



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 68

**ADOPTION OF THE NATIONAL ANTI-MONEY LAUNDERING AND
COUNTERING THE FINANCING OF TERRORISM (AML/CFT)
STRATEGY AND CREATION OF THE NATIONAL AML/CFT
COORDINATING COMMITTEE**

WHEREAS, it is the declared policy of the State to ensure that the Philippines shall not be used as a money laundering site for the proceeds of any unlawful activity;

WHEREAS, the Philippine National Risk Assessment (NRA) on Money Laundering (ML) and Terrorism Financing (TF) Reports assessed the overall exposure of the country to money laundering and its related predicate offenses, terrorism and terrorist financing, and identified and analyzed the ML/TF risks of the different sectors and entities covered under Republic Act No. 9160 or The Anti-Money Laundering Act of 2001, as amended;

WHEREAS, the Anti-Money Laundering Council (AMLC), together with relevant government agencies, formulated and adopted a National Anti-Money Laundering and Countering the Financing of Terrorism Strategy (NACS) to enable the government and the private sector to have a coordinated and strategic approach towards combating money laundering and terrorism financing in the country;

WHEREAS, the NACS, which will be implemented over the period of 2018 – 2022, is a strategic and collective response in the form of action plans to the risks identified, and gaps and problem areas noted under the NRA;

WHEREAS, there is a need to harmonize AML/CFT efforts of relevant government agencies and private stakeholders, and ensure that they are consistent with the NACS and address ML/TF risks;

WHEREAS, there is a need to establish a national coordinating committee that will provide strategic direction and ensure the effective implementation of the NACS;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Adoption of the National Anti-Money Laundering and Countering the Financing of Terrorism Strategy. The National Anti-Money

THE PRESIDENT OF THE PHILIPPINES

Laundering and Countering the Financing of Terrorism Strategy (NACS) 2018 – 2022 is hereby adopted as a policy of the Government. All relevant government agencies and instrumentalities shall adopt the NACS 2018 – 2022 in the formulation and implementation of all their plans and programs which may have an impact on AML/CFT efforts of the government.

Section 2. Creation of a National AML/CFT Coordinating Committee. The National AML/CFT Coordinating Committee (NACC) is hereby created, which shall facilitate inter-agency coordination focused on the development of national policies on AML/CFT consistent with relevant AML/CFT laws and international standards, champion the implementation of the NACS 2018-2022 and provide directives to relevant agencies on major issues on the implementation of the NACS 2018-2022.

Section 3. Functions of the National AML/CFT Coordinating Committee. The NACC shall perform the following functions:

- a. Provide overall policy and strategic direction and oversee the implementation of the NACS;
- b. Coordinate the development and implementation of AML/CFT policies and activities to ensure consistency with the NACS, relevant AML/CFT laws and international AML/CFT standards;
- c. Recommend to relevant government agencies policy and/or operational actions, consistent with the strategic objectives of the NACS, to ensure a multi-agency national response to key AML/CFT risks;
- d. Ensure that the roles and responsibilities of relevant government agencies as stated in the NACS are efficiently and effectively carried out;
- e. Invite other government agencies and instrumentalities to be part of the NACC or any of its sub-committees, as may be necessary;
- f. Formulate and adopt operational guidelines and rules of procedure for the implementation of the NACS 2018-2022, and as may be necessary to carry out its functions and duties;
- g. Call upon any relevant agency, office, or instrumentality to provide assistance, as may be necessary;
- h. Convene and consult relevant AML/CFT public and private stakeholders on operational and policy issues that may have implications on the implementation and effectiveness of the NACS;
- i. Facilitate the periodic conduct of the money laundering and terrorist financing risk assessment and recommend action plans, which may be included in the NACS, to address the risks identified;
- j. Evaluate the effectiveness of the NACS in light of the evolving ML/TF risks and compliance with international AML/CFT standards;
- k. Establish and maintain coordination with technical assistance providers to assist relevant government agencies in the implementation of action plans provided in the NACS; and
- l. Promote activities to spread awareness of the NACS and identified high ML/TF risk areas.

Section 4. Members of the National AML/CFT Coordinating Committee. The NACC shall be composed of the following:

Chair: Executive Secretary, or his duly authorized representative;
 Vice-Chair: Bangko Sentral ng Pilipinas Governor and AMLC Chairperson;
 Members: Secretary of Foreign Affairs;
 Secretary of Finance;
 Secretary of Justice;
 Secretary of National Defense;
 Secretary of the Interior and Local Government;
 Secretary of Trade and Industry;
 Securities and Exchange Commission Chairperson;
 Insurance Commissioner;
 Chief Executive Officer and Chairperson of the Philippine Amusement and Gaming Corporation;
 Administrator of the Cagayan Economic Zone Authority; and
 President of the Aurora Pacific Economic Zone and Freeport Authority.

The Ombudsman may become a member of the NACC subject to his/her concurrence.

Section 5. Secretariat. The AMLC shall serve as the Secretariat for the NACC. The Secretariat shall be responsible for, among others, coordination, logistics, and operations of the meetings, and coordination with and monitoring of duties and responsibilities of the NACC and the Sub-committees.

Section 6. Sub-Committees. NACC is organized into several sub-committees primarily responsible for the implementation of specific strategic objectives and relevant action plans of the NACS. The different sub-committees may seek assistance of members of the NACC and its other sub-committees, as may be necessary.

They shall meet at least once every quarter, or as often as may be necessary, to ensure the effective implementation of the NACS. They may invite any agency or instrumentality of the government to participate in their meetings as may be needed, and the agencies and instrumentalities so invited are enjoined to extend their utmost cooperation to the relevant sub-committee. They shall submit quarterly reports to the NACC for endorsement to the Office of the President on the status of the implementation by their member agencies of the relevant action plans.

