



Bangko Sentral ng Pilipinas

CIRCULAR-LETTER

Series of 2004

Additional Implementing Guidelines/Clarifications Relative To Circular No. 419 On D/A-O/A Imports

Further to the Guidelines under Circular-Letter dated February 9, 2004, to implement Circular No. 419 dated February 2, 2004, the following additional guidelines/clarifications are hereby issued:

1. Regarding Item 4.d of Section 11 of Circular No. 1389, as amended by Circular No. 419, while a bank-affiliated forex corporation may sell foreign exchange (FX) for duly reported O/A importation available to the outward remittance of such FX sold should only be thru an AAB (hereinafter referred to as FX remitting AAB).
 - a. The bank-affiliated forex corporation selling the FX shall stamp "FX SOLD" on the original shipping documents at hand and indicate thereon its name duly signed by its authorized signatory.
 - b. The FX remitting AAB shall report the FX acquisition under Schedule 7 of FX Form 1 using Code 200 and simultaneously report the same amount as disposition/payment under Schedule 11 of FX Form 1.
2. Regarding No. 7 of the Guidelines under said Circular-Letter dated February 9, 2004, if the FX selling AAB or the FX remitting AAB is not the AAB reporting the availment or if there are two or more FX selling AABs:
 - a. Each FX selling AAB shall report the FX sale in Schedule 7 of FX Form 1 using Code No. 700 (Sale of FX for payment of imports negotiated with other banks)
 - b. The FX remitting AAB shall report the outward remittance of FX in Schedule 11 (Import Payments) of FX Form 1.
 - c. If the FX remitting AAB is not the FX selling AAB, the FX remitting AAB shall simultaneously report the acquisition of FX from the FX selling AAB in Schedule 7 using Code 200 of FX Form 1 and the FX remittance under Schedule 11 of FX Form 1; and

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- d. If the FX remitting AAB is not the availment reporting AAB, the former shall give written advice of said remittance to the latter within two (2) banking days after remittance date.
3. Payments of self-funded D/A-O/A importations shall be reported by the FX remitting AAB simultaneously as acquisition under Schedule 7 of FX Form 1 using Code 200 and as disposition under Schedule 11 of FX Form 1 using Code 9 [Others (specify)] under the column "Mode of Payment".
4. The Bank Reference Number (BRN) assigned to each D/A-O/A importation reported as availment by the AAB under Schedule 10 of FX Form 1 shall incorporate the initials or acronym of the availment reporting AAB to identify said AAB.
5. If the currency of payment is not US Dollar, upon payment, the amount of US Dollar equivalent reported under Schedule 11 of FX Form 1 shall be computed at the actual selling or booking rate of the FX selling AAB, which US Dollar equivalent shall be disclosed by the FX selling bank to the FX remitting bank, provided that in case of partial payments, the hard copy of Schedule 11 shall be submitted to BSP-IOB, pursuant to Item 2.b. of said Circular-Letter dated February 9, 2004.
6. In case of D/A-O/A importations of oil companies, the following documents may be submitted, in lieu of the copies of shipping documents, to the AAB concerned for purposes of reporting the D/A-O/A availments under Schedule 10 of FX Form 1:
 - a. Original Import Advice (which may be in E-mail hard copy) from importer signed by its authorized officer showing the estimated shipping volume, value and date, the import commodity description and payment term/due date; and
 - b. Sworn original Letter of Undertaking (LOU) from importer's authorized officer stating that the certified true copy of the invoice and Bill of Lading (B/L), or in lieu of said documents, a Letter of Indemnity (LOI) from supplier, shall be submitted to the availment reporting AAB on or before payment due date.

However, if the original shipping documents (invoice and B/L) were not presented to the AAB concerned on payment date, said documents shall be presented by the importer to the availment reporting AAB as soon as the importer receives said original documents to be marked by AAB "FX (indicate amount) payment remitted out (indicate name of FX remitting AAB)".

7. If the documents required for reporting of D/A-O/A availment is submitted by an importer to an AAB later than ten (10) calendar days before maturity date, the said AAB shall not report the same as D/A-O/A availment under Schedule 10 of FX Form 1, unless a BSP Official Receipt (O.R.) is presented as evidence that the prescribed processing fee was paid to BSP. However, no penalty shall be imposed by BSP on an AAB violating this rule until April 2, 2004. Thereafter, this rule shall be strictly enforced by BSP.
8. To pay the required processing fee for D/A-O/A availments reported later than ten (10) calendar days before maturity date, the importer or an AAB on behalf of the importer, shall:
 - a. Secure an Order of Payment (O.P.) from BSP-IOD-Trade & Fiscal Services Division (TFSD) which shall be based on the peso equivalent of the fee computed at the BSP reference rate appearing in the BSP Treasury Department Reference Exchange Rate Bulletin on the day of the issuance of the O.P.;
 - b. Pay in bank manager's or cashier's check, the amount of the fee indicated in the O.P. at the BSP Cash Department which will then issue a BSP O.R. as evidence of payment;
 - c. Present the original BSP O.R. to the BSP-IOD-TFSD which shall indicate thereon the D/A-O/A import amount that may be reported by the bank concerned as availment; and
 - d. Submit the original O.R. to the AAB concerned before it is reported under Schedule 10 of FX Form 1 as availment.
9. For purposes of determining if the D/A-O/A importation was reported later than ten calendar days before maturity date thus subject to payment of the BSP processing fee, the number of days must be counted prior to maturity date. For example, if the maturity date is March 30, 2004, and the availment is reported any day from March 1 to March 30, 2004, it will be considered late reporting of availment subject to the BSP fee. Maturity date shall refer to the original maturity plus any extension made prior to its being reported under Schedule 10 of FX Form 1.


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