

**NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Third Regular Session**

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**SENATE
P.S. RES. No. 1193**

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Introduced by Senator WIN GATCHALIAN

**A RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY IN AID OF LEGISLATION ON THE BANKS' APPARENT FAILURE TO
FLAG POGO-RELATED SUSPICIOUS TRANSACTIONS LINKED TO CRIMINAL
ACTIVITIES IN THE COUNTRY**

1 **WHEREAS**, Republic Act (RA) No. 9194 or the Anti-Money Laundering Act of
2 2001 required covered institutions, including banks, to report to the Anti-Money
3 Laundering Council all covered transactions and suspicious transactions within five (5)
4 working days from occurrence thereof;

5 **WHEREAS**, Section 2 of RA 9194 defines suspicious transactions as to include
6 transactions with covered institutions, where the amount involved is not
7 commensurate with the business or financial capacity of client;

8 **WHEREAS**, the recent Senate investigations on POGO-related activities
9 revealed the existence of bank transactions involving companies owned by Guo Hua
10 Ping, also known as Alice Guo, amounting to hundreds of millions of pesos which
11 enabled the construction and establishment of the POGO hub in Bamban. Such amount
12 is far beyond what the financial statements indicated in the financial capacity of these
13 companies;

14 **WHEREAS**, a remarkable surge of cash flows, check disbursements and a
15 number of transactions involving said Guo accounts was highest in 2020 which was
16 highly unusual and suspicious considering that the Covid-19 pandemic paralyzed
17 businesses and economies worldwide;

1 **WHEREAS**, these transactions involving significant amounts of money were
2 coursed through the banking system and unfortunately, were not flagged by the
3 concerned banks and financial institutions.

4 **WHEREAS**, such failure of these banks to report these dubious transactions
5 raises the matter of the effectiveness of their internal controls and procedures for
6 identifying and reporting suspicious transactions;

7 **WHEREAS**, it is incumbent upon financial institutions to collect and analyze
8 financial data to identify suspicious transactions and patterns that may indicate money
9 laundering;

10 **WHEREAS**, these circumstances raise questions on the adequacy of existing
11 Anti-Money Laundering and counter-terrorism financing (AML/CTF) regulations and
12 guidelines for banks and financial institutions;

13 **WHEREAS**, the Philippines remains to be in the grey list of the Financial Action
14 Task Force (FATF) and our country needs to enhance its AML/CTF activities through
15 actions involving money laundering and terrorism financing prosecution, beneficial
16 ownership information, cross border declaration measures, among others;

17 **WHEREAS**, President Ferdinand Marcos Jr. has directed all concerned
18 government agencies to complete all the deliverables for the country's exit from FATF's
19 grey list, including the strengthening of the country's AML/CTF regime;

20 **WHEREAS**, the private sector's support and compliance are crucial in the
21 collective effort to strengthen the country's AML/CFT regime, including increased
22 compliance with AML/CFT obligations, such as filing of covered and suspicious
23 transaction reports;

24 **NOW THEREFORE BE IT RESOLVED**, as it is hereby resolved, to direct the
25 appropriate Senate Committee to conduct an inquiry, in aid of legislation, on the
26 apparent failure of banks to flag POGO-related suspicious transactions linked to
27 criminal activities in the country.

28 Adopted,



WIN GATCHALIAN