The NACC sub-committees and their respective functions are as follows:

- a) **Financial Intelligence, Law Enforcement and Prosecution Sub-Committee (FILEPSC).** The FILEPSC shall be primarily responsible for the implementation and monitoring of action plans under Strategic Objective 2 (Financial Intelligence) and Strategic Objective 3 (Law Enforcement and Prosecution). The FILEPSC shall likewise provide support and coordinate efforts in the implementation of the relevant action plans under Strategic Objective 1 (Legal Framework) and Strategic Objective 6 (Domestic and International Cooperation).

The members of the FILEPSC are the following agencies:

Department of Justice, as head;
Department of Foreign Affairs;
Office of the Solicitor General;
Anti-Money Laundering Council;
National Privacy Commission;
Philippine National Police;
National Intelligence Coordinating Agency;
National Bureau of Investigation;
Armed Forces of the Philippines;
Philippine Drug Enforcement Agency;
Bureau of Customs;
Presidential Anti-Organized Crime Commission;
Philippine Center for Transnational Crime; and
Intellectual Property Office of the Philippines.

The Office of the Ombudsman may become a member of the FILEPSC subject to appropriate representation with and approval of the Ombudsman.

- b) **Supervision of Financial Institutions Sub-Committee (SFISC).** The SFISC shall be primarily responsible for the implementation of the relevant action plans covering financial institutions under Strategic Objective 4 (Supervision of Financial Institutions and Designated Non-Financial Businesses and Professions [DNFBPs]). The SFISC shall likewise provide support and coordinate efforts in the implementation of the relevant action plans under Strategic Objective 1 (Legal Framework) and Strategic Objective 6 (Domestic and International Cooperation).

The members of the SFISC are the following agencies:

Bangko Sentral ng Pilipinas, as head;
Department of Finance;
Anti-Money Laundering Council;
Securities and Exchange Commission;
Insurance Commission; and
Philippine Deposit Insurance Corporation.

- c) **Supervision of Designated Non-Financial Businesses and Professions Sub-Committee (SDSC).** The SDSC shall be primarily responsible for the implementation of the relevant action plans covering DNFBPs under Strategic Objective 4 (Supervision of Financial Institutions and DNFBPs). The SDSC shall likewise provide support and coordinate efforts in the implementation of the relevant action plans under Strategic Objective 1 (Legal Framework) and Strategic Objective 6 (Domestic and International Cooperation).

The members of the SDSC are the following agencies:

Philippine Amusement and Gaming Corporation, as head;
Anti-Money Laundering Council;

Bangko Sentral ng Pilipinas;
Cagayan Economic Zone Authority;
Aurora Pacific Economic Zone and Freeport Authority; and
Securities and Exchange Commission.

- d) **Terrorism Financing and Proliferation Financing Sub-Committee (TFPFSC).** The TFPFSC shall be primarily responsible for the implementation of the action plans under Strategic Objective 5 (Terrorism Financing and Proliferation Financing). The TFPFSC shall likewise provide support and coordinate efforts in the implementation of the relevant action plans under Strategic Objective 1 (Legal Framework) and Strategic Objective 6 (Domestic and International Cooperation).

The members of the TFPFSC are the following agencies:

National Intelligence Coordinating Agency, as head;
Anti-Terrorism Council – Program Management Center;
Department of Foreign Affairs;
Department of Justice;
Department of National Defense;
Department of Trade and Industry;
Department of the Interior and Local Government;
Department of Social Welfare and Development;
National Security Council;
Anti-Money Laundering Council;
Intelligence Service, Armed Forces of the Philippines;
National Bureau of Investigation;
Philippine National Police;
Philippine Coast Guard;
Bureau of Customs; and
Bureau of Immigration.

- e) **AML/CFT Awareness Sub-Committee**

The AML/CFT Awareness Sub-Committee (ACASC) shall be primarily responsible for the implementation of the action plans under Strategic Objective 7 (AML/CFT Awareness). The ACASC shall likewise provide support and coordinate efforts in the implementation of the relevant action plans under Strategic Objective 1 (Legal Framework) and Strategic Objective 6 (Domestic and International Cooperation).

The government has a broad responsibility to promote AML/CFT awareness of relevant agencies, covered persons, and the general public. As such, all agencies represented in the NACC shall be a member of the ACASC. The AMLC shall act as lead agency of the ACASC. The Philippine Information Agency, Presidential Communications Operations Office, and other government agencies may be called upon by NACC to provide assistance.

Section 7. Review and Updating of the NACS. The NACS is a dynamic document as the level and direction of ML/TF risks of the country change from time-to-time. As such, the NACC shall periodically review and update the strategic objectives and action plans in 2020, when circumstances warrant upon determination of the NACC or any of its sub-committees, to keep it relevant.

Section 8. Funding. Funds necessary for the implementation of the action plans under NACS shall be charged against existing appropriations of the concerned government agencies.

Funds necessary to carry out coordination, logistics, and operations of the NACC and sub-committee meetings shall be charged against the appropriations of the AMLC.

Section 9. Separability Clause. Should any part or provision of this Order be held unconstitutional or invalid, the other parts or provisions not affected thereby remain valid and effective.

Section 10. Repealing Clause. All orders, rules and regulations, issuances or any part thereof inconsistent with the provisions of this Order are hereby repealed, amended, or modified accordingly.

Section 11. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila, this **12th** day of **November** in the year of Our Lord, Two Thousand and Eighteen.



By the President:


SALVADOR C. MEDIALDEA
Executive Secretary

