



# BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

## CIRCULAR NO. **1179** Series of 2023

**Subject: Amendment to the Manual of Regulations for Banks and Manual of Regulations for Non-Bank Financial Institutions pertaining to Bangko Sentral's Reverse Repurchase Operations**

The Monetary Board, in its Resolution No. 1128 dated 31 August 2023, approved the following amendments to the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORNBI) pertaining to the implementation of a fixed-volume variable-rate auction format for the reverse repurchase operations of the Bangko Sentral.

**Section 1.** Section 601/601-Q of the MORB/MORNBI on Monetary Operations as amended by Circular Nos. 1130 dated 23 November 2021 and 1157 dated 14 October 2022, is further amended to read, as follows:

### **601/601-Q Monetary Operations**

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***Reverse repurchase agreements with the Bangko Sentral.*** Reverse Repurchase Agreement (RRP) refers to the Bangko Sentral's monetary instrument where the Bangko Sentral sells government securities with a commitment to buy them back at a later date. RRP's shall be open to banks (UBs/KBs, digital banks and TBs) and QBs. These counterparties may enter into RRP transactions with the Bangko Sentral by participating in the RRP auction operation and said transactions with the Bangko Sentral shall be subject to the following terms and conditions:

- a. ***Rate.*** The interest rate on the RRP facility shall be determined by auction, based on guidelines as prescribed by the Bangko Sentral.

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**Section 2.** This Circular shall take effect on 8 September 2023.

FOR THE MONETARY BOARD:

  
**ELI M. REMOLONA, JR.**  
Governor

**1** September 2023