



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR | FINANCIAL SUPERVISION SECTOR

MEMORANDUM NO. M-2023-019

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


Subject : **Customer Due Diligence (CDD) on Designated Non-Financial Business and Profession (DNFBP) Customers**

All BSFIs are expected to strictly perform CDD on their DNFBP customers, in accordance with Sections 921 and 921-Q of the Manual of Regulations for Banks (MORB) and Manual of Regulations for Non-Bank Financial Institutions (MORNBFI), respectively. CDD covers, among others:

1. Identifying and verifying the true identity of DNFBP customers and beneficial owner/s based on official documents or other reliable, independent source documents, data or information. As disseminated under BSP Circular Letter No. CL-2019-043 dated 19 June 2019, pursuant to Chapter VI, Rule 18 of the 2018 Implementing Rules and Regulations of R.A. No. 9160 or the Anti-Money Laundering Act, as amended, covered persons dealing with customers who are DNFBPs (e.g., jewelry dealers, dealers in precious metals, and dealers in precious stones, company service providers, lawyers and accountants and real estate developers and brokers) should require the presentation of the Provisional Certificate of Registration (PCOR) and/or the Certificate of Registration (COR) with the AMLC as part of the CDD;
2. Understanding and, as appropriate, obtaining information on the purpose and intended nature of the business relationship; and
3. Conducting ongoing due diligence on the business relationship and scrutiny of transactions undertaken throughout the course of the relationship.

Under existing regulations, where a covered person is unable to comply with the relevant CDD measures, considering risk-based approach, it shall (a) not open the account, commence business relations, or perform the transaction; or (b) terminate the business relationship; but in both cases, it shall consider filing a suspicious transaction report (STR) in relation to the customer.

All BSFIs are further reminded that violations of Sections 921 and 921-Q of the MORB and MORNBFI, respectively, shall be subject to appropriate enforcement actions under existing applicable laws and regulations.


LYN I. JAVIER
Sector-in-Charge

29 May 2023