

Amando M Tetangco, Jr: Microentrepreneurial success in the Philippines

Speech by Mr Amando M Tetangco, Jr, Governor of the Central Bank of the Philippines (Bangko Sentral ng Pilipinas), at the Microentrepreneur of the Year (MOTY) Awards 2008 Launch, Manila, 15 May 2008.

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Fellow workers and advocates in microfinance, special guests, good morning. On behalf of the Members of the Monetary Board, I welcome all of you to the Bangko Sentral ng Pilipinas for the launching of the 2008 Microentrepreneur of the Year Awards.

Ladies and gentlemen. This is the sixth year we are mounting this search for the best microentrepreneurs in our country. Through all these years, I have felt that the role of the judges in selecting the winners have become increasingly difficult.

Don't get me wrong; I am not complaining!

The difficulty lies in the fact that there are now so many inspiring success stories in the microfinance sector to choose from. This tells me that we are successful in providing a nurturing environment for microenterpreneurs.

Today is therefore a happy occasion as friends and colleagues involved in microfinance come together once again.

Let us therefore take this opportunity to thank our partners for making the MOTY a much-anticipated event. Friends, let us give a big hand to Citi Philippines and Citi Foundation under Mr. Sanjiv Vohra, the Microfinance Council under Mr. Rollie Victoria and Mr. Ed Garcia, as well as the members of the National Selection Committee.

During the first five years of the MOTY, we met exceptional microentrepreneurs who proved access to responsive microfinance services can empower them to break out of poverty and build a better life for themselves, their families, and even their communities.

We are happy that our past winners continue to shine and to be a source of inspiration. For instance, 2004 winner Leticia Rosas, a handloom weaver from Marinduque, had the unique experience to address a big crowd of microfinance practitioners in the historic halls of the Malacanan Palace.

2006 winner Jennilyn Antonio, a former factory worker turned peanut butter manufacturer, now supplies SM Supermarkets, the country's largest retail chain. We of course thank one of our committed judges, Mrs. Tessie Sy-Coson, for this.

And just recently, we learned that one of our winners was able to access a 2 million peso loan from the Development Bank of the Philippines without collateral.

Other winners have become newsworthy celebrities, invited to guest in television and radio programs or featured in newspapers and magazines.

Clearly, MOTY's value goes beyond the incentives it provides deserving microentrepreneurs; it has also evolved as a vehicle for showcasing microfinance as a potent tool for poverty alleviation and microentrepreneurs as responsible, accountable and creditworthy bank clients.

Ladies and gentlemen. These milestones are the results of the collective and coordinated efforts of many institutions and individuals, the key movers of which are represented here today. Indeed, MOTY is one tangible example of successful and meaningful cooperation among different institutions working toward a shared goal.

Today, as our country's poor grapple with the challenges of rising prices of basic commodities, the call for coordinated efforts to fight poverty has never been stronger.

Let us therefore resolve to work more closely together to build stronger financial institutions that provide responsive service to microenterprises, sow the seeds of entrepreneurship, nurture local enterprises, and build prosperity in our country through microfinance development.

I am confident this can be done. I say this on the basis of our track record. Before the year 2000, for instance, there were only a handful of banks into microfinance. Since then, this has grown significantly. Today, 229 banks are into microfinance with a total client base of 780,000 and loans outstanding of 6 billion pesos.

Significantly, our micro-borrowers have also become net savers; their deposits with banks as of December 2007 have reached close to 2 billion pesos! Not only have they been liberated from the cycle of poverty, they are attaining financial security for themselves and their families.

Let us therefore resolve to continue to work together to nurture and expand our base of microentrepreneurs all over the country.

Thank you all. Mabuhay ang microfinance!