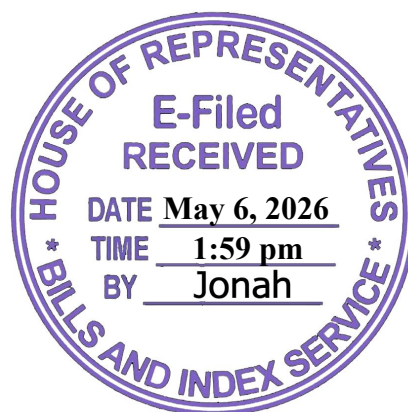


Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **9130**



Introduced by HON. JAMES "JOJO" ANG JR.

EXPLANATORY NOTE

Financial inclusion remains a critical driver of inclusive and sustainable economic growth. Data from the Bangko Sentral ng Pilipinas (BSP) 2023 Financial Inclusion Survey reveal that approximately 34% of Filipino adults remain unbanked, while around 60% of micro, small, and medium enterprises (MSMEs) lack access to formal credit. Only about 25% of transactions are conducted through digital payments, underscoring persistent structural gaps in the country's financial system.

MSMEs, comprising over 99% of all registered businesses in the Philippines, continue to face barriers such as lack of collateral, high borrowing costs, stringent documentary requirements, limited proximity to financial institutions, and inadequate financial literacy. These constraints are more pronounced in rural and underserved communities, where access to formal financial services remains limited.

The World Bank estimates that the MSME financing gap in the Philippines exceeds US\$220 billion, while the Asian Development Bank notes that enterprises with access to financing are three to five times more likely to expand operations and generate employment.

Aligned with the Philippine Development Plan and national financial inclusion strategies, this measure seeks to establish a National Financial Inclusion and MSME Credit Access Program that will:

- Expand access to affordable and collateral-free financing;
- Strengthen credit risk-sharing mechanisms through a national guarantee fund;
- Promote digital financial ecosystems and interoperable payment systems;
- Enhance financial literacy and credit readiness among MSMEs;
- Establish financial inclusion centers nationwide; and
- Develop alternative credit scoring systems and digital financial identities.

This proposed measure ensures that entrepreneurs, especially those in rural areas, women-led enterprises, agriculture-based industries, and low-income communities — are empowered with equitable access to capital, enabling them to grow, generate employment, and contribute meaningfully to national development.

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



JAMES "JOJO" ANG JR.
Uswag Ilonggo Party-list

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

TWENTIETH CONGRESS
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HOUSE BILL NO. 9130

Introduced by HON. JAMES “JOJO” ANG JR.

**AN ACT ESTABLISHING THE NATIONAL FINANCIAL INCLUSION AND
MSME CREDIT ACCESS PROGRAM AND FOR OTHER PURPOSES**

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “**National Financial**
2 **Inclusion and MSME Credit Access Act.**”

3 **SEC. 2. *Declaration of Policy.*** – It is hereby declared the policy of the State to
4 promote inclusive finance, expand equitable access to credit, strengthen MSME
5 development, foster resilient financial ecosystems, and accelerate the adoption of
6 digital financial systems nationwide, consistent with the Philippine Development
7 Plan and national financial inclusion strategies.

8 **SEC. 3. *Establishment of the National Financial Inclusion and MSME Credit***
9 ***Access Program (NFIMCAP).*** – There is hereby established a **National Financial**
10 **Inclusion and MSME Credit Access Program (NFIMCAP)** to expand access to credit,
11 digital financial services, and financial capacity-building for MSMEs, cooperatives,
12 and start-ups across the country.

13 **SEC. 4. *Program Components.***– NFIMCAP shall consist of the following
14 components:

1 (a) **Collateral-Free Micro and Small Enterprise Loans**

2 Provision of loans up to **Five Hundred Thousand Pesos (₱500,000.00)**
3 with simplified requirements and streamlined approval processes.

4 (b) **National Credit Guarantee Fund (NCGF)**

5 A government-backed fund guaranteeing up to **eighty percent (80%)** of
6 qualified MSME loans to reduce lending risks and encourage financial
7 institutions to expand credit access.

8 (c) **Digital Financial Ecosystem Expansion**

9 Promotion and support for digital payment systems including QR Ph,
10 digital wallets, mobile banking, interoperable payment platforms, and
11 secure digital financial identification systems.

12 (d) **MSME Financial Literacy and Credit Readiness Program**

13 Nationwide training programs on financial management, digital finance,
14 creditworthiness, and entrepreneurship to be delivered through Negosyo
15 Centers, cooperatives, state universities and colleges (SUCs), and
16 accredited training institutions.

17 (e) **Financial Inclusion Centers**

18 Establishment of at least one **Financial Inclusion Center in every**
19 **province, highly urbanized city (HUC), and independent component**
20 **city**, serving as a hub for financial services access, training, and advisory
21 support.

22 (f) **Alternative Credit Scoring System**

23 Development of data-driven credit scoring mechanisms utilizing non-
24 traditional data such as utility payments, transaction histories, and digital
25 financial behavior to support MSMEs lacking formal credit histories.

26 **SEC. 5. Implementing Agencies.-** NFIMCAP shall be implemented in
27 coordination with the following agencies:

28 (a) Department of Trade and Industry (DTI)

29 (b) Bangko Sentral ng Pilipinas (BSP)

30 (c) Cooperative Development Authority (CDA)

31 (d) Technical Education and Skills Development Authority (TESDA)

1 (e) Local Government Units (LGUs)

2 (f) Small Business Corporation (SBCorp)

3 The DTI shall serve as the lead implementing agency.

4 **SEC. 6. *Priority Beneficiaries***- Priority under this Act shall be given to the
5 following:

6 (a) Rural and underserved MSMEs;

7 (b) Women-led and women-owned enterprises;

8 (c) Farmers, fisherfolk, and agri-processing enterprises;

9 (d) Start-ups and innovation-driven enterprises;

10 (e) Tourism, creative, and digital economy MSMEs.

11 **SEC. 7. *Appropriations***- The initial funding for the implementation of this Act
12 shall be sourced from the existing appropriations of the DTI, BSP, and SBCorp.
13 Thereafter, such sums as may be necessary shall be included in the General
14 Appropriations Act.

15 **SEC. 8. *Implementing Rules and Regulations (IRR)*** - Within ninety (90) days from
16 the effectivity of this Act, the implementing agencies shall promulgate the necessary
17 rules and regulations for its effective implementation.

18 **SEC. 9. *Separability Clause*** - If any provision of this Act is declared
19 unconstitutional or invalid, the remaining provisions shall not be affected thereby.

20 **SEC. 10. *Repealing Clause*** - All laws, decrees, executive orders, rules, and
21 regulations inconsistent with this Act are hereby repealed or modified accordingly.

22 **SEC. 11. *Effectivity***- This Act shall take effect fifteen (15) days after its
23 publication in the Official Gazette or in a newspaper of general circulation.

24 *Approved,*