

26 February 2020

REPRESENTATIVE MA. LOURDES ACOSTA-ALBA
Chairperson
Committee on Women and Gender Equality
House of Representatives
Batasan Complex, Batasan Hills
Quezon City

Dear **Representative Acosta-Alba**:


We are pleased to submit the Department's position on House Bill No. 3531, entitled:

"An Act Granting Capitalization Loan Assistance to Women Seeking to Become Entrepreneurs or Those Intending to Put Up Their Own Business"

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,


RAMON M. LOPEZ
Secretary



OFFICE OF THE SECRETARY

DTI Position on

House Bill No. 3531

“An Act Granting Loan Assistance to Women Seeking to Become Entrepreneurs or Those Intending to Put Up Their Own Business”

The Department recognizes the objective of the proposed legislation that encourages women to establish their own businesses by providing capital and credit assistance for their enterprises.

However, we are of the view that the objectives of the proposed legislation are already being sufficiently addressed by Republic Act (R.A.) No. 9710 or the Magna Carta of Women Act of 2009, specifically Section 23, to wit:

“SEC. 23. Right to Livelihood, Credit, Capital, and Technology – The State shall ensure that women are provided with the following:

- (a) Equal access to formal sources of credit and capital;**
- (b) Equal share to the produce of farms and aquatic resources; and**
- (c) Employment opportunities for returning women migrant workers taking into account their skills and qualifications. Corollary, the State shall also promote skills and entrepreneurship development of returning migrant workers”** (emphasis supplied)

Moreover, Section 26 of the Implementing Rules and Regulations (IRR) of R.A. 9170 provides that *“all possible assistance shall be provided to women including returning women migrants in their pursuit of owning, operating and managing business enterprises towards the promotion of their economic rights and independence. Assistance shall focus on the availability of the following: **credit**, training and technology, information, packaging and marketing, and social protection.”* (emphasis supplied)

The said IRR requires the Department of Finance (DOF), DTI, Bangko Sentral ng Pilipinas (BSP), People’s Credit and Finance Corporation (PCFC), Government Financial Institutions (GFIs) and Microfinance Institutions (MFIs) to formulate and implement policies, plans and programs to provide women easy and preferential access to capital and credit for business enterprises.

Moreover, to support government’s effort to provide credit assistance to women, the Development Bank of the Philippines (DBP) launched the Inclusive Lending for Aspiring Women (ILAW) Program in July 2019. The ILAW program was developed specifically to cater women-owned and managed enterprises for the establishment of viable income-generating activities. Meanwhile, the DTI, through its Gender and Development (GAD) Program, provides specific interventions on women economic empowerment. The program focuses on women’s participation and benefits in livelihood and entrepreneurial activities, namely: mainstreaming GAD in development plans; sustaining women in business; capacitating women in entrepreneurship; and greater and better access to business finance.¹

¹ <https://www.dti.gov.ph/programs-projects/gender-and-development>

The Department welcomes all legislative initiatives aimed at strengthening women's economic empowerment by improving their access to financing resources, institutional support and infrastructure, capacitating them to start, own and manage their own enterprises.

Following are some success stories of women in business where DTI programs played a role: Mid-East Sweets (baked goods with dates), Wives of Fishermen in General Santos (rags and other products for tuna industry), Malagos AgriVentures Corp (cacao products, chocolates), Island's Best Foods (calamansi juice), and De Lara Agsam Novelties (accessories).²

While we assent that empowering women entrepreneurs and would-be entrepreneurs through provision of credit assistance is integral in achieving inclusive growth and development in the country, we believe that the implementation of the Magna Carta of Women of 2009, specifically Section 23 (Right to Livelihood, Credit, Capital, and Technology) of R.A. No. 9710, is already effectively addressing the objectives of the proposed Women Entrepreneurs Act.

Karyapinchay

Bureau of Trade and Industrial Policy Research

26 February 2020

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² DTI Coffee Table Book SIKAP: Sipag at Abilidad (Industry and Resourcefulness)