

ESTABLISHMENT OF A FOREIGN EXCHANGE CLEARING AND SETTLEMENT SYSTEM

BSP CIRCULAR NO. 1300, August 07, 1991

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/761bc2c1c8b8/>

The Monetary Board in Resolution No. 820 dated July 26, 1991 authorized the establishment, in coordination with the Philippine Clearing House Corporation, of a Foreign Exchange Clearing and Settlement System (System), to improve the payment mechanism for incoming remittances of overseas workers under the following guidelines:

1. The System shall cover all incoming US Dollar remittances via Telegraphic Transfer (T/T) in the amount of US\$1,000.00 or less received by a Philippine Bank from their correspondent banks abroad for credit/payment to beneficiaries accounts maintained with other local banks.
2. Covered remittances, net of charges, shall be processed by the receiving bank and transmitted for clearing within forty eight (48) hours from date of receipt.
3. The beneficiaries banks shall make available the proceeds of the remittances to the beneficiaries within twenty four (24) hours after end of clearing operations in the case of Metro Manila accounts and forty eight (48) hours in the case of accounts outside Metro Manila.
4. A FX Clearing Account shall be maintained by banks and shall be governed by the following:
 - Banks are authorized to open a Foreign Currency Deposit Account with the Central Bank called the FX Clearing Account with a minimum initial balance of \$20,000.00
 - The FX Clearing Account shall be specifically for clearing purposes only.
 - The FX Clearing Account shall earn interest at 4% per annum credited quarterly provided that a minimum daily balance of US\$50,000.00 shall be maintained during reference quarter.
 - The FX Clearing Account shall not be allowed to be overdrawn at anytime.
 - Transfer of funds to prevent overdraft in the FX Clearing Account shall be effected through debit authorities executed by banks with surplus funds in favor of banks in deficit position.
 - Additional regulations covering clearing operations shall be embodied in other implementing issuances to be made by the Central Bank.

5. Any violation of this Circular shall be subject to the sanctions under Section 34(a) of R.A. 265, as amended.

This Circular shall take effect immediately.

Adopted: 7 Aug. 1991

(SGD.) GABRIEL C. SINGSON
Senior Deputy Governor

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.