Legal Watch

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Agency Name

Bangko Sentral ng Pilipinas (BSP)

Issuance Title

Amendments to the National Retail Payment System Framework and the Regulatory Framework for Merchant Payment Acceptance Activities

Issuance Date

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Link

https://www.bsp.gov.ph/Regulations/Issuances/2026/1238.pdf

SUMMARY

This Circular amended the MORPS, MORB, and MORNBFI to update the National Retail Payment System (NRPS) Framework and the guidelines for Merchant Payment Acceptance Activities (MPAA).

Under the revised NRPS Framework, Bangko Sentral-Supervised Financial Institutions are required to implement reasonable and fair market-based pricing compliant with the Philippine Competition Act. It also established that in Peer-to-Peer Electronic Fund Transfers (P2P EFTs), fees for "off-us" (interbank) transactions must not materially differ from "on-us" (same-bank) transfers. The recipients shall receive the full credited amount to their accounts, free of any charges or deductions, and these are not considered as domestic remittance transactions.

On the other hand, Operators of Payment Systems (OPS) engaged in MPAA are required to adopt a tiered, risk-based approach to Merchant Due Diligence (MDD). This involves reduced MDD for low-risk merchants and enhanced MDD for high-risk merchants, encompassing identification, risk assessment, and continuous monitoring. Lastly, the Circular permits OPS with Merchant Acquiring Licenses to charge reasonable, transparent, market-based, and cost-proportionate merchant fees, provided they are supported by a cost analysis of their payment acceptance activities.

ACTIONABLE ADVICE

All stakeholders shall observe the foregoing amendments.