What is demonetization?

Demonetization is the process of removing the monetary value of a legal tender currency by the issuing authority.

Demonetized currency will no longer be accepted to pay for goods and services.
Common reasons why central banks demonetize their currency

- **Prevention of counterfeiting**
- **Benchmarking with other countries**
- **Change in type/form of government**
- **Change in type of currencies used within the country as part of political/social reform**
- **Redefining the value of money caused by hyper-inflation**
- **Reduction to only 1 design series for countries with 2 or more design series of notes in circulation, for simplification**
Why does BSP need to demonetize?

- Currencies in the world are demonetized because this is one way of safeguarding the integrity of the currency to protect it against counterfeiters. As a matter of practice, central banks around the world change the design of their currencies that have been in circulation for over 10 years.

- In the case of the Philippines, the old banknote series, introduced in 1985 or 30 years ago, is being replaced by the New Generation Currency (NGC) series which was launched in 2010.
What is the basis of the BSP for the demonetization of the old banknote series?

SEC. 57 of RA No. 7653
(The New Central Bank Act)
Retirement of Old Notes and Coins.

“The Bangko Sentral may call in for replacement of notes of any series or denomination which are more than five (5) years old and coins which are more than ten (10) years old.

Notes and coins called in for replacement in accordance with this provision shall remain legal tender for a period of one year from the date of call. After this period, they shall cease to be legal tender but during the following year, or for such longer period as the Monetary Board may determine, they may be exchanged at par and without charge in the Bangko Sentral and by agents duly authorized by the Bangko Sentral for this purpose.

After the expiration of this latter period, the notes and coins which have not been exchanged shall cease to be a liability of the Bangko Sentral and shall be demonetized. The Bangko Sentral shall also demonetize all notes and coins which have been called in and replaced.”
What are the old banknote series to be demonetized?

<table>
<thead>
<tr>
<th>Year Issued</th>
<th>Year Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1987</td>
</tr>
<tr>
<td>1991</td>
<td>1987</td>
</tr>
<tr>
<td>2001</td>
<td>1986</td>
</tr>
<tr>
<td>1987</td>
<td>1997</td>
</tr>
<tr>
<td>2002</td>
<td>1985</td>
</tr>
<tr>
<td>2001</td>
<td>1985</td>
</tr>
</tbody>
</table>

The New Design Series (NDS) Banknotes
The Old Banknote Series

The New Design Series (NDS) Banknotes

Features of the old banknote series that distinguishes it from our new banknote series:

- Launched in 1985
- 30 years in circulation
- Features the old BSP logo
- 8 denominations (5-, 10-, 20-, 50-, 100-, 200-, 500- and 1000-piso)
- Security thread is thinner
- Serial number is composed of 1 or 2 prefix letters and 6 to 7 digits which are uniform in size
- The reverse side of the old notes features significant events in Philippine history, iconic buildings and heritage sites.
When did the BSP start the Demonetization process of the old banknotes series?

Under Monetary Board Resolution No. 1939, the Monetary Board has approved the commencement of the Old Banknote Series demonetization process on:

Start: January 1, 2015

Share of current volumes of old series and new series in circulation as of 31 December 2014

- Total BSP Notes Issued (New series): 2,681.00 mpcs
- Total BSP Notes Issued (Old series): 711.68 mpcs

79% of the current volumes are from the new series, while 21% are from the old series.
What are the important dates for the Demonetization schedule?

- The old banknote series can still be used alongside the new banknote series for daily transactions to pay for goods and services.
- The BSP encourages the public to use/exchange the old banknotes in their possession within this period.
What are the important dates for the Demonetization schedule?

Effective January 1, 2016, the old banknote series can no longer be used in daily transactions to pay for goods and services.

Only the new banknote series can be used for daily transactions starting January 1, 2016.
What are the important dates for the Demonetization schedule?

- The old banknote series can only be exchanged at face value, free of charge, in authorized agent banks and at the BSP Cash Department or any of its Regional Offices and Branches.
What are the important dates for the Demonetization schedule?

