

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 3699



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Introduced by Rep. Precious Hipolito Castelo

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### EXPLANATORY NOTE


To counter the "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 users.

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.

  
PRECIOUS HIPOLITO 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 2020 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,*