

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7825



Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

EXPLANATORY NOTE

Article XIV, Section 1 of the 1987 Constitution mandates the State to protect and promote the right of all citizens to quality education at all levels and to take appropriate steps to make such education accessible to all. Complementarily, Article XII underscores the importance of economic development and financial stability as foundations of national progress.

Despite sustained economic growth in certain sectors, financial vulnerability remains widespread among Filipino households. Many families continue to rely on informal lending, incur high-interest debt, or lack savings buffers against emergencies. The increasing use of digital financial services, online lending platforms, and electronic payments has further underscored the need for stronger financial capability, particularly among the youth.

Recent national surveys and international assessments indicate that a significant portion of Filipinos lack a firm grasp of basic financial concepts such as inflation, interest compounding, risk diversification, and long-term financial planning. Limited financial literacy contributes to over-indebtedness, low savings rates, vulnerability to financial scams, and poor retirement preparedness. These challenges have broader macroeconomic implications, affecting household resilience, capital formation, and inclusive growth.

While existing policies promote financial education in various forms such as initiatives of the Bangko Sentral ng Pilipinas (BSP) under its National Strategy for Financial Inclusion (NSFI), and certain curriculum components under the Department of Education's K-12 framework, financial literacy is not yet institutionalized as a structured and competency-based core subject across all grade levels. Current efforts remain fragmented, non-standardized, or embedded

within other learning areas without clear learning progression or measurable outcomes.

In recognizing the pivotal role of financial literacy for individual and national economic prosperity, this legislative proposal seeks to address a critical gap in the Philippines' educational framework. Despite financial literacy's acknowledged importance in fostering financial stability and economic growth, the Philippines faces significant challenges in this area. Recent national surveys and international assessments indicate that a significant portion of Filipinos lack a firm grasp of basic financial concepts such as inflation, interest compounding, risk diversification, and long-term financial planning.¹ Limited financial literacy contributes to over-indebtedness, low savings rates, vulnerability to financial scams, and poor retirement preparedness.² These challenges have broader macroeconomic implications, affecting household resilience, capital formation, and inclusive growth.

These figures highlight a glaring need for enhanced financial education among the Philippine population. To effectively combat the low levels of financial literacy and its consequent barriers to economic advancement and poverty reduction, this bill proposes the integration of financial literacy as a core subject within the K-12 education system. By formalizing financial education from an early age, we aim to cultivate a generation of financially knowledgeable citizens, equipped to make informed decisions, contribute to the nation's economic development, and achieve personal financial freedom.

The integration of financial literacy into the educational curriculum represents a strategic investment in the country's future, promising to elevate the standard of living and well-being of its citizens while reducing dependence on governmental support. Given the critical nature of this educational reform, the immediate passage of this bill is earnestly advocated.

It is for the foregoing premises that the approval of this Bill is earnestly sought.



ALFRED C. DELOS SANTOS

Representative, Ang Probinsyano Party-List

¹<https://www.bsp.gov.ph/SitePages/MediaAndResearch/SpeechesDisp.aspx?>

² <https://www.bis.org/review/r221122d.htm>

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**AN ACT TO MANDATE FINANCIAL LITERACY EDUCATION IN THE K-12
SYSTEM, ESTABLISHING IT AS A CORE SUBJECT FOR ENHANCING
ECONOMIC SELF-SUFFICIENCY AND NATIONAL DEVELOPMENT**

*Be it enacted by the Senate and the House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. *Title.* – This Act shall be known as the “Financial Literacy in Basic Education Act.”

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to equip the youth with the necessary knowledge and skills to make informed and effective decisions with all of their financial resources. Understanding that financial literacy is crucial for personal financial stability and the economic growth of the country, the State shall integrate financial literacy into the K-12 education system to foster financially literate citizens.

SECTION 3. *Integration of Financial Literacy* – The Department of Education (DepEd), in coordination with the Bangko Sentral ng Pilipinas (BSP) and other relevant agencies and stakeholders, shall develop and integrate financial literacy

education into the K-12 curriculum. The curriculum shall cover, but not be limited to, the following topics:

- a) Basic money management;
- b) Savings and investment;
- c) Budgeting and financial planning;
- d) Understanding credit and debt management;
- e) Fundamentals of Entrepreneurship;
- f) Consumer rights and responsibilities;
- g) Basic Tax Principles.

SECTION 4. *Teacher Training and Resources* – The DepEd, in collaboration with the BSP and other financial education providers, shall ensure that adequate training and resources are provided to teachers delivering financial literacy education. This may include the development of training programs, teaching guides, and the integration of financial literacy in teacher education and professional development programs.

SECTION 5. *Partners for Financial Education* – The DepEd is authorized to enter into partnerships with the private sector, non-government organizations, and financial institutions to develop and support financial education initiatives, including the provision of instructional materials, guest lectures, and experiential learning opportunities for students.

SECTION 6. *Monitoring and Evaluation* – The DepEd shall establish a framework for the monitoring and evaluation of the financial literacy education program to assess its effectiveness in improving the financial literacy of students. The framework shall include mechanisms for regular review and updating of the curriculum to ensure its relevance and effectiveness.

SECTION 7. *Funding*. – The amount necessary to carry out the initial implementation of this Act shall be charged against the current year's appropriations of the DepEd. Thereafter, such amount as may be necessary for

the continued implementation of the Act shall be included in the annual General Appropriations Act.

SECTION 8. *Implementing Rules and Regulations.* – The Secretary of Education, in coordination with the Governor of the Bangko Sentral ng Pilipinas and other relevant stakeholders, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days after its enactment.

SECTION 9. *Separability Clause* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected shall remain in full force and effect.

SECTION 10. *Repealing Clause* – All laws, decrees, orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 12. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette, or in a newspaper of general circulation in the Philippines.