

**Large Cash Withdrawals  
Enhanced Due Diligence (EDD) Threshold  
Increased from PHP500,000 to PHP1 million  
(based on BSP Circular No. 1230)  
What You Need to Know**

Source: BSP Facebook Post<sup>1</sup>, March 10, 2026

**1. I am a legitimate bank customer. How much can I withdraw?**

- For electronic withdrawals, the maximum amount depends on your bank's transaction limits and the payment method (e.g., limits for InstaPay or PESONet; intra-bank or interbank transfer). While these transfers are fully traceable, restrictions may apply based on the bank and payment system.

**If you are withdrawing in cash, and the amount is more than PHP1 million. Your bank will conduct enhanced due diligence (EDD).**

Note: EDD need not be performed separately for each transaction, provided the customer has already been subjected to appropriate EDD measures, and taking into account the customer's normal business activities and documented transaction behavior.

**2. What does the PHP1-million threshold mean?**

- Cash withdrawals **above PHP1 million** will require **additional information as proof that transactions are legitimate**. Banks shall conduct EDD on a per customer basis, considering the customer's usual transactions – **not every time you transact**.

Banks and other BSP-supervised financial institutions may adopt lower thresholds based on their own risk assessments.

<sup>1</sup><https://www.facebook.com/plugins/post.php?href=https%3A%2F%2Fwww.facebook.com%2Fphoto.php%3Ffbid%3D1365828945579609%26set>

### 3. Why did the BSP increase the threshold to PHP1 million?

- **To streamline the handling of legitimate transactions, including recurring ones, while allowing banks to focus EDD on higher-risk activities.**

Industry consultations showed that many legitimate cash transactions-such as payroll, loan proceeds, and project-based disbursements-exceeded the previous threshold of PHP500,000.

The adjustment is also consistent with the results of the latest anti-money laundering National Risk assessment and surveillance monitoring.

### 4. Will my bank conduct EDD, such as asking for transaction documents, every time I withdraw over PHP1 million in physical cash?

- **No. Banks conduct EDD only on a per customer basis covering the customer's usual transactions – and not per withdrawal.**

If a cash withdrawal is consistent with the customer's usual transactions, EDD is not required, even if it exceeds PHP1 million.

Cash withdrawals up to PHP1 million generally do not require EDD, unless there are suspicious or high-risk indicators.

### 5. Will EDD slow down legitimate withdrawals?

- **It should not.**

Banks are expected to streamline processes and train personnel to handle legitimate transactions efficiently. They may also simplify EDD based on the customer's risk profile, nature of business or operations, and transaction patterns.

### 6. If EDD is on a per customer basis, will I need to undergo EDD again after a previous large cash withdrawal?

- **No, unless:**
  - Transaction is **unusual**
  - Transaction deviates from a customer's expected risk profile

## 7. Why does this matter?

- Safeguards are **designed to prevent illegal activity and promote the use of traceable and efficient payment channels**, such as electronic banking, ultimately protecting both customers and banks or financial institutions.

## **Regulation on Large Value Cash Transactions (BSP Circular 1218<sup>1</sup>, Series of 2025) Frequently Asked Questions (FAQs)**

Source: BSP Memorandum No. M-2025-036

### **A. Background and Overview**

#### **1. What is the purpose of BSP in issuing this regulation?**

- The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1218, Series of 2025, dated 18 September 2025, to mitigate the risks of money laundering (ML) and its related predicate crimes, terrorism financing (TF), and proliferation financing (PF) associated with large value cash transactions. Based on its latest sectoral risk assessment and surveillance monitoring, the BSP observed that cash-based transactions were being exploited to move illicit funds into and out of the financial system. In response, the Circular introduces stricter controls and enhanced due diligence (EDD) requirements for cash transactions exceeding Php500,000.00 (Php500K). These measures aim to help curb crime, safeguard financial integrity, and promote the use of traceable and efficient payment channels, ultimately protecting both the customers and financial institutions.

#### **2. Is this regulation an added burden to customer who regularly transact more than Php500K but have legitimate businesses?**

No, this regulation is not intended to burden or financially exclude legitimate private businesses and government-related transactions. As part of their customer due diligence (CDD) obligations, BSP-Supervised Financial Institutions (BSFIs) are already required under existing laws and regulations to understand the customer's business, financial profile/capacity, purpose of the account (i.e., payroll, trade/business), the nature of transactions (i.e., highly cash intensive), among others. This information, together with the results of screening/scrubbing from customer information databases, are used to assess the customer's risk profile. The new regulation (BSP Circular No. 1218) will not prevent customers from accessing or withdrawing their funds. Further, it is not meant to unduly delay the access of customers to their funds, such as cash aid releases, especially in area/s under a state of calamity. Large value payouts exceeding Php500K made through cash withdrawals/payouts are still allowed with appropriate supporting documents and legitimate purpose. This approach enhances payment security and efficiency while avoiding undue delay/disruption to legitimate financial services.

