



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 1230 Series of 2026

Subject: Risk-based Recalibration of Enhanced Due Diligence (EDD) Threshold for Large Value Cash Transactions

The Monetary Board, in its Resolution No. 153 dated 26 February 2026, approved the recalibration of the regulations on large value cash transactions.

The Bangko Sentral ng Pilipinas (BSP), based on the latest national risk assessment and surveillance monitoring, has noted money laundering (ML), terrorism financing (TF), and proliferation financing (PF) risks arising from cash transactions with banks and other Bangko Sentral-supervised financial institutions (BSFIs). Meanwhile, considering its latest supervisory review and engagements, the BSP recognizes the need for a data-driven recalibration of the EDD trigger threshold for large value cash transactions.

Section 1. Section 923/923-Q of the Manual of Regulations for Banks (MORB)/Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) is hereby amended to read, as follows:

xxx

Regulation on large value pay outs. BSFIs shall adopt appropriate anti-money laundering/countering terrorism and proliferation financing (AML/CTPF) policies and procedures to implement the conduct of risk-based EDD procedures, as provided under Section 921/921Q of the MORB/MORNBFI, on large value cash payouts exceeding One Million Pesos (₱1,000,000.00) or its equivalent in foreign currency. The ₱1,000,000.00 threshold may be carried out in a single transaction or in series of transactions within one (1) banking day. If the threshold is met, EDD shall be performed at the customer level. EDD need not be performed separately for each transaction, provided the customer has already been subjected to appropriate EDD measures.

For purposes of this Section, proportionate or risk-based EDD measures may be applied where warranted by the customer's assessed risk profile, nature of business, activity or operations, and transaction pattern.

In line with risk-based customer due diligence measures, BSFIs may, however, adopt lower cash transaction limits based on its institutional ML/TF/PF risk assessment and/or customer financial profile.

If the BSFI fails to satisfactorily complete the EDD procedures; or reasonably believes that performing the EDD process will tip-off the customer, it shall file a suspicious transaction report (STR) and closely monitor the account and review the business relationship. The BSFI shall also consider the alerts, red flags, and suspicious indicators, as well

as typologies noted/reported by relevant government agencies, involving large or unusual cash transactions in filing STR.

Section 2. This Circular shall take effect fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

FOR THE MONETARY BOARD:



ELI M. REMOLONA, JR.
Governor

27 February 2026