

[CIRCULAR NO. 992, February 07, 2018]

FRAMEWORK FOR BASIC DEPOSIT ACCOUNTS

Adopted: 01 February 2018

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The Monetary Board, in its Resolution No. 58 dated 11 January 2018, approved the following amendments to the Manual of Regulations for Banks (MORB) to introduce the framework for basic deposit accounts that can promote financial inclusion, consistent with the Bangko Sentral's thrust to advance universal access to formal financial products and services.

Section 1. Section X222 of the MORB is hereby added to establish a basic deposit account, as follows:

"Sec. X222 Basic Deposit Account.

A *basic deposit account* refers to interest- or non-interest-bearing account designed to promote financial inclusion. This account will enable Filipinos, especially the unserved and underserved, to receive and make payments, as well as have a facility for store of value. It will have the basic functionalities that will characterize ease, accessibility, convenience, and reasonable cost for both banks and customers.

Banks shall be given the liberty to customize their product offerings based on the needs of the identified market: Provided, That banks adopt the following minimum key features of a basic deposit account:

Features	
Liberalized customer onboarding	Follows simplified Know-Your-Customer (KYC) for low risk customers, wherein identifying the customer and verifying their true identity may be based on any document or information reduced in writing which the covered person deems sufficient to establish customer's identity as provided under Item "w" of Sec. X803 of the MORB, or other reliable, independent source documents, data, or information.
Opening amount	Not more than P100.00
Minimum maintaining balance	None

Dormancy charges	None
Maximum balance	Not more than P50,000. 00; Should the deposit or exceed t he P50,000.00 maximum balance, the bank should convert the basic deposit account to a regular deposit account
Reserve requirement	0%

In offering the basic deposit account, banks shall adopt clearly-defined written policies, procedures and controls to ensure due diligence and compliance with applicable rules and regulations.”

Section 2. Subsection X253.1 of the MORB on the required reserves against deposit and deposit substitute liabilities is hereby amended to read, as follows:

"Subsec. X253.1 Required reserves against deposit and deposit substitute liabilities.

x x x

x x x

	UBs/KBs	TBs	RBs/Coop Banks
xxx m. Basic deposit accounts, as defined in Sec. X222 of the MORB#	0 %	0 %	0 %

x x x”

Section 3. The following portions of the Financial Reporting Package (FRP) required under Subsection X191.2 of the MORB shall be amended as indicated below:

MANUAL OF ACCOUNTS

“BALANCE SHEET ACCOUNTS

x x x

3. Deposit Liabilities

x x x

(a) *Demand Deposit* - This refers to deposits, subject to withdrawal by check thru available bank channels and/or thru the automated