- The old banknote series shall cease to be a liability of the BSP and shall be considered demonetized.
- The old banknote series can no longer be used in daily transactions to pay for goods and services and can no longer be exchanged at the Bangko Sentral or any BSP authorized agent bank.
**IMPORTANT REMINDERS**

**2015**

From January 1 to December 31, 2015 –
The old banknote series can still be used for daily transactions

**2016**

From January 1 to December 31, 2016 –
The old banknote series can no longer be used for daily transactions and can only be exchanged in authorized agent banks and BSP Cash Department of any of its Regional Offices/Branches

**2017**

Starting January 1, 2017 -
Demonetized, no more monetary value.

Only the New Generation Currency banknotes will remain as legal tender in the country
What are the New Banknote Series

- NGC banknote series was launched on 16 December 2010
- Features the new BSP logo
- 6 denominations (20-, 50-, 100-, 200-, 500- and 1000- piso)
- Security thread is wider
- Serial number is composed of 1 or 2 prefix letters and 6 or 7 digits which are increasing in size
- The reverse side of the new notes features iconic natural wonders and species that can be found in the country.
- Uses new security features to ensure the safety of the public against counterfeits.

<table>
<thead>
<tr>
<th>Level</th>
<th>Security features that can readily be detected by the general public without the use of any equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level I</td>
<td>Security features that can be detected using simple equipment.</td>
</tr>
</tbody>
</table>

FEEL- paper texture, and embossed prints

LOOK- for watermark, security fibers, security thread, fine line prints, and see-through mark

TILT- to reveal concealed value, and changing colors of windowed security thread OVI and OVD
# Characteristics & security features of the Philippine Banknotes

<table>
<thead>
<tr>
<th>NDS</th>
<th>NGC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watermark</td>
<td>Watermark</td>
</tr>
<tr>
<td>Security Thread</td>
<td>Security Thread</td>
</tr>
<tr>
<td>Security Fibers</td>
<td>Security Fibers</td>
</tr>
<tr>
<td>Iridescent Band</td>
<td>Iridescent Band</td>
</tr>
<tr>
<td><strong>1st Level</strong></td>
<td><strong>1st Level</strong></td>
</tr>
<tr>
<td>Embossed Prints</td>
<td>Embossed Prints</td>
</tr>
<tr>
<td>Serial Number</td>
<td>Serial Number</td>
</tr>
<tr>
<td>See-Through Mark</td>
<td>See-Through Mark</td>
</tr>
<tr>
<td>Concealed Value</td>
<td>Concealed Value</td>
</tr>
<tr>
<td>Optically Variable Ink (OVI)</td>
<td>Optically Variable Ink (OVI)</td>
</tr>
<tr>
<td>Medical-printing</td>
<td>Medical-printing</td>
</tr>
<tr>
<td>Fluorescent Features</td>
<td>Fluorescent Features</td>
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<tr>
<td><strong>2nd Level</strong></td>
<td><strong>2nd Level</strong></td>
</tr>
<tr>
<td>Micro-printing</td>
<td>Micro-printing</td>
</tr>
<tr>
<td>Fluorescent Features</td>
<td>Fluorescent Features</td>
</tr>
<tr>
<td>Optically Variable Device Patch</td>
<td>Optically Variable Device Patch</td>
</tr>
</tbody>
</table>
What banknote series will now be used in the Philippines?
The New Generation Currency Banknotes

20-PISO
President Manuel L. Quezon • Filipino as the National Language 1935
Malacañan Palace • Seal of the Republic of the Philippines • New BSP Seal

50-PISO
President Sergio Osmeña • First National Assembly 1907
Leyte Landing • Seal of the Republic of the Philippines • New BSP Seal

100-PISO
President Manuel A. Roxas • Central Bank of the Philippines
1949 Inauguration of the Third Republic, 4 July 1946 • Seal of the Republic of the Philippines • New BSP Seal

200-PISO
President Diosdado P. Macapagal • EDSA People Power II January 2001
Independence House • Barasoain Church • Seal of the Republic of the Philippines • New BSP Seal

500-PISO
Icons of Democracy: President Corazon C. Aquino and Senator Benigno S. Aquino, Jr. EDSA People Power I February 1986 • Benigno S. Aquino, Jr. Monument • Seal of the Republic of the Philippines • New BSP Seal

