



BANGKO SENTRAL NG PILIPINAS

CIRCULAR LETTER NO. CL-2021-069

OFFICE OF THE DEPUTY GOVERNOR FINANCIAL SUPERVISION SECTOR

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

Subject : **Anti-Money Laundering Council (AMLC) Advisory on Disclosing Beneficial Ownership Information in Suspicious Transaction Reports (STRs)**

This is to disseminate to all BSFIs the AMLC advisory on disclosing beneficial ownership information in STRs, posted in the AMLC website¹ on 7 September 2021 (copy attached).

The AMLC encourages covered persons to disclose the beneficial owner/s of account holders or customers categorized as juridical persons or legal arrangements when filing STRs. Covered persons are required to submit STRs to the AMLC, which must be complete, accurate, and timely.

The AMLC Registration and Reporting Guidelines (ARRG) provides, among others, that the narrative field of the STR should contain all the details and events leading to the suspicion, including other information that may be of help or importance to the report.² An essential element of this is information on beneficial owners of the account, whenever applicable. The name/s of the beneficial owner/s and all relevant information may be indicated in the narrative field of the STR.

BSFIs may refer to the Guidelines on Identifying Beneficial Ownership or AMLC Regulatory Issuance (ARI) A, B, and C No. 3, Series of 2018, in meeting the requirements to perform customer due diligence on beneficial owners.³ Moreover, the importance of beneficial ownership information was highlighted in Recommendations 24 and 25 of the Financial Action Task Force (FATF) that cover the transparency and beneficial ownership of legal persons and legal arrangements, respectively.⁴ Also, one of the action plans in the Philippine Mutual Evaluation Report is to enhance and streamline law enforcement agencies' access to beneficial ownership information and taking steps to ensure that beneficial ownership information is accurate and up to date.⁵ The beneficial ownership information in the STRs will be a valuable contribution to this action plan.

For information and strict compliance/implementation.

Digitally signed by Lyn I. Javier
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Sector-in-Charge

14 September 2021

¹ <http://www.amlc.gov.ph/images/PDFs/2021%20SEP%207%20AMLC%20ADVISORY%20DISCLOSING%20BO%20INFO.pdf>

² Page 153 of the 2021 ARRG. <http://www.amlc.gov.ph/images/PDFs/2021-AMLC%20REGISTRATION%20AND%20REPORTING%20GUIDELINES.pdf>

³ <http://www.amlc.gov.ph/images/PDFs/Guidelines%20on%20Identifying%20Beneficial%20Ownership.pdf>

⁴ Pages 91 and 96 of the FATF Recommendations. <https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>

⁵ Philippines. <https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2021.html#Philippines>

Advisory on Disclosing Beneficial Ownership Information in STRs

The Anti-Money Laundering Council (AMLC) encourages covered persons to disclose the beneficial owner/s of account holders or customers categorized as juridical persons or legal arrangements when filing suspicious transaction reports (STRs).

Covered persons are required to submit STRs to the AMLC. STRs must be complete, accurate, and timely as they are vital sources of financial intelligence and are essential in the investigation and prosecution of money laundering, terrorism financing, and other related cases/crimes.

The AMLC Registration and Reporting Guidelines (ARRG) emphasize the importance of answering the five (5) Ws (who, what, when, where, and why) and one (1) H (how) questions when filing an STR. In addition, the ARRG provides that the narrative field of the STR should contain all the details and events leading to the suspicion, including other information that may be of help or importance to the report.¹ Details of the individual or entity suspected to be engaged or involved in a predicate crime and/or money laundering activity answer the “who” question. An essential element of this is information on beneficial owners of the account, whenever applicable.

As a guide to covered persons, the AMLC, in its Resolution No. 191 dated 23 November 2018, approved the adoption of the Guidelines on Identifying Beneficial Ownership or AMLC Regulatory Issuance (ARI) A, B, and C No. 3, Series of 2018. Said Guidelines intend to assist covered persons in meeting the requirements to perform customer due diligence on beneficial owners.²

Moreover, the importance of beneficial ownership information was highlighted in Recommendations 24 and 25 of the Financial Action Task Force (FATF) that cover the transparency and beneficial ownership of legal persons; and the transparency and beneficial ownership of legal arrangements, respectively. Recommendation 24 provides that competent authorities should be able to obtain or should have access in a timely fashion to adequate, accurate, and current information on the beneficial ownership and control of companies and other legal persons that are created in the country. Recommendation 25, on the other hand, states that countries should require trustees of any express trust governed under their law to obtain and hold adequate, accurate, and current beneficial ownership information regarding the trust.³ Also, one of the action plans in the Philippine Mutual Evaluation Report is to enhance and streamline law enforcement agencies’ access to beneficial ownership information and taking steps to ensure that beneficial ownership information is accurate and up to date.⁴ The beneficial ownership information in the STRs will be a valuable contribution to this action plan.

The name/s of the beneficial owner/s and all relevant information may be indicated in the narrative field of the STR. The beneficial owners may be identified based on the Guidelines on Identifying Beneficial Ownership.

¹ Page 153 of the 2021 ARRG. <http://www.amlc.gov.ph/images/PDFs/2021-AMLC%20REGISTRATION%20AND%20REPORTING%20GUIDELINES.pdf>.

² <http://www.amlc.gov.ph/images/PDFs/Guidelines%20on%20Identifying%20Beneficial%20Ownership.pdf>

³ Pages 91 and 96 of the FATF Recommendations. <http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>. Accessed on 23 August 2021.

⁴ Philippines. <http://www.fatf-gafi.org/countries/a-c/barbados/documents/increased-monitoring-june-2021.html>. Accessed on 23 August 2021.

ADVISORY

[Guidelines on Identifying Beneficial Ownership](#)

Posted 7 September 2021