



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

CIRCULAR NO. 224

Series of 2000

Amendments to the Foreign Investment Rules Under CB Circular No. 1389, As Amended

Pursuant to Monetary Board Resolution No. 143 dated 24 January 2000, the following amendments to CB Circular No. 1389, as amended, are hereby issued:

1. The second paragraph of Section 36 is amended to exclude "savings deposits" so as to read as follows:

"Investments in bank deposits shall mean peso time deposits with an AAB with a maturity of at least ninety (90) days. Bangko Sentral Registration Document (BSRD) issued directly by the BSP for such investments shall be cancelled if the deposits are preterminated before ninety (90) days".

2. Items 1.a.1 and 2.a.2 of Appendix 10 of the Circular, on supporting documents for registration, is amended to read as follows:

"Certificate of Inward Remittance (CIR) of foreign exchange converted and sold for pesos to the certifying AAB provided that the AAB shall pre-number said CIR and state therein that 'This certificate is issued for the purpose of obtaining a BSRD for the inward foreign investment of (name of investor).' The CIR shall, in addition, contain at least the following information:

- 1) remitter's name and country source;
- 2) name of remitting foreign bank;
- 3) beneficiary's name and nationality;
- 4) remittance/telegraphic transfer reference number and date;
- 5) foreign currency name and amount;
- 6) US\$ equivalent if foreign currency is not US\$;
- 7) amount of peso proceeds;
- 8) rate and date of conversion;
- 9) date pesos deposited, time deposit certificate number and name of depositor, if applicable;
- 10) AAB signatory's name and position in the bank who must be at least the AVP or head of the AAB department/branch/office concerned; and
- 11) date of certification.

ITAGUYOD ANG PHILIPPINES 2000



MAG-IMPOK SA BANGKO

Only one such CIR shall be issued by an AAB for each inward remittance and only the original of the CIR shall be accepted by a registering bank as basis for issuing a BSRD, unless with specific prior BSP clearance. If the registering bank is also the bank converting/purchasing the inward remittance, the registering bank shall issue and submit the CIR directly to the BSP. The original of the CIR shall be submitted to the BSP and attached to the required AAB's daily reports of BSRDs issued or additional FX remittances under existing BSRDs, as the case may be, as provided under existing rules."

3. The first sentence of Section 37 is amended and another paragraph is added to said section, as follows:

"Only foreign investments in listed securities as defined in Section 35 may be registered either with the BSP or with an investor's designated custodian bank on behalf of the BSP; all other foreign investments under Sections 35 and 36 shall be registered directly with the BSP. x x x"

"The Bangko Sentral Registration Document (BSRD) to be issued by a custodian bank on behalf of the BSP, shall be in the prescribed pre-numbered form to be issued only by the BSP. Custodian banks shall purchase from BSP said forms provided that custodian banks are allowed to use existing BSRD forms until 31 March 2000."

4. The following shall be added as second paragraph to Section 38 on "Registration Procedures":

"All outstanding BSRDs issued by the custodian banks using the old forms shall be consolidated and replaced using the new pre-numbered BSRDs under the one-BSRD-per-investor-per-bank rule by 30 April 2000."

5. The following shall be added to Section 89-G on reports to be submitted by custodian banks to BSP:

"3. Report on Outstanding BSRDS	Monthly, within fifteen (15) calendar days after each report month starting March 2000."
---------------------------------	--

This Circular shall take effect immediately. All existing BSP issuances inconsistent herewith are deemed repealed or amended accordingly.

For the Monetary Board:


AMANDO M. TETANGCO, JR.

Officer-In-Charge

26 January 2000