

# Office of Sen. Manny Villar

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**NEWS RELEASE**  
**6 September 2012**

## **Villar pushes approval of bill allowing the poor to start their own business**

Sen. Manny Villar sponsored yesterday the committee report on the bill seeking to encourage microfinance institutions to provide access to credit and business opportunities to poor Filipinos.

Senate Bill 3255 or “An Act Governing the Creation and Accreditation of Microenterprise Development Institutions (MICRODEVs), ” endeavors to support and work in partnership with MICRODEVs, which will implement a microenterprise development strategy in order to provide general and other entrepreneurial services to the poor.

Villar, chairman of the Committee on Economic Affairs, said this bill seeks to benefit the more than 23 million poor Filipinos, by providing them seed money to start their own small businesses.

“After years of hard work, microfinance institutions’ (MFI) mission of poverty alleviation has reached a level of maturity and acceptance in the Philippines, and has been shown to be an effective means to help alleviate poverty and spur microenterprise development,” Villar said.

It has always been Villar’s advocacy to help people start their own business. He said Filipinos should aspire to become their own bosses and shouldn’t be contented with being an employee.

Villar cited the case of Jocelyn de Guzman, who worked previously as a footwear factory worker. She availed of a loan and used it to start a slippers and sandals factory. Corazon Bautista, a former seamstress, borrowed a P5000-capital from Tulay sa Pag-Unlad, Inc. and was able to put up an RTW business in Taytay, Rizal.

“These women not only succeeded to cross over to the path of progress from poverty. They also provided employment to a number of people,” Villar added.

According to data collected by the Microfinance Information Exchange, as of 2010, microfinance NGOs have an estimated outreach of more than two million active clients and an approximate total gross loan portfolio of more than Php 10 billion.

Villar said this measure will help the country achieve its Millennium Development Goal by providing the enabling environment that will allow the private sector to take a greater role in the provision of financial services and encourage the poor to engage in viable and sustainable microenterprises.

Under the bill, a MICRODEV Accreditation Center will be created to institutionalize a system of accreditation and registration of microfinance entities. The center will monitor the performance of MICRODEVs to ensure their compliance with the provisions of this measure and keep in check their commitment to help the poor and marginalized.

MICRODEVs will provide the poor access to reasonable and affordable credit and related services including microfinance, micro-insurance, health care and micro-housing. They will also provide business development opportunities such as leadership training and entrepreneurial skills training and human development services to help the poor achieve a level of sustainability and empowerment.

These MICRODEVs will be operated as non-stock and non-profit corporations, governed by Board of Trustees. In lieu of national and local taxes, MICRODEVs will only pay two percent of their gross income.

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