



**BANGKO SENTRAL NG PILIPINAS**

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

**CIRCULAR LETTER NO. CL-2012- 041**

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

**Subject : Anti-Money Laundering Council (AMLC) Resolution No. 53 dated  
23 May 2012**

Pursuant to Anti-Money Laundering Council Resolution No. 53 dated 23 May 2012 (copy attached), you are hereby informed that on 10 April 2012, Assistant Secretary Eduardo Martin R. Menez of the Office of United Nations and Other International Organizations, Department of Foreign Affairs furnished the Anti-Money Laundering Council Secretariat (AMLCS) a copy of the Implementation Assistance Notice No. 1 dated 7 March 2012 issued by the United Nations Security Council (UNSC) Committee established pursuant to Resolution 1970 (2011) on Libya. In the said notice, the Committee noted that subsidiaries of the Libyan Investment Authority (LIA) and the Libyan Africa Investment Portfolio (LAIP) are not subject to the asset freeze measure. Therefore, Member States are not obligated to keep frozen assets of entities owned or controlled, either wholly or partially, by the LIA and LAIP.

For your guidance and strict implementation.

  
**NESTOR A. ESPENILLA JR.**  
Deputy Governor

14 June 2012

Att.: A/S



## Anti-Money Laundering Council

Bangko Sentral ng Pilipinas Complex  
Manila, Philippines

### RESOLUTION NO. 53 Series of 2012

In its Memorandum dated 16 May 2012, the AMLC Secretariat (AMLCS) reported to the Council that:

*On 10 April 2012, Assistant Secretary Eduardo Martin R. Meñez of the Office of United Nations and other International Organizations, Department of Foreign Affairs furnished the AMLC Secretariat a copy of the Implementation Assistance Notice No. 1 dated 7 March 2012 issued by the United Nations Security Council (UNSC) Committee established pursuant to Resolution 1970 (2011) on Libya. The Implementation Assistance No. 1 provides:*

#### **"IMPLEMENTATION ASSISTANCE NOTICE #1:**

**Subsidiaries of the Libyan Investment Authority (LIA, a.k.a. Libyan Arab Foreign Investment Company or LAFICO) and the Libyan Africa Investment Portfolio (LAIP)**

***In response to requests for guidance received from Member States concerning the proper implementation of the asset freeze measure imposed in Security Council Resolutions 1970 (2011), 1973 (2011) and modified in Resolution 2009 (2011), the Committee would like to note that subsidiaries of the LIA and the LAIP are not subject to the asset freeze measure.***

***Therefore, Member States are not obligated to keep frozen assets of entities owned or controlled, either wholly or partially, by the LIA and the LAIP.***

***The Committee would like to encourage Member States to consult closely with the Libyan authorities to ensure that any previously-frozen assets are unfrozen in a responsible and coordinated manner.***

***The Committee also notes that assets held outside of Libya as of 16 September 2011 which are directly in the names of the LIA and the LAIP, shall continue to remain frozen unless an appropriate exemption is applied. There are no restrictions***

*to the provision of funds, or other financial assets and economic resources to, or those held by, those two entities since that date.*

x x x." (underscoring supplied)

*LIA, a.k.a. LAFICO and LAIP were the subject of AMLC Resolution 39-A dated 3 May 2011 requiring covered institutions to submit to the AMLC suspicious transactions, if any, on LIA a.k.a. LAFICO and LAIP*

The UNSC Resolution 1970 (2011), adopted on 26 February 2011 and UNSC Resolution 1973 (2011) adopted on 17 March 2011, as well UNSC Resolution 2009 (2011) adopted on 16 September 2011 provide that:

**Resolution 1970 (2011)**

"The Security Council,

Expressing grave concern at the situation in the Libyan Arab Jamahiriya and condemning the violence and use of force against civilians,

x x x

"Acting under Chapter VII of the Charter of the United Nations, and taking measures under its Article 41,

x x x

17. Decides that all Member States shall freeze without delay all funds, other financial assets and economic resources which are on their territories, which are owned or controlled, directly or indirectly, by the individuals or entities listed in Annex II of this resolution or designated by the Committee established pursuant to paragraph 24 below, or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them, and decides further that all Member States shall ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any individuals or entities within their territories, to or for the benefit of the individuals or entities listed in Annex II of this resolution or individuals designated by the Committee;"

**Resolution 1973 (2011)**

"The Security Council,

Recalling its resolution 1970 (2011) of 26 February 2011,

x        x        x

Acting under Chapter VII of the Charter of the United Nations,

x        x        x

19. Decides that the asset freeze imposed by paragraph 17, 19, 20 and 21 of Resolution 1970 (2011) shall apply to all funds, other financial assets and economic resources which are on their territories, which are owned or controlled, directly or indirectly, by the Libyan authorities, as designated by the Committee, or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them, as designated by the Committee, and decides further that all States shall ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any individuals or entities within their territories, to or for the benefit of the Libyan authorities, as designated by the Committee, or individuals or entities acting on their behalf or at their direction, or entities owned or controlled by them, as designated by the Committee, and directs the Committee to designate such Libyan authorities, individuals or entities within 30 days of the date of the adoption of this resolution and as appropriate thereafter;"

