

9th National Convention on Statistics (NCS)
EDSA Shangri-La Hotel
October 4-5, 2004

**Microfinance In The Banking Sector:
Current Environment and Future Directions**
by
Pia Bernadette M. Roman

For additional information, please contact:

Author's name: Pia Bernadette M. Roman
Designation: Executive Assistant III
Agency: Microfinance Unit
Bangko Sentral ng Pilipinas
Address: A. Mabini St. cor. P. Ocampo St.,
Malate Manila, Philippines 1004
Telefax: +632-5236130/5212629
E-mail: piaroman@bsp.gov.ph

Microfinance in the Banking Sector: Current Environment and Future Directions

by

Pia Bernadette M. Roman¹

ABSTRACT

Microfinance has been gaining interest in the Philippines and around the world as an effective tool for economic development and poverty alleviation. Microfinance is particularly relevant in the Philippines where studies have shown that 30% of the population living below poverty manage at least two microenterprises. By invigorating microenterprises, microfinance may be a good intervention to empower those living in poverty to increase their economic activity and income, generate employment and improve the over-all quality of their lives.

This paper will present the current scenario of microfinance in the Philippines as well as the future directions, with a particular focus on the banking sector. Comprehensive discussions will be undertaken on the current policy and regulatory environment, the various stakeholders, the potential and actual supply and demand for microfinancial services as well as the current initiatives being undertaken by practitioners, regulators and policy makers. Some case studies may be utilized to present various aspects of microfinance. The paper will conclude with the discussion of key issues in looking at the future of microfinance in the banking industry and in the country. Among others, these issues include the need for performance standards as well as a comprehensive and reliable credit information bureau.

I. Introduction

The practice and provision of microfinance has been gaining momentum in the Philippines. This momentum is driven by the numerous empirical evidence and many success stories that demonstrate microfinance as an effective tool for economic development and poverty alleviation. Microfinance provides the necessary push for microenterprises to help them grow. This bears significance for the Philippines where micro/ cottage enterprises² make up about 91% of total establishments surveyed by the National Statistics Office¹. Without access to financial services, these microenterprises are forced to rely on more expensive sources of credit (i.e. informal money lenders, pawnshops, etc) which disallows them to have the additional liquidity that will help them grow their businesses. By invigorating these microenterprises, microfinance may then be a good intervention to empower the many Filipinos living in poverty; to increase their economic activity and income, generate employment and improve the over-all quality of their lives.

II. Definition, Scope and Limitation

Microfinance is defined as the provision of a broad range of financial services including loans, savings, insurance, remittances and transfers to low-

¹ Executive Assistant III, Microfinance Unit, Bangko Sentral ng Pilipinas

² Defined as establishments with 1-9 workers

income households and their microenterprises. For the purposes of this paper, focus will be made on the services that are most commonly associated with microfinance - loans and savings. The selection of these two services is also in line with the focus on the banking sector; as these are the two services provided by the banks with microfinance operations.

The above definition of microfinance emphasizes some of the salient features of its current practice. One of which is that microfinance has a clearly defined and identified market which is the low-income households and their enterprises. This market focus ascertains that the clients of microfinance have the economic activity to productively use the funds they have availed and have the means to meet the repayment obligations associated with the said funds. In addition, the practice of microfinance, over time, have given birth to some of the following key characteristics: 1) transactions are market driven and no longer subsidized, 2) client relationships are considered business transactions and not dole-outs or charity, 3) traditional collateral requirements are replaced with collateral substitutes such as peer-support or peer lending; 4) documentary requirements and processing are simpler and faster, 5) product design is based on character and cash flow analysis (example: small loans with frequent amortizations), and 6) savings is emphasized as an integral part of the microfinance package.

Microenterprises, on the other hand, are legally defined as any business entity or enterprise engaged in production, processing or manufacturing of products or commodities, including agro-processing, trading and services, whose total assets including those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, shall not be more than three million pesos (PhP 3,000,000.00).² Although this is the official definition of the Philippine Government, most microenterprises are much smaller in size and asset value.

