



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR | FINANCIAL SUPERVISION SECTOR

CIRCULAR LETTER NO. CL-2026- 041

To : **All BSP-Supervised Financial Institutions (BSFIs)**

Subject : **Conduct of the 2027 Mutual Evaluation of the Philippines**

Under Administrative Order No. 46 dated 30 July 2026,¹ issued by the Office of the President, the Bangko Sentral ng Pilipinas (BSP) hereby advises all BSFIs of the conduct of the Philippines' 2027 Mutual Evaluation (ME).

The ME is an in-depth assessment and analysis of the country's anti-money laundering/countering terrorism and proliferation financing (AML/CTPF) framework and the effectiveness of its implementation based on defined outcomes, as well as provides focused recommendations to further strengthen its system.² The ME shall have two (2) main components to assess: (i) Technical Compliance (TC)³; and (ii) Effectiveness.⁴

The Philippines' 4th round of ME, scheduled in 2027 shall be undertaken under the Financial Action Task Force's (FATF) Global 5th Round of ME,⁵ which places greater emphasis on the country's risks and context and demonstrated effectiveness of AML/CTPF measures. Pertinent data and/or information from BSFIs and credible sources are critical to demonstrate the adequacy and effectiveness of the BSP's supervisory frameworks and the BSFIs' implementation of AML/CTPF preventive measures. Further, BSFIs may be engaged to provide strategic insights on the Philippines' sustained compliance with FATF standards and global best practices during the ME process.

Relative thereto, all BSFIs are enjoined to extend their full cooperation and active participation in the BSP's ME-related activities and data-gathering initiatives, until the adoption of the ME Report, in support of the Philippines' efforts to achieve a successful ME.


LYN I. JAVIER
Deputy Governor

Digitally
signed by
Lyn I. Javier

02 September 2026

¹ [Administrative Order No. 46, s. 2025 | Official Gazette of the Republic of the Philippines](#)

² <https://www.fatf-gafi.org/en/topics/mutual-evaluations.html>

³ The TC component assesses whether a country has all the necessary laws, regulations and legal instruments in place, in line with the technical requirements of the 40 FATF Recommendations.

⁴ The effectiveness component assesses whether the AML/CTPF systems are working and the extent to which the country is achieving the defined set of outcomes. The assessment team will look at 11 key areas, or immediate outcomes, to determine the level of effectiveness of a country's efforts.

⁵ The updated FATF procedures and assessment methodology adopted in 2022, as amended in 2025, shall be used for the conduct of the Philippines' ME.