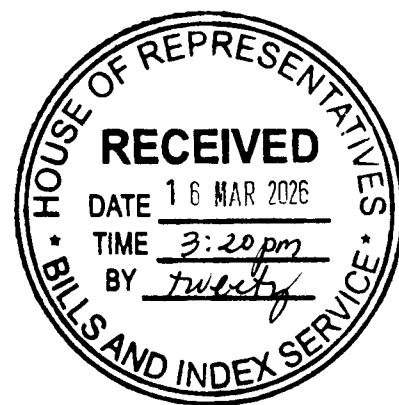


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8539



Introduced by Representative JEFFREY SORIANO

EXPLANATORY NOTE

This bill seeks to provide free financial education to Overseas Filipino Workers (OFWs) and their families to help them better manage their income, savings, and investments.

OFWs play a crucial role in the Philippine economy through the billions of pesos they remit annually, which sustain millions of households and contribute significantly to national economic stability. Despite these valuable contributions, many OFWs and their families remain vulnerable to financial mismanagement, excessive debt, fraudulent investment schemes, and other forms of financial exploitation.

Financial literacy is essential in ensuring that the hard-earned income of OFWs translates into long-term financial security and sustainable economic growth for their families. However, many OFWs leave the country without sufficient knowledge on financial planning, responsible borrowing, investment opportunities, and protection against scams. As a result, some OFWs return home after years of work abroad without substantial savings or financial stability.

This measure seeks to address these concerns by mandating financial education or literacy seminars for OFWs as an integral part of the Pre-Departure Orientation Seminars (PDOS) and through Post-Arrival Training Seminars (PATS). These programs will equip OFWs with practical knowledge on financial management, responsible use of credit, investment options, consumer protection, and avoidance of fraudulent schemes. The bill likewise ensures that the families or dependents of OFWs are provided access to financial education through online seminars and other accessible platforms.

Under this measure, the Department of Migrant Workers (DMW), in coordination with relevant government agencies such as the Overseas Workers Welfare Administration (OWWA), the Bangko Sentral ng Pilipinas (BSP), and the Securities and Exchange Commission (SEC), will develop and implement comprehensive financial literacy programs free of charge. These initiatives will

promote responsible financial decision-making, protect OFWs from scams and predatory lending practices, and encourage productive investments.

By empowering OFWs and their families with financial knowledge and skills, this measure aims to transform remittances into long-term financial security, productive investments, and sustainable development for Filipino households.

In view of the foregoing, the immediate approval of this measure is earnestly sought.



HON. JEFFREY SORIANO

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House Bill No. **8539**

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AN ACT
PROVIDING FOR A FREE FINANCIAL EDUCATION TO OVERSEAS
FILIPINO WORKERS AND THEIR FAMILIES

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

SECTION 1. This Act shall be known as the "*Free OFW Financial Education Act.*"

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to afford full protection to labor - local and overseas - and promote full employment and equality of employment opportunities for all.

The State shall, in recognition of their valuable economic contributions through remittances, adopt measures that will protect and ensure the financial and economic well-being of Overseas Filipino Workers (OFWs) and their families. To this end, the State shall provide mandatory free financial education or literacy training to equip them with sufficient knowledge and skills to properly manage and use their hard-earned money.

SEC. 3. *Coverage.* — This Act shall cover all OFWs, either land-based or sea-based, documented or otherwise, and their families or dependents.

SEC. 4. *Mandatory Financial Education Seminar.* — All OFWs shall undergo mandatory and continuously updated financial education or literacy training seminars which shall form as an integral part of the Pre-Departure Orientation Seminars (PDOS) of departing OFWs. Moreover, Post-Arrival Training Seminars (PATs) on financial education or literacy shall likewise be required of OFWs within a reasonable time upon arrival in their respective countries of destination on their first employment contract, or those who transfer from one place of work to another without stopping by the Philippines. Overseas Filipino seafarers shall have the option of attending these continuously updated financial education or literacy training seminars at their respective points-of-hire, or within a reasonable time, after their return to the Philippines.

Families or dependents of OFWs throughout the Philippines shall likewise be equipped with financial education and knowledge through online seminars and other feasible and effective means.

SEC. 5. *Participating Agencies.* — The PDOS and PATS shall be primarily conducted by the Department of Migrant Workers (DMW), as the lead agency, in coordination with the Overseas Workers Welfare Administration (OWWA), the Department of Finance (DOF), the Bangko Sentral ng Pilipinas (BSP), the Securities and Exchange Commission (SEC), the Department of Information and Communications Technology (DICT), the Department of the Interior and Local Government (DILG), and the accredited PDOS providers across the country, including the embassies or consulates, whichever may be available, in the countries of destination.

As the lead agency, the DMW is tasked to formulate training modules on financial education or literacy, initiate and conduct training programs on financial management and responsibility; apprise OFWs on financial opportunities and pitfalls, among others; ensure the accessibility of qualified online financial and economic advisors and/or counselors; and disseminate knowledge expanding activities that promote financial education or literacy among OFWs and their dependents.

SEC. 6. *Free Financial Education Programs.* — Financial education or literacy training programs undertaken under this Act shall be free-of-charge.

The DMW shall, in coordination with the OWWA, the DOF, the BSP, and the SEC, educate the OFWs and their families or dependents, on financial subjects, issues or programs, including but not limited to the following: consumer protection, protection on mortgaged or collateralized properties, avoidance of exorbitant interests on loans or debts, and credit information on micro- and small-scale enterprises to prospective lenders.

Financial education shall likewise include information on obligations and contracts, credit transactions, interests, pledges, mortgages, guarantees, and knowledge on financial products such as stocks, bonds, insurance, and mutual funds, which are available in the market.

The DMW shall regularly coordinate with the DICT, the Cybercrime Investigation and Coordinating Center (CICC), the National Telecommunications Commission (NTC) and social media companies to disallow posts and messages that are meant to confuse, mislead, victimize, defraud or entice OFWs and their families to engage in gambling and other similar activities, including online scams, pyramiding schemes, and the like.

SEC. 7. *Implementing Rules and Regulations.* — Within ninety (90) days from the approval of this Act, the DMW shall, in consultation with OWWA, DOF, DILG, DICT, CICC, NTC, BSP, SEC, and all other relevant financial stakeholders and institutions, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 8. *Separability Clause.* – If any portion or provision of this Act is declared invalid or unconstitutional, other provisions hereof shall remain in full force and effect.

SEC. 9. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 10. *Effectivity.* – This Act shall take effect fifteen days (15) after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,