

298 DISCLOSURE OF REMITTANCE CHARGES AND OTHER RELEVANT INFORMATION¹

It is the policy of the Bangko Sentral to promote the efficient delivery of competitively-priced remittance services by banks and other remittance service providers by promoting competition and the use of innovative payment systems, strengthening the financial infrastructure, enhancing access to formal remittance channels in the source and destination countries, deepening the financial literacy of consumers, and improving transparency in remittance transactions, consistent with sound banking practices.

Towards this end, banks providing overseas remittance services shall disclose to the remittance sender and to the recipient/beneficiary, the following minimum items of information regarding remittance transactions, as defined herein:

- a. *Transfer/remittance fee* – charge for processing/sending the remittance from the country of origin to the country of destination and/or charge for receiving the remittance at the country of destination;
- b. *Exchange rate* – rate of conversion from foreign currency to local currency, e.g., peso-dollar rate;
- c. *Exchange rate differential/spread* – foreign exchange mark-up or the difference between the prevailing Bangko Sentral reference/guiding rate and the exchange/conversion rate;
- d. *Other currency conversion charges* – commissions or service fees, if any;
- e. *Other related charges* – e.g., surcharges, postage, text message or telegram;
- f. *Amount/currency paid out in the recipient country* – exact amount of money the recipient should receive in local currency or foreign currency; and
- g. *Delivery time to recipients/beneficiaries* – delivery period of remittance to beneficiary stated in number of days, hours or minutes.

Banks shall likewise post said information in their respective websites and display them prominently in conspicuous places within their premises and/or remittance/service centers.

In case of domestic remittance transactions, all fees to the transactions shall be charged upfront by banks from the sender/remitter's end, with appropriate disclosure to the sender/remitter of the components of the fees being charged. This does not preclude the bank and/or other participants to the domestic remittance transaction from charging service fees. *Domestic remittance transaction*, for this

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purpose, is a transfer of funds between a sender/remitter and a beneficiary who are both within the Philippines, and is not covered by electronic payment transaction as defined under the National Retail Payment System (NRPS) Framework.

(Circular Nos. 980 dated 2 November 2017 and 952 dated 22 March 2017)

Footnotes

1. The BSFIs are given until 27 April 2017 to comply with the provision of this Section.