1000-PISO
War Heroes: Josefa Llanes Escoda, Jose Abad Santos and Vicente Lim • Centennial of Philippine Independence 1998 • Medal of Honor • Seal of the Republic of the Philippines • New BSP Seal
Reverse side of the New Generation Currency Banknotes

20-PISO
Banaue Rice Terraces (UNESCO World Heritage Site)
Palm Civet • Indigenous weave design from the Cordilleras

50-PISO
Taal Lake • Maliputo Fish
Embroidery design from Batangas province

100-PISO
Mayon Volcano • Whale Shark
Indigenous textile design from the Bicol region

200-PISO
Bohol Chocolate Hills • Tarsier
Indigenous weave design from the Visayas

500-PISO
Puerto Princesa Subterranean River National Park (UNESCO World Heritage Site) • Blue-naped Parrot
Indigenous weave design from Southern Philippines

1000-PISO
Tubbataha Reefs Natural Park (UNESCO World Heritage Site)
South Sea Pearl • “T’nalak” or “Ikat” - dyed abaca woven in Mindanao
WHY IS THE BSP REPLACING OUR BANKNOTES?
Currencies in the world are demonetized because this is one way of safeguarding the integrity of the currency to protect it against counterfeiters. As a matter of practice, central banks around the world change the design of their currencies that have been in circulation for over 10 years.

In the case of the Philippines, the old banknote series, introduced in 1985 or 30 years ago, is being replaced by the New Generation Currency (NGC) series which was launched in 2010.

WHAT ARE CONSIDERED AS AUTHORIZED AGENT BANKS OF THE BSP?
Any banking institutions - universal banks, commercial banks, thrift banks (savings bank and private development banks) and rural banks, which are under the supervision of the BSP, are considered authorized agent banks.

CAN A PERSON EXCHANGE HIS/HER BANKNOTES OF THE OLD SERIES IN ANY AUTHORIZED BANK EVEN IF HE/SHE IS NOT A DEPOSITOR?
Yes, the public can exchange/surrender their old banknote series for the new banknote series at face value in any authorized agent bank even if they are not depositors of the said bank.

WHAT IS THE MAXIMUM AMOUNT A PERSON CAN EXCHANGE DURING THE DEMONETIZATION PERIOD?
None. There is no limit on the amount of old banknotes that can be exchanged for NGC notes. Old banknotes can be exchanged at face value without charge in any authorized bank or BSP offices/branches.

HOW CAN PERSONS LIVING ABROAD EXCHANGE THEIR OLD-SERIES BANKNOTES FOR NGC BANKNOTES?
Persons living abroad, who have in their possession banknotes from the old series, which they cannot exchange within the prescribed period may register online from October 1 to December 31, 2016 through the BSP website (www.bsp.gov.ph). These persons can exchange their banknotes with the BSP within one (1) year from the date of registration.

WILL PERSONS STILL BE ABLE TO EXCHANGE THEIR BANKNOTES FROM THE OLD SERIES ON THE LAST BANKING DAY OF 2016?
Yes, they can still exchange banknotes from the old series on the last banking day of 2016.

IF THE BANKS ACCEPT THE OLD BANKNOTE SERIES DEPOSITS ON THE LAST BANKING DAY, CAN THEY STILL DEPOSIT THE SAME TO THE BSP IN 2017?
Yes, provided NDS notes in said transaction have been included in the consolidated report of the bank’s NDS banknote holdings submitted to BSP. BSP will be issuing guidelines on this matter in due time.

WILL THE BANKS BE PENALIZED FOR HAVING BANKNOTES FROM THE OLD SERIES IN THEIR POSSESSION IN 2017?
Guidelines on this matter will be issued to all banks once this has been finalized and cleared with senior management of the BSP.
WHERE ARE THE REGIONAL OFFICES/BRANCHES OF THE BSP?

