

[EXECUTIVE ORDER NO. 68, November 12, 2018]

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 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