



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 952
Series of 2017

Subject: Disclosure of Domestic Remittance Charges by All BSP-Supervised Entities with Domestic Remittance Transactions

Pursuant to Monetary Board (MB) Resolution No. 370 dated 02 March 2017, the provisions of the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) are hereby amended as follows:

Section 1. The provision of Subsection X263.2 of the MORB pertaining to fees on domestic remittance transaction of BSP Circular 928 dated 24 October 2016, shall be revised and transferred as last paragraph of Section X906 of the MORB on disclosure of remittance charges and other relevant information. MORB Subsection X263.2 of BSP Circular 928 shall be deleted.

The amended Section X906 of the MORB section shall read as follows:

“Sec. X906. Disclosure of Remittance Charges and Other Relevant Information. ^{FN} It is the policy of the Bangko Sentral to promote the efficient delivery of competitively-priced remittance services by banks and other remittance service providers by promoting competition and the use of innovative payment systems, strengthening the financial infrastructure, enhancing access to formal remittance channels in the source and destination countries, deepening the financial literacy of consumers, and improving transparency in remittance transactions, consistent with sound banking practices.

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In case of domestic remittance transactions, all fees to the transactions shall be charged upfront by banks from the sender/remitter's end, with appropriate disclosure to the sender/ remitter of the components of the fees being charged. This does not preclude the bank and/or other participants to the domestic remittance transaction from

^{FN} The BSFIs shall have until 27 April 2017 to comply with the provision of this Circular.

charging service fees. Domestic remittance transaction, for this purpose, is a transfer of funds between a sender/remitter and a beneficiary who are both within the Philippines, or between two accounts within the Philippines."

Section 2. The provisions on disclosure of remittance charges and other relevant information under Section 4921Q, Section 4660N, Section 4660S of the MORNBFi shall be amended to include as the last paragraph, the provision pertaining to disclosure of domestic remittance charges. The amended sections shall read as follows:

Sec. 4921Q/4660N/4660S. Disclosure of Remittance Charges and Other Relevant Information^{FN}. It is the policy of the Bangko Sentral to promote the efficient delivery of competitively priced remittance services by banks and other remittance service providers by promoting competition and the use of innovative payment systems, strengthening the financial infrastructure, enhancing access to formal remittance channels in the source and destination countries, deepening the financial literacy of consumers, and improving transparency in remittance transactions, consistent with sound practices.

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In case of domestic remittance transactions, all fees to the transactions shall be charged upfront by all NBFIs under BSP supervision from the sender/remitter's end, with appropriate disclosure to the sender/ remitter of the components of the fees being charged. This does not preclude the BSP-supervised NBFi and/or other participants to the domestic remittance transaction from charging service fees. Domestic remittance transaction, for this purpose, is a transfer of funds between a sender/remitter and a beneficiary who are both within the Philippines, or between two accounts within the Philippines."

Section 3. Transitory Period – The following provision on the transitory period shall be incorporated as footnote to Section X906 of the MORB; and Sections 4921Q, 4660N and 4660S of the MORNBFi, as follows:

"The BSFIs shall have until 27 April 2017 to comply with the provision of this Circular."

^{FN} The BSFIs shall have until 27 April 2017 to comply with the provision of this Circular.

Section 4. Effectivity – This Circular shall take effect fifteen (15) days from publication in a newspaper of general circulation.

FOR THE MONETARY BOARD:

Ma. Cyd N. Tuño-Amador

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Officer-in-Charge

22 March 2017