Typically, microenterprises in the Philippines are businesses within or closely linked to households. Some microenterprises do not register, keep financial records or even pay taxes. The nature of this sector makes it very difficult to gather and process information on them. In addition, the size of most microfinance institutions and the sizes of loans and savings instruments being provided have made the numbers negligible in the statistics that are typically gathered and analyzed. Yet the implications of microfinance and microenterprises are tremendous. Like the proverbial mustard seed that matures into a shady tree, microfinance starts small but has an exponential effect on the local economy and the economy at large. Indeed these small enterprises have the potential for being the engines of growth and the drivers toward progress.

This paper will present the current environment of microfinance in the Philippines as well as future directions, with a particular focus on the banking sector. Comprehensive discussions will be undertaken on the current policy and regulatory environment, trends and issues in the sector, the various stakeholders, potential and actual supply and demand of microfinancial services as well as the current and future initiatives by practitioners, regulators and policy makers.

III. Current Environment of Microfinance in the Philippines

Policy and Regulatory Environment

National Policies

The Government's response to the poverty situation in the 1960s and 1970s was through the establishment of directed credit and guarantee programs. These programs provided credit subsidies to bring down the cost of borrowing for the rural poor. These programs resulted in very limited effectivity and outreach, and at a great cost to the government's budget.³ These programs were met with massive repayment problems, capture of funds by large-scale borrowers, neglect of deposit mobilization and huge fiscal costs for the government.

Learning from these experiences, the government policies of the last decade have shaped reforms to develop a market oriented financial and credit policy environment that promotes and supports private institutions to broaden and deepen their services;⁴ while government will instead focus not on the actual provision of credit but on creating the enabling policy environment. It is during this period that the National Strategy for Microfinance³ was created imbibing the following principles: 1) Greater role of the private microfinance institutions in the provision of financial services, 2) Existence of an enabling policy environment that facilitates the increased participation of the private sector in microfinance, 3) Adherence to market oriented financial and credit policies, 4) Non-participation of government line agencies in the implementation of credit and guarantee programs. Several laws were enacted in support of this strategy namely; Social Reform and Poverty Alleviation Act, Agriculture and Fisheries Modernization Act, Barangay Micro-Business Enterprises Act, Executive Order 138 and the General Banking Act of 2000.

BSP Initiatives

The General Banking Act of 2000, through sections 40, 43 and 44, mandated the Bangko Sentral ng Pilipinas to recognize the peculiar characteristics of microfinance and to establish the rules and regulations for its practice within the banking sector. The inclusion of microfinance in a banking law is indeed a significant development. In the past, the banking sector had a general aversion to microfinance due to the following barriers: 1) past failed experiences with directed credit programs, 2) perception that the poor are high risk due to lack of collateral and 3) high transaction costs.

The Bangko Sentral ng Pilipinas has taken significant steps in overcoming these barriers and promoting the development of microfinancial services within the banking sector. The initiatives of the BSP have focused on three aspects namely the creation of a "microfinance friendly" policy and regulatory environment, training and capacity building within the BSP and the banking sector as well as promotion and advocacy.

First and foremost, an enabling policy and regulatory environment is essential in the development of sustainable microfinance institutions. Towards

³ Created by the National Credit Council in 1997.

this end, the BSP has issued nine circulars⁴ which provides incentives for banks to engage in microfinance and identifies the rules and regulations for its practice within the banking sector.

These Circulars allow and encourage banks to engage in microfinance through three modalities. Through a partial lifting of the moratorium on the establishment of new banks and branches, banks can now engage in microfinance through the creation of a new microfinance-oriented bank or through the establishment of microfinance-oriented branches. The third option is for a bank to create a unit or department within their existing offices that will provide microfinancial services. The Bangko Sentral has also opened a rediscounting facility for the microfinance portfolio of banks.

As regulator and supervisor of the banking system, the BSP is continuously reviewing and amending its policies and regulations to ensure that they are receptive to the growing needs of the microfinance sector; at the same time ascertain that its practice is done in a viable, sustainable and prudential manner. In view of the foregoing, the BSP has issued Circulars for banks to adhere to international best practices and performance standards for microfinance as well as modified the manual of examinations to become more sensitive to the peculiarities of microfinance operations.

