NATIONAL ADMINISTRATIVE REGISTER · JANUARY 4, 1993

GUIDELINES IN THE GRANT OF REVOLVING TRADE FACILITY (RTF) LOANS TO PHILIPPINE PRIVATE SECTOR EXPORTERS/IMPORTERS WITHOUT PRIOR CENTRAL BANK APPROVAL

BSP CIRCULAR NO. 1376 s. 1993, January 04, 1993

Read online (full-text search, related cases, audio case brief): https://batas.org/library/a5fb0eec520c/

Pursuant to Monetary Board Resolution No. 1021 dated October 30, 1992, the following guidelines shall govern the grant of short-term credits to private sector exporters/ importers by participating creditor banks under the RTF Agreement, without prior Central Bank approval:

I

Terms and Conditions

1. The loans to be granted to eligible borrowers shall not be covered by a guarantee from a government financial institution/corporation, and shall be used exclusively to finance specific underlying trade transactions in an amount equivalent to the import bills to be liquidated, and in the case of export financing transactions, to the borrowers' pre-export financing requirements.

2. The loan shall have a maximum maturity period of 360 days, and shall carry terms reflective of those prevailing in the international capital markets.

3. Drawing on the credit shall be made not earlier than two (2) days prior to the intended utilization of the loan.

4. Loan proceeds intended to finance pre-export requirements involving local costs shall be inward-remitted and sold to the local banking system. Amounts intended to finance foreign exchange costs may be constructively inward-remitted in line with existing guidelines.

5. Any assignment of credit shall require prior Central Bank approval through the Management of External Debt Department (MEDD).

6. The borrower shall submit to MEDD, within five (5) banking days prior to drawdown date:

a)

A notarized undertaking to the effect that:

i. The loan shall be used exclusively to finance eligible trade transactions;

ii. The borrower consents to the Central Bank's examination of the specific deposit account with their respective authorized agent banks wherein the loan proceeds shall be deposited to determine utilization thereof; and

iii. It is fully aware of the attendant responsibilities as a borrower under the RTF as well as the right of the Central Bank to examine its books of accounts and to impose appropriate sanctions for any misrepresentations and/or misapplication of loan proceeds.

b)

The company profile, [1]if not yet previously submitted/on-file with the Central Bank; and

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

c)

The relevant loan agreement or alternative document/s evidencing the borrower's acceptance of the loan offer and the terms and conditions therefor, as well as the security/collateral for the same, if any.

7. Violation of any of the above terms and conditions shall render the loan ineligible for servicing through purchases of foreign exchange from the banking system.

II
Reporting Requirements
The borrower shall submit —

a) Daily report on transactions on short-term foreign loans not later than one day from actual date of transaction pursuant to Circular-Letter dated April 8, 1985, together with proof of inward-remittance of amounts intended to finance pre-export requirements and/or proof of constructive inward-remittance of amounts utilized for import requirements including proofs of payment therefor; and

b) Weekly report on status of short-term foreign loans (ST-2) not later than three days from end of reference week pursuant to Circular-Letter dated February 22, 1985.

III
Sanctions
Non-compliance with the provisions of this Circular including non-submission of reports/other documentary requirements shall render the loan/s contracted ineligible for servicing out of foreign exchange purchased from the banking system as well as subject the parties concerned to appropriate sanctions/penalties as may be determined by the Central Bank pursuant to Section 34 and 34A of R.A. No. 265, as amended.

IV
Repealing Clause
This Circular amends Circular No. 1071 as well as all existing regulations inconsistent herewith.

This Circular takes effect immeidtely.

Adopted: 4 Jan. 1993

(Sgd.) JOSE L. CUISIA, JR.
Governor

---

[1] Footnote 1

Shall include the following:

a) Articles of Incorporation and Certificate of Registration with the Securities and Exchange Commission;

b) Capital structure showing the amounts and percentages of equity participation by nationality, together with list of members of the Board of Directors and principal officers/stockholders with respective shares in the equity of the firm, citizenship and resident status;

c) Certificate of Registration with the Board of Investments and other government agencies, if any;

d) Latest audited financial statements and, interim financial statements if the former is six months old at the time of loan application; and

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

e) Certification from an independent auditor as to the status of the company's previously authorized foreign loans, if any.

Any amendment relative to items (a) and (b) shall be reported to CB-MEDD.

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.