Advisory



Subject: Bangko Sentral Registration Document (BSRD)

Headnote: Obtaining a Repatriation-Ready Certification for Foreign Investment at BSP

Date : July 07, 2023

When a non-resident investor is planning to purchase foreign exchange (FX) from the Philippine banking system for repatriation and remittance of earnings from duly registered investments, they are required to obtain a Bangko Sentral Registration Document (BSRD).

The BSRD is issued by the Bangko Sentral ng Pilipinas, evidencing the registration of foreign investments by non-residents. The BSRD contains a list of onshore investments made by the non-resident investor, such as the Philippine Stock Exchange, and enables the investor to access the FX resources or to purchase FX from Authorized Agent Banks (AABs) or forex corps against Philippine Pesos for servicing or settlement of these transactions.

Hence, foreign investments registrable with the BSP are investments from non-resident entities or individuals, which may be in cash or in kind, in Philippine firms or enterprises not listed at an onshore exchange. If you have plans on applying, investors should apply within one (1) year from the date of inward remittance of the FX funding the investment (for cash investments).

Applicants must submit the following documents to the BSP-IOD: a cover letter, an application for registration of foreign investments, and supporting documents under the FX Manual. After submitting the required documents, the BSP-IOD will evaluate the application. Moreover, additional information or documents may be requested if needed. If the application is complete in form and substance, a BSRD will be issued in favor of the non-resident investor.

Non-resident investors may file an application together with the supporting documents with the International Operations Department (IOD) at BSP Manila or apply to Landbank as an authorized agent bank since they are now authorized to issue a BSRD.

Be guided to avoid tax penalties. Generate wealth through healthy T.A.X. practices. Avail T.A.X. Satori at https://tax-satori.samcart.com/products/tax-satori-lite.



GKG | PARALEGAL

DISCLAIMER: The advisory is not a substitute for an expert opinion and is purely general research that may have not considered the entirety of other related topics. Any tax and/or compliance advice is not intended or written by the author to be used, and cannot be used, by a client or any other person or entity for the purpose of (i) avoiding penalties that may be imposed on by the regulatory bodies, or (ii) promoting, marketing, or recommending to another party any matters addressed herein.

The opinion or advice expressed in this advisory is based on the facts and circumstances gathered. Any inaccuracy in any of the assumptions set forth above may have the effect of changing all or part of this report, and this report may not apply. The advice is based on our interpretation of the provisions of the Code, the Revenue Regulations promulgated and issued by the tax bureau, BIR positions as set forth in published Revenue Rulings, other pronouncements, orders and circulars, and judicial decisions in effect on the date of this report, any of which could be changed at any time. Any such changes may be retroactive and could significantly modify the statements and opinions/ advice expressed herein in effect, this might render the advisory obsolete or incorrect in partial or in full. We undertake no obligation to advise you of changes that may hereafter be brought to our attention.

LET US HELP YOU ACHIEVE FURTHER BUSINESS SUCCESS

Visit us online at mlaguirreco.com to find out more about our services, or email us at ask@mlaguirre.org for further information or any queries.

UHY M.L. AGUIRRE AND CO., CPAs

Unit 1807 Cityland Pasong Tamo Tower 2210 Chino Roces Ave., Makati City, 1230 Philippines

Phone +63 2 8812 2568
Mobile +63 9228347966
Email ask@mlaguirre.org

UHY M.L. Aguirre & Co., CPAs (the "Firm") is a member of Urbach Hacker Young International Limited, a UK company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY international network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for services provided by other members."

© 2023 UHY M.L. Aguirre & Co., CPAs

BSRD AT A GLANCE BETTER 2 KNOW (B2K) SERIES ISSUE NO. 1

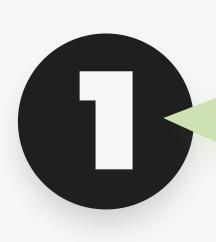


BANGKO SENTRAL REGISTRATION DOCUMENT

A document issued by the BSP to register foreign investments in Philippine firms or enterprises by non-resident entities or individuals.

BSP registers non-resident investments in Philippine firms not listed onshore.

HOW TO APPLY



SUBMSSION OF THE FF DOCUMENTS TO BSP-IOD

- Cover letter
- Application for Registration of Foreign Investments (<u>Annex W of the FX Manual</u>)*
- Supporting documents under <u>Appendix 10.C</u> of the FX Manual*



APPLICATION EVALUTAION BY BSP-IOD

• If necessary, more data or documents may be required.



BSRD ISSUANCE

- It will only be issued if the application is complete and deemed to be in order.
- BSP-IOD will issue a notification when it is prepared for pickup.
- The issuance may be claimed at the BSP-IOD's releasing section.

WHY APPLY?



Non-resident investors will have access to the banking system for foreign currency requirements, and they will have a backup source of foreign currency funds enabling smooth servicing and settlement of transactions.



WHO ARE QUALIFIED TO APPLY?

Non-resident investors or their authorized agents, including individuals, corporations, and legal entities.

WHEN TO APPLY

- Within one (1) year of the foreign exchange (FX) funding the investment's date of inward transfer (for cash investments).
- Please refer to Item I of <u>Appendix 10.A of the FX</u>
 <u>Manual</u>* for information on additional funding options.

International Operations
Department (IOD) Room
301, 5-Storey Bldg. BSP
Manila 708-7107
iod iog3@bsp.gov.ph

WHERE TO APPLY