Through concrete projects and continuous programs, the BSP has also committed to increase the capacity and capability of both the BSP and the banking sector insofar as microfinance is concerned. In addition, the BSP maintains its promotion and advocacy efforts with the goal of promoting the development of microfinance in the country.

All these efforts are backed up with a fully institutionalized microfinance structure within the BSP making it the first Central Bank in the Asia-Pacific Region to have an office or unit dedicated to microfinance. A top-level Microfinance Committee was created for the formulation of the overall policy direction for microfinance. A Microfinance Unit was established to focus on the coordination and implementation of the BSP's microfinance programs and initiatives. A Microfinance Core Group of Examiners was also formed to supervise and examine banks with microfinance operations.

Banking Sector

This proactive role of the BSP has become a catalyst in increasing microfinance operations within the banking sector. At present, there are 121 banks engaged in microfinance. Six of these are microfinance oriented banks (2 thrift and 4 rural) where microfinance makes up more than 50% of their portfolio. The other 115 banks are rural and cooperative rural banks with some level of microfinance operations (ranging from 3-30% of their total portfolio). These banks have a total outstanding portfolio of PhP 2,958,302,000 reaching 485,136 borrowers.⁵

⁴ BSP Circulars 282 (2001), 273 (2001), 282 (2001), 324 (2002), 340 (2002), 365 (2003), 369 (2003), 409 (2003) and Circular Letter on Reports on Microfinance.

Since the BSP initiatives for microfinance began in 2000, there have been 65 banks that have started some level of microfinance operations. Among these, five are new microfinance-oriented banks. Although there were already around 55 banks engaged in microfinance prior to 2000⁶, it is also a noteworthy development that these banks are now looking into best practices and performance standards more seriously than in the past. The banks engaged in microfinance are now realizing the importance of, and are more committed to, sustainable microfinance operations.

An example of this commitment is the increase in the banks participating in the RBAP-MABS program. The RBAP-MABS or Rural Bankers Association of the Philippines - Microenterprise Access to Banking Services program is a complete technical assistance package provided to rural banks who want to engage in sustainable, viable and profitable microfinance operations. As of June 2004, there are 61 participating rural banks and 162 branches. These banks have active outstanding clients of 57,421 with the total outstanding loan portfolio of PhP 427,685,484.⁷ As evidence of these banks' commitment to best practices and standards, they have maintained the high quality of their portfolio as seen through their portfolio at risk (PAR) ratio⁵ of 4.42% for PAR more than 7 days and 3.29% for PAR more than 30 days.⁸ These ratios are well within the international standards of 5% that determines the quality of an institution's microfinance portfolio.

Another indication of the increased interest in microfinance in the banking sector is the growing number of banks that are availing of funds from the People's Credit and Finance Corporation (PCFC). The PCFC is a government corporation that functions as the apex microfinance institution in the Philippines for the provision of wholesale funds to microfinance institutions. When the PCFC started its operations in 1997, majority of the conduits were non-governmental organizations. As of June 30, 2004, banks now make up the majority PCFC's conduits. At present, there are 105 banks that are availing of funds from PCFC out of the total 190 active conduits. Similarly, the banks have outstanding loans of PhP 1,597,460 while the non-banks have PhP 955,699⁹.

Trends and Issues

The increase of microfinance operations in the banking sector is further confirmed by the recent survey conducted by the Microfinance Council of the Philippines where the respondents from the banking sector indicated that they envision an increase in their current microfinance operations reflecting as much as a 300% increase in the next three years. In addition, 60% of the respondent NGOs and 50% of the cooperatives expressed their interest in formalizing their operations or establishing a separate banking unit.¹⁰ The increase of banks engaging in microfinance is not a trend exclusive to the Philippines. Around the world, formal financial institutions have become increasingly involved in microfinance and informal unregulated institutions are moving toward formalization or venturing into activities that they did not previously undertake such as deposit taking and savings mobilization.

⁵ Portfolio at risk is a measure used to gauge the quality of a microