



Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



<b>Advisory No:</b>	RS-2022-011
<b>Classification:</b>	<b>Regulatory and Supervisory Advisory</b>
<b>Date:</b>	18 March 2022

### INSURANCE COMMISSION ADVISORY

**TO :** All Insurance/Reinsurance Companies, Mutual Benefit Associations, Trusts for Charitable Uses, Insurance and Reinsurance Brokers, Pre-Need Companies and Health Maintenance Organizations

**SUBJECT :** Dissemination of the AMLC Warning Against Providing Financial and Material Support to CPP-NPA-NDF

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Attached is the Anti-Money Laundering Council's (AMLC) warning against providing financial and material support to Communist Party of the Philippines – New People's Army – National democratic Front (CPP-NPA-NDF). The Anti-Terrorism Council (ATC) has designated the CPP-NPA and NDF as terrorist organizations under ATC Resolution Nos. 12 (9 December 2020) and 21 (23 June 2021), respectively, pursuant to Paragraph 3, Section 25 in relation to Section 45 of Republic Act (RA) 11479 or the Anti-Terrorism Act of 2020

Thus, all Insurance Commission Regulated Entities (ICREs) and the public are directed to report any coercive or illegal fund collection by the communist terrorist to the ATC, AMLC and this Commission.

For information and strict compliance.

  
**DENNIS B. FUNA**  
Insurance Commissioner



## **Warning against providing financial and material support to CPP-NPA-NDF**

The Anti-Terrorism Council (ATC) warns the public against providing money and material support to the Communist Party of the Philippine-New People's Army-National Democratic Front (CPP-NPA-NDF). Recall that the ATC designated the CPP-NPA and NDF as terrorist organizations under ATC Resolution Nos. 12 (9 December 2020) and 21 (23 June 2021), respectively, pursuant to Paragraph 3, Section 25 in relation to Section 45 of Republic Act No. (RA) 11479 or the Anti-Terrorism Act of 2020 (ATA).

Prior to the ATC designation, the CPP-NPA has been designated by other countries and jurisdictions:

- The United States of America designated the CPP-NPA as a foreign terrorist organization (FTO) on 9 August 2002 and continues to include them in their FTO list;
- The European Union designated the CPP-NPA on 28 October 2002 and reaffirmed said designation on 13 January 2020;
- Australia designated the CPP-NPA on 28 October 2002 and relisted them on 13 November 2013;
- The United Kingdom designated the CPP-NPA on 14 August 2002 and reaffirmed said designation on 7 July 2020; and
- New Zealand designated the CPP-NPA on 11 October 2020 and renewed said designation on 26 September 2019.

Section 12 of the ATA states that any person who provides material support to a terrorist individual or organization, knowing that such individual or organization is committing or planning to commit terrorist acts, is liable as principal and in relation to Sections 4 and 6 of the ATA, shall suffer the penalty of life imprisonment. On the other hand, Section 8 of RA 10168 or the Terrorism Financing Prevention and Suppression Act (TFPSA) provides that any person who makes available any property or funds or financial services or other related services to designated persons or organizations shall suffer the penalty of reclusion temporal to *reclusion perpetua* and a fine of not less than PhP500,000.00 nor more than PhP1,000,000.00.

Further, Section 11 of the TFPSA authorizes the Anti-Money Laundering Council, upon its own initiative or at the request of the ATC, to freeze property or funds that are related to terrorism financing. In effect, the ATC designation makes any person who provides monetary and material support to the CPP-NPA-NDF liable for violations of relevant provisions of the ATA or TFPSA.

Over the years, the Communist Terrorist Group has engaged in terrorism financing. Recovered CPP-NPA documents, statements of former NPA members, and other reliable sources reveal that communist terrorists raise and collect funds through extortion/taxation, including election fees, such as "permits to campaign/win" from politicians. According to a former ranking NPA member, fees collected from political candidates are pro-rated based on the sought position. Other regular and major sources of funds are mining companies, telephone companies, construction firms, and other businesses, including project funds from abroad. These funds amount to billions of pesos, where 60%