



BANGKO SENTRAL NG PILIPINAS

CIRCULAR LETTER NO. CL-2021-102

OFFICE OF THE DEPUTY GOVERNOR FINANCIAL SUPERVISION SECTOR

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

Subject : **Anti-Money Laundering Council (AMLC) Regulatory Issuance (ARI) No. 7, Series of 2021 - Assessments on Late Submission of Action Plans and/or Updates on Actions Taken on AMLC Directives**

This is to disseminate to all BSFIs the ARI No. 7, Series of 2021¹ (copy attached) on the assessments on late submission of action plans and/or updates on actions taken on AMLC directives with the following provisions:

1. Action plans and/or updates on actions taken by covered persons (CPs), pursuant to a directive by the AMLC in an AMLC resolution approving the compliance checking reports, shall be submitted within the approved timelines. Delay in the submission shall be subject to an assessment for every day of delay ranging from Php2,500.00 to Php30,000.00 per day.² The assessment shall be counted from the first day of delay until such time that the action plan or updates are submitted to the AMLC, but in no case shall the total assessment exceed Php120,000.00³ or Php240,000.00⁴ whichever is applicable. The imposition of assessment shall be in accordance with the schedule provided in the ARI.
2. Failure or late submission of action plans and/or updates on actions for a period of one (1) year shall be considered a serious violation under Section 2.A, Table A. C.25 of the Rules of Procedures in Administrative Cases, and carries a penalty ranging from Php10,000.00 to Php200,000.00 per violation, but not exceeding Php5 Million. Other enforcement actions may be considered as may be warranted under the circumstances, including revocation of the AMLC registration of the concerned CP, and a negative public advisory.

For information and strict compliance/implementation.

Digitally signed by
Chuchi G. Fonacier
Date: 2021.12.29
15:36:18 +08'00'

CHUCHI G. FONACIER
Deputy Governor

29 December 2021

Att: a/s

<http://www.amlc.gov.ph/16-news-and-announcements/341-assessments-on-late-submission-of-action-plans-and-or-updates-on-actions-taken-on-amlc-directives?tmpl=component&print=1&page=>; published in a newspaper of general circulation on 07 December 2021.

² Based on the schedule provided in ARI No. 7, Series of 2021

³ For "Micro", "Small" and "Medium" covered persons

⁴ For Large A and Large B covered persons



AMLC REGULATORY ISSUANCE (ARI) NO. 7

Series of 2021

Subject: **Assessments on late submission of Action Plans and/or updates on Actions Taken on AMLC directives**

By the authority vested upon the Anti-Money Laundering Council (AMLC) to implement measures as may be necessary and justified to counteract money laundering, in accordance with Section 7(7) of Republic Act (RA) No. 9160, also known as the Anti-Money Laundering Act of 2001, as amended (AMLA), the Council in its Resolution No. 241, dated 16 November 2021, approved the Assessments on Late Submission of Action Plans and/or Updates on Actions Taken on AMLC Directives with the following provisions:

- 1) Action plans and/or updates in actions taken by CPs, pursuant to a directive by the AMLC in an AMLC resolution approving the compliance checking reports, shall be submitted within the approved timelines. Delay in the submission of such action plans and/or updates shall be subject to an assessment for every day of delay starting from Php2,500.00 per day of delay based on the schedule below. The assessment shall be counted from the first day of delay until such time that the action plan or updates are submitted to the AMLC, but in no case shall the total assessment exceed Php120,000.00¹ or Php240,000.00² whichever is applicable. The imposition of assessment shall be in accordance with the following schedule:

Assessment Level\Asset Size ³	High ⁴	Low ⁵
Up to P200 million	5,000	2,500
Above P200 million but not exceeding P500 million	10,000	5,000

¹ For “Micro”, “Small” and “Medium”

² For Large A and Large B covered persons.

³ If the covered person is a juridical entity, the penalty level shall be based on the Total Asset size as shown in the Audited Financial Statements of the assessed year. If the covered person is a private individual practitioner, the penalty shall be based on the Net Taxable Income reflected in the latest Income Tax Return filed. In the absence of the said documents, the asset size will be based on any verified available information that would provide the AMLC with a reasonable estimation of the resources of the CP. If no such verified available information is available, the penalty shall be ½ of 1% or Php 2,500 whichever is higher per day) of the total amount of transactions based on total CTRs/STRs transactions. In the absence of any transaction, the penalty shall be Php 2,500.00 per day of delay.

⁴ In cases where the CP subject of the AMLC directive has an ARRS rating of “1”.

⁵ In cases where the CP subject of the AMLC directive has an ARRS rating of “2”.

Assessment Level\Asset Size ³	High ⁴	Low ⁵
Above P500 million but not exceeding P1 billion	15,000	7,500
Above P1 billion but not exceeding P10 billion	20,000	10,000
Above 10 billion but not exceeding P50 billion	25,000	12,500
Above P50 billion	30,000	15,000

- 2) Failure or late submission of action plans and/or updates on actions for a period of one (1) year shall be considered a serious violation under Section 2.A, Table A. C.25 of the RPAC, and carries a penalty ranging from Php10,000.00 to Php200,000.00 per violation, but not exceeding Php5 Million. Other enforcement actions may be considered as may be warranted under the circumstances, including revocation of the AMLC registration of the concerned CP, and a negative public advisory.

This ARI shall take effect following its publication in a newspaper of general circulation, or in the Official Gazette.

BY AUTHORITY OF THE AMLC:

(original signed)

MA. RHEA M. SANTOS-MENDOZA

Officer-in-Charge

Anti-Money Laundering Council Secretariat

17 November 2021