#### **Resolution 2009 (2011)**

"The Security Council,

Recalling its Resolution 1970 (2011) of 26 February 2011 and 1973 (2011) of 17 March 2011,

x        x        x

Acting under Chapter VII of the Charter of the United Nations,

x        x        x

15. *Decides* to modify the measures imposed in paragraphs 17, 19, 20 and 21 of Resolution 1970 (2011) and paragraph 19 of Resolution 1973 (2011) with respect to the Central Bank of Libya, the Libyan Arab Foreign Bank (LAFB), the Libyan Investment Authority (LIA), and the Libyan Africa Investment Portfolio (LAIP) as follows:

(a) funds, other financial assets and economic resources outside of Libya of the entities mentioned in this paragraph above

that are frozen as of the date of this Resolution pursuant to measures imposed in paragraph 17 of Resolution 1970 (2011) or paragraph 19 of Resolution 1973 (2011) shall remain frozen by States unless subject to an exemption as set out in paragraphs 19, 20 or 21 of that resolution or paragraph 16 below;

(b) except as provided in (a), the Central Bank of Libya, the LAFB, the LIA, and the LAIP shall otherwise no longer be subject to the measures imposed in paragraphs 17 of Resolution 1970 (2011), including that States are no longer required to ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any individuals or entities within their territories, to or for the benefit of these entities;

x x x." (underscoring supplied)

Section 7(1) of R.A. 9160, as amended, provides:

"SEC. 7. Creation of Anti-Money Laundering Council (AMLC) - The Anti-Money Laundering Council is hereby created and shall be composed of the Governor of the Bangko Sentral ng Pilipinas as chairman, the Commissioner of the Insurance Commission and the Chairman of the Securities and Exchange Commission as members. The AMLC shall act unanimously in the discharge of its functions as defined hereunder:

(1) to require and receive covered or suspicious transaction reports from covered institutions;

x x x."

The Revised Implementing Rules and Regulations of the Anti-Money Laundering Act of 2001, as amended, provides:

"Rule 13.7.2. Authority to Assist the United Nations and other International Organizations and Foreign States. - The AMLC is authorized under Section 7 (8) and 13 (b) and (d) of the AMLA to receive and take action in respect of any request of foreign states for assistance in their own anti-money laundering operations. It is also authorized under Section 7 (7) of the AMLA to cooperate with the National Government and/or take appropriate action in respect of conventions, resolutions and other directives of the United Nations (UN), the UN Security Council, and other international organizations of which the Philippines is a member. However, the AMLC may refuse to comply with any such request, convention, resolution or directive where the action sought therein contravenes the provision

of the Constitution or the execution thereof is likely to prejudice the national interest of the Philippines.”

As a charter member of the United Nations, the Philippines, through the Anti-Money Laundering Council, must actively support the actions required under the subject UNSC Resolutions.

The Council resolved to:

- (1) Inform all covered institutions of the Implementation Assistance Notice No. 1 dated 7 March 2012 of the United Nations Security Council Committee established pursuant to Resolution 1970 (2011) on Libya; and
- (2) Request the Supervising Authorities to disseminate copies of this Resolution to all covered institutions under their respective jurisdictions.

23 May 2012, Manila, Philippines.



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



**TERESITA J. HERBOSA**  
Member

(Chairperson, Securities and Exchange Commission)



**EMMANUEL F. DOOC**  
Member

(Commissioner, Insurance Commission)

**SECURITY COUNCIL COMMITTEE ESTABLISHED  
PURSUANT TO RESOLUTION 1970 (2011)  
CONCERNING LIBYA**

**IMPLEMENTATION ASSISTANCE NOTICE #1:**

**Subsidiaries of the Libyan Investment Authority (LIA, a.k.a. Libyan Arab Foreign  
Investment Company or LAFICO) and the Libyan Africa Investment Portfolio (LAIP)**

In response to requests for guidance received from Member States concerning the proper implementation of the asset freeze measure imposed in Security Council resolutions 1970 (2011), 1973 (2011) and modified in resolution 2009 (2011), the Committee would like to note that subsidiaries of the LIA and the LAIP are not subject to the asset freeze measure.

Therefore, Member States are not obligated to keep frozen assets of entities owned or controlled, either wholly or partially, by the LIA and the LAIP.

The Committee would like to encourage Member States to consult closely with the Libyan authorities to ensure that any previously-frozen assets are unfrozen in a responsible and coordinated manner.

The Committee also notes that assets held outside of Libya as of 16 September 2011, which are directly in the names of the LIA and the LAIP, shall continue to remain frozen unless an appropriate exemption is applied. There are no restrictions to the provision of funds, or other financial assets and economic resources to, or those held by, those two entities since that date.

The Committee would like to recall that, at the time of the adoption of resolution 1970 (2011), the Security Council expressed its intent to ensure that frozen assets would be made available at a later stage to and for the benefit of the Libyan people.

7 March 2012