

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **5920**



Introduced by Rep. Winston "Winnie" Castelo

EXPLANATORY NOTE

To counter "5-6" loan scheme, the Duterte administration has launched the *Pondo para sa Pagbabago at Pag-Asenso* (P-3) program. With an initial funding of around P1 billion, the program has led to a drop in interest rates charged by usurers.

The P-3 program aims to provide microenterprises with an alternative source of funding. Borrowers can take out a loan of P5,000 to P100,000 with no collateral and with a maximum monthly interest rate of 2.5 percent.

This government-inspired entrepreneurship program shall effectively weed out the "5-6" loan scheme, which is usurious and deleterious to the small-scale enterprise. This well-meaning program is highly responsive to the economic situation of the nation and is quite up to the mark.

The nation, thus, would do well to institutionalize this P-3 program of the government.

The immediate passage of this proposed measure is most earnestly sought.

A large, stylized handwritten signature in black ink, which appears to be "Winnie Castelo". The signature is written over the printed name "WINNIE CASTELO" and extends upwards and to the left, partially overlapping the text above.

WINNIE CASTELO

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AN ACT

INSTITUTIONALIZING THE PONDO PARA SA PAGBABAGO AT PAG-ASENSO (P-3)
PROGRAM OF THE GOVERNMENT, PROVIDING FUNDS THEREFOR AND FOR OTHER
PURPOSES

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

SECTION 1. This Act shall be known as the '*Pambansang Pondo para sa Pagbabago
at Pag-Asenso Program Act*.'

SEC. 2. There shall hereby be institutionalized a small-scale enterprise lending program
of the government to be known as the '*Pambansang Pondo para sa Pagbabago at Pag-Asenso
Program*' with the end in view of providing small-scale entrepreneurs with an alternative source
of funding that enables them to maximize entrepreneurship opportunity.

SEC. 3. The establishment of the '*Pambansang Pondo para sa Pagbabago at Pag-
Asenso Program*' shall be determined and undertaken by the Department of Trade and Industry
(DTI).

SEC. 4. The amount of Fifty Billion Pesos (P50,000,000,000.00) chargeable against the
2018 appropriations of DTI shall hereby be appropriated to effectively carry out the intent of this
Act. Thereafter, such amount as may be necessary for the continued implementation of the
Pambansang Pondo para sa Pagbabago at Pag-Asenso Program shall be included in the
annual General Appropriations Act.

SEC. 5. This Act shall take effect fifteen (15) days following its publication in the Official
Gazette or in at least two (2) newspapers of general circulation.

Approved,