



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

CIRCULAR LETTER

To : **All Banks and Non-Bank Financial Institutions
Under BSP Supervision**

The Anti-Money Laundering Council (AMLC), in the exercise of its authority under Sections 7(1) and 9 of Republic Act No. 9160, otherwise known as the "Anti-Money Laundering Act of 2001, as amended, and its Revised Implementing Rules and Regulations, resolved to:

1. Defer reporting by covered institutions to AMLC of the following "non-cash, no/low risk covered transactions":
 - Transactions between banks and the BSP;
 - Transactions between banks operating in the Philippines;
 - Internal operating expenses of the banks;
 - Transactions between banks and government agencies;
 - Transactions involving transfer of funds from one deposit account to another deposit account of the same person within the same bank;
 - Roll-overs of placements of time deposits; and
 - Loan interest/principal payment debited against borrower's deposit account maintained with the lending bank.
2. Request the BSP-supervised institutions, through the Association of Bank Compliance Officers (ABCOMP), to determine and report to AMLC the specific transactions falling within the purview of the aforesaid BSP-identified categories of "non-cash, no/low risk" covered transactions.

Attached is a copy AMLC Resolution No. 58 dated 25 May 2005 for your guidance and implementation.


NESTOR A. ESPENILLA, JR.
Deputy Governor

Att.: A/S

16 June 2005

PANANALAPING MATATAG, BANSANG PANATAG



Anti-Money Laundering Council

Bangko Sentral ng Pilipinas Complex
Manila, Philippines

RESOLUTION NO. 58
Series of 2005

Whereas, the Financial Action Task Force (FATF) President expressed concern that "enormous amount" of covered transaction reports (CTRs) that are not related to cash is seriously hampering the overall suspicious transaction reporting (STR) regime in the Philippines and believes that reducing the number of CTRs would allow the Anti-Money Laundering Council to more effectively analyze the STRs and CTRs received;

Whereas, the BSP has identified nine (9) categories of non-cash, no/low risk covered transactions, the reporting of which may be deferred by the AMLC;

Whereas, the ABCOMP has agreed to the deferment of reporting of BSP-identified non-cash, no/low risk covered transaction categories;

Whereas, the Council has found meritorious the deferment of reporting of transactions falling under seven (7) of the nine (9) BSP-identified non-cash, no/low risk covered transaction categories;

Wherefore, the Council in the exercise of its authority under sections 7(1) and 9 of Republic Act No. 9160, otherwise known as the Anti-Money Laundering Act of 2001, as amended, and its Revised Implementing Rules and Regulations, resolves to:

1. Defer reporting by covered institutions to AMLC of the following "non-cash, no/low risk covered transactions":
 - Transactions between banks and the BSP;
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 - Roll-overs of placements of time deposits; and
 - Loan interest/principal payment debited against borrower's deposit account maintained with the lending bank.
2. Request the BSP-supervised institutions, through the Association of Bank Compliance Officers (ABCOMP), to determine and report to AMLC the specific transactions falling within the purview of the aforesaid BSP-identified categories of "non-cash no/low risk covered transactions."

25 May 2005, Manila, Philippines.


AMANDO M. TETANGCO JR.
Acting Chairman
(OIC, Bangko Sentral ng Pilipinas)


JE B. BARIN
Member
(Chairperson, Securities and Exchange Commission)


BENJAMIN S. SANTOS
Member
(Commissioner, Insurance Commission)