

## **Amando M Tetangco, Jr: Empowering entrepreneurs through responsive microfinance programs**

Speech by Mr Amando M Tetangco, Jr, Governor of Bangko Sentral ng Pilipinas (BSP, the central bank of the Philippines), at the 2013 Citi Microentrepreneurship Awards (CMA) Awarding Ceremonies, Manila, 3 December 2013.

\* \* \*

Magandang hapon sa inyong lahat! We are gathered once again to celebrate a happy event: the awarding of our top achievers in the Philippine microfinance sector.

I can tell you that it took a lot of work: we had to go through evaluation, discussions and validation. But in the end, we are very pleased that we continue to see many inspiring success stories of Filipino microentrepreneurs.

Let us therefore acknowledge all those involved in this Citi Microentrepreneurship Award: Citi Philippines represented by Country Officer Batara Sianturi; Microfinance Council of the Philippines (MCPI) represented by Chairman Mila Banker; the officers and staff of the Bangko Sentral ng Pilipinas; and finally, our amazing and committed members of the board of judges under the National Selection Committee which include: Mr. Batara Sianturi, Mr. Antonino Alindogan, Jr. and Ms. Marixi Rufino-Prieto. Atty Felipe Gozon is represented by Ms. Teresita Pacis of GMA.

We also acknowledge the presence of Mr. Michael Zink, Head of ASEAN and Singapore Country Officer of Citi, as well as MBM Felipe Medalla, Adviser to the BSP Microfinance Committee.

And most of all, we congratulate all the finalists and all the winners of the 2013 Citi Microentrepreneurship Awards for continuing to surprise us with your creativity, your discipline, and your humility even as you achieve your goals in the face of many challenges that come your way.

Congratulations po sa inyong lahat. Through you, we are reassured again and again that microfinance is a viable option for entrepreneurial Pinoys. Eleven years na po tayo and counting. Our family of awardees keep growing and you continue to make us proud. Ipinag-ma-malaki namin kayo.

Dahil po dito, we continue to find ways to enhance our annual awards program. This year for instance, we are giving a Special Award for Microenterprise Leadership. This will be awarded to a previous winner whose success continues to bring it to another level of growth and expansion.

Ladies and gentlemen. Seeing our microentrepreneurs graduate into the next level as a small enterprise is a milestone we look forward to. In this connection, we have developed support programs to make this happen.

Among others, the regulation of the Bangko Sentral ng Pilipinas on “microfinance plus” increases the ceiling of microfinance loans from one hundred fifty thousand (P150,000.00) to three hundred thousand pesos (P300,000.00) to support further growth that will employ more people, create wealth, and contribute to broad-based, inclusive growth.

As it is, we are already seeing positive results from providing microentrepreneurs access to finance. As of end-June 2013, 186 banks with microfinance operations were serving over one million clients with combined outstanding loans of 8 billion pesos. And these microentrepreneurs have become net savers... with consolidated bank deposits of 8.9 billion pesos, an amount that easily surpasses their total loan. It is clear, these microentrepreneurs are on the road to attaining a certain level of financial independence.

We also continue to implement programs to provide more Filipinos access to financial services that would empower people to improve their lives. For instance, there are now 391 micro-banking offices that provide a broad range of financial services in new areas.

In addition, a retail electronic payments system through e-money and mobile banking is in place with 30 e-money issuers working alongside a network of more than 12,000 cash-in and cash-out agents. Indeed, we continue to post gains in our program to develop a more inclusive financial system that will promote inclusive growth.

Ladies and gentlemen. This year's CMA is taking place on the heels of super typhoon Yolanda that devastated parts of Leyte, Samar and other islands in the Visayas. Some of our previous CMA winners were not spared. Our regional winners from Bantayan and Malaspacua Islands in Cebu reported that the typhoon wiped out everything they owned. Also affected are our previous winners living in Iloilo, Negros and Leyte.

Destructive natural calamities underscore the importance of having adequate insurance protection especially for the most vulnerable. In particular, microinsurance can protect the hard-earned gains of our microentrepreneurs. For this reason, starting in 2011, the prizes of CMA winners include microinsurance.

Indeed, challenging times call for stronger partnerships. And to show our support and solidarity to our microentrepreneurs, we conducted here at the Bangko Sentral last week a three-day event which we called Microfinance Partnerships during Challenging Times.

Fellow advocates of microfinance, let us continue to enhance and strengthen our partnerships in support of our microentrepreneurs who have improved the lives of their families and generated employment for millions of Filipinos.

It is also noteworthy that our microentrepreneurs are also known for their generosity in helping other would-be entrepreneurs. They would readily share their stories and mentor others. Last month for instance, the Bangko Sentral's financial education lectures for 1,700 teachers and principals of the Department of Education in Kabankalan, Negros Occidental was made more memorable and inspiring by the sharing of local microentrepreneurs from Negros.

Indeed, our microentrepreneurs have developed a culture of sharing. In words and in deeds, they inspire others who aspire to better their lives through microfinance. Across our country, our microentrepreneurs prove that humble beginnings can lead to success beyond their dreams and sometimes even beyond our borders.

Once again, congratulations to our CMA winners this year. Mabuhay ang microfinance! Mabuhay ang ating mahal na bansang Pilipinas!

Maraming salamat sa inyong lahat!