions in accordance with Monetary Board guidelines.


AMANDO M. TETANGCO, JR.

Deputy Governor

20 July 2001



MAG-IMPOK SA BANGKO