<sup>1</sup> Took effect on 07 October 2025, which is fifteen (15) calendar days after the publication in a newspaper of general circulation.

**3. Will this regulation supersede/amend the existing regulations on large value payouts for Money Service Businesses (MSBs) under Section 103-M of the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI)?**

- No. BSP Circular No. 1218 will not supersede the relevant provisions of Section 103-M of the MORNBFI which provides that large value payouts of more than Php500K or its foreign currency equivalent, in any single transaction with customers or counterparties, shall only be made via check payment or direct credit to deposit accounts. MSBs remain to be governed by the provisions of Section 103-M of MORNBFI.

**B. Cash Transaction Threshold**

**1. How do we apply or compute the Php500K threshold as stated in the Circular?**

- The Php500K threshold applies to a single transaction, or an aggregate of payout transactions in cash conducted by the customer within one (1) banking day. The threshold covers all aggregated cash payout transactions of the customer within a banking day.

**2. Is the Php500K threshold computed on a per currency basis? Can we combine the total amount of cash payouts in pesos and other foreign currencies for purposes of determining the threshold?**

- The Php500K threshold covers a combination of cash payouts in Philippine pesos and other foreign currencies.

**3. Are we still allowed to withdraw more than the Php500K threshold?**

- Yes, there is no limit in the amount that a customer can withdraw. In case the customer needs to withdraw more than Php500K in cash, the customer should present documents to support the transaction and/or its legitimate purpose.

**a) What if the withdrawal exceeding the threshold is solely in cash?**

- If more than Php500K is withdrawn entirely in cash, BSFIs shall conduct appropriate EDD. Please refer to item c below and the section on EDD for further guidance.

b) What if the withdrawal exceeding the threshold is a combination of cash and non-cash (e.g., Php400k in cash and Php200k in fund transfer)?

- If the withdrawal involves a combination of cash and other modes of payout (e.g., Php400K in cash and Php200K in fund transfer), this is not covered by the requirement under BSP Circular No. 1218. The BSFI's transaction monitoring system (TMS) is expected to monitor and assess the transactions holistically, taking into account existing parameters and customer risk profile, to address potential ML/TF/PF risks associated with the customer's activity.

**4. How do we apply the Php500K threshold in terms of joint deposit accounts? Will the joint accountholder have separate individual Php500K threshold?**

- Consistent with item B.1, the Php500K threshold applies to a single transaction, or an aggregate of payout transactions in cash conducted by the joint accountholder (customer) within one (1) banking day.

**5. What forms of payouts are covered by BSP Circular No. 1218?**

- The large value cash payouts in excess of Php500K cover all forms of payouts such as over the counter/ATM withdrawals, foreign currency transactions, check encashments, loan drawdown/disbursements in cash, cash advances, among others.

For loan disbursements, if the BSFI releasing the cash proceeds is the same financial institution that evaluated and approved the loan, it may rely on the CDD conducted during the loan approval process.

If the proceeds are credited to the account of the customer in another BSFI and withdrawn in cash for amount exceeding Php500K, the requirements under BSP Circular No. 1218 shall apply.

## **C. Conduct of Enhanced Due Diligence (EDD)**

**1. Can withdrawals still be allowed even in the absence of supporting documents but with satisfactory EDD?**

- Submission of supporting documents forms part of the validation procedures in the conduct of EDD to support the need for cash/legitimacy of the transaction.

**2. How will EDD be performed if withdrawal is via transactor or authorized representative?**

- BSFIs must verify the identity of the transacting person and confirm their authority to act on behalf of the accountholder and conduct appropriate EDD accordingly.

**3. How will EDD be performed in case of check encashment?**

- For check encashments, verification procedures/EDD will be performed on the payee or order of the payee, as applicable.

**4. For the “For the Account of (FAO)” and “In Trust For (ITF)” accounts, who is required to present the documents?**

- For the “For the Account of (FAO)” and “In Trust For (ITF)” accounts, the accountholder, beneficiary, or rightful owner of the account shall be subject to EDD, in accordance with the terms and conditions of the account.