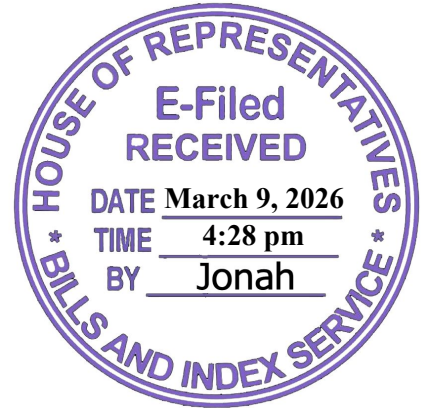




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



House Bill No. 8378

Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

EXPLANATORY NOTE

“The plans of the diligent lead surely to abundance, but everyone who is hasty comes only to poverty.” – Proverbs 21:5

“The wise man saves for the future, but the foolish man spends whatever he gets.” – Proverbs 21:20

Overseas Filipino Workers (OFWs) have long been recognized as modern-day heroes whose sacrifices significantly contribute to the Philippine economy and the welfare of millions of Filipino families. Their remittances remain a vital pillar of economic stability, sustaining household consumption, supporting education and healthcare, and strengthening the country’s foreign exchange reserves.

However, despite the magnitude of these contributions, many OFWs and their families continue to face financial vulnerability. A significant portion of remittances is often consumed by short-term expenditures rather than directed toward long-term financial security, investments, or productive enterprise. In many cases, the lack of adequate financial knowledge exposes OFWs and their families to poor financial planning, excessive debt, fraudulent schemes, and missed opportunities for sustainable wealth creation.

Financial literacy is therefore essential in ensuring that the hard-earned income of OFWs is maximized for long-term economic empowerment. Equipping OFWs with practical knowledge in budgeting, savings, investment, entrepreneurship, insurance, and retirement planning enables them to make informed financial decisions that benefit not only their households but also the broader national economy.

This proposed “OFW Financial Literacy Act” seeks to institutionalize a comprehensive financial literacy program for OFWs before deployment and throughout their reintegration process. The measure mandates the Department of Labor and Employment (DOLE), through the Overseas Workers Welfare Administration (OWWA) and the Philippine Overseas Employment Administration (POEA), in coordination with the Bangko Sentral ng Pilipinas (BSP), to provide structured financial literacy training programs covering money management,

remittance efficiency, investment options, retirement planning, and the prevention of financial fraud.

Recognizing that remittances are often managed by family members left behind, the bill also extends financial literacy programs to the immediate families of OFWs. By strengthening financial awareness and responsibility within the household, the measure aims to ensure that remittances are used more productively for education, housing, savings, business development, and long-term asset building.

Furthermore, the measure integrates financial literacy into existing reintegration programs for returning OFWs and establishes incentives such as priority access to livelihood assistance, MSME financing, agricultural credit programs, and government-backed savings and investment instruments for those who complete the training.

By promoting financial education, this bill seeks to transform remittances from mere consumption support into a powerful tool for sustainable development, entrepreneurship, long-term financial security, and investment for Filipino families as well as for Philippine economy.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


EDUARDO "BRO. EDDIE" C. VILLANUEVA



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HOUSE BILL NO. 8378

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AN ACT
INSTITUTIONALIZING A FINANCIAL LITERACY PROGRAM FOR OVERSEAS
FILIPINO WORKERS AND THEIR FAMILIES, AND FOR OTHER PURPOSES

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

1
2 **SECTION 1. Short Title.** - This Act shall be known as the "*OFW Financial*
3 *Literacy Act.*"
4

5 **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State to
6 promote the welfare of Overseas Filipino Workers (OFWs) and their families by
7 ensuring that they are equipped with the necessary financial knowledge and skills to
8 manage remittances, savings, investments, and retirement planning, thereby
9 maximizing the developmental impact of overseas employment on the Philippine
10 economy.
11

12 **SEC. 3. Mandatory Financial Literacy Training. –**
13

14 (a) The Department of Labor and Employment (DOLE), through the Overseas
15 Workers Welfare Administration (OWWA) and the Philippine Overseas
16 Employment Administration (POEA), in coordination with the Bangko Sentral
17 ng Pilipinas (BSP), shall ensure that all OFWs undergo financial literacy
18 training prior to deployment.

19 (b) The training shall cover, at a minimum,:

- 20 (1) Budgeting and money management;
21 (2) Remittance channels and cost efficiency;
22 (3) Savings mobilization;
23 (4) Entrepreneurship and micro, small, and medium enterprise (MSME)
24 opportunities;
25 (5) Investment instruments, including government bonds, cooperatives,
26 and mutual funds;
27 (6) Insurance, health, and retirement planning; and
28 (7) Avoidance of scams and predatory lending.

SEC. 4. Family-Oriented Financial Literacy. - OWWA shall establish programs to extend financial literacy to the immediate families of OFWs, particularly spouses and adult children, to ensure that remittances are productively used for long-term household security.

SEC. 5. Integration with Reintegration Programs. - All reintegration programs for returning OFWs shall include mandatory modules on financial literacy, investment opportunities in the Philippines, and long-term asset-building.

SEC. 6. Incentives for Participation.

(a) OFWs and families who complete financial literacy training shall be given priority access to the following programs:

- (1) OWWA livelihood assistance grants;
- (2) Department of Trade and Industry (DTI) MSME financing programs;
- (3) Agricultural credit programs of the Department of Agriculture (DA) and Land Bank of the Philippines; and
- (4) Preferential enrollment in government savings and investment instruments.

(b) The Social Security System (SSS) and Pag-IBIG Fund shall design preferential schemes for OFWs who complete training to encourage higher savings rates.

SEC. 7. Partnership with Financial Institutions. - The BSP shall accredit banks, cooperatives, and financial institutions to provide supplementary financial literacy seminars, subject to safeguards against product misrepresentation and abusive marketing practices.

SEC. 8. Funding. - The program shall be funded from: (1) OWWA funds, pursuant to its mandate to promote the welfare of OFWs; and (2) Appropriations from the annual General Appropriations Act (GAA), sourced from the budgets of DOLE and BSP, as may be necessary.

SEC. 9. Implementing Rules and Regulations (IRR). - Within ninety (90) days from the effectivity of this Act, DOLE, in coordination with OWWA, POEA, BSP, SSS, and Pag-IBIG Fund, shall promulgate the necessary rules and regulations to implement this Act.

SEC. 10. Separability Clause. – If any portion or provision of this Act is declared unconstitutional, the remainder hereof or any provisions not affected thereby shall remain in force and effect.

SEC. 11. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, rule, or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

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

Approved,