BANGKO SENTRAL NG PILIPINAS (MAIN OFFICE)
A. Mabini cor. P. Ocampo Sts., Malate, Manila • Tel: (02) 708-7701

SECURITY PLANT COMPLEX
East Ave., Diliman, Quezon City • Tel: (02) 988-4800

Regional Offices and Branches

LA UNION REGIONAL OFFICE
Quezon Ave., San Fernando City La Union
Tel No: (072) 888-2083 • Fax No: (072) 888-2723

DAVAO REGIONAL OFFICE
E. Quirino Ave., Davao City
Tel No: (082) 300-3709 • Fax No: (082) 226-4130

CEBU REGIONAL OFFICE
Osmeña Blvd, cor. P. del Rosario St., Cebu City
Tel No: (032) 254-0973 • Fax No: (032) 254-0702

BACOLOD BRANCH
Lacson cor. Luzuriaga Sts.
Bacolod City
Tel No: (034) 434-7755
Fax No: (034) 435-2816

CAGAYAN DE ORO BRANCH
National Hwy. cor. Velez St.
Capitol Ground, Cagayan de Oro City
Tel No: (088) 857-4117
Fax No: (088) 857-4146

GENERAL SANTOS BRANCH
City Hall Dr., Daprosa St. cor.
Pendatun Ave, General Santos City
Tel No: (083) 552-1905
Fax No: (083) 552-1904

NAGA BRANCH
Roxas Ave., Triangulo Naga City
Tel No: (054) 473-9895
Fax No: (054) 473-8260

COTABATO BRANCH
16-N National Hwy. Quiling Norte, Batac City, Ilocos Norte
Tel No: (077) 792-2103
Fax No: (077) 792-2105

COTABATO BRANCH
Quezon Ave., cor. Sinsuat Ave., Cotabato City
Tel No: (064) 421-7370
Fax No: (064) 421-3177

IOILO BRANCH
Sola St., Iloilo City
Tel No: (033) 335-1180
Fax No: (033) 338-0573

OZAMIZ BRANCH
Circumferential Rd, Bgy. Aguada,
Ozamiz City
Tel No: (088) 521-2677
Fax No: (088) 521-2678

BUTUAN BRANCH
J.C. Aquino Avenue, Brgy Libertad
Butuan City, Agusan Del Norte
Tel No: (085) 815-1502
Fax No: (085) 815-1503

DAGUPAN BRANCH
Bonuan, Tondaligan
Dagupan City, Pangasinan
Tel No: (075) 653-1026
Fax No: (075) 653-1026

LEGAZPI BRANCH
Bgy. 18 Rizal St. Cabagahan,
Legaspi City
Tel No: (052) 480-5519
Fax No: (052) 480-5585

ROXAS BRANCH
Arnaldo Blvd., Brgy. Baybay
Roxas City, Capiz
Tel No: (036) 621-7823
Fax No: (036) 621-7812

CEBU BRANCH
Quezon Ave. Bgy. 8, Lucena City
Tel No: (042) 373-7323
Fax No: (042) 373-7323

SAN FERNANDO BRANCH
Greenfields Subd. MacArthur Hwy., Sindalan San Fernando City, Pampanga
Tel No: (045) 455-4014
Fax No: (045) 455-3835

TACLOBAN BRANCH
Airport Rd., San Jose Tacloban City
Tel No: (02) 708-7701 local 7153

TUGUEGARAO BRANCH
Regional Government Center,
Carig Sur Tuguegarao City
Tel No: (078) 304-4755
Fax No: (078) 304-0009

ZAMBOANGA BRANCH
N.S. Valderosa St. Petit Barracks
Zamboanga City
Tel No: (062) 991-2151
Fax No: (062) 992-3055
For more information, contact:

Currency Issue and Integrity Office
(02) 988-4834 or (02) 352-1485
ciiohelpdesk@bsp.gov.ph

BSP Corporate Affairs Office
Telephone numbers:
(02) 708-7140 or (02) 708-7701 loc. 2876
Fax no.: (02) 708-7138; corao@bsp.gov.ph

Website: www.bsp.gov.ph
E-mail: bspmail@bsp.gov.ph

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– Bangko Sentral
  (https://www.youtube.com/user/BSPCORAO)
– Bangko Sentral (@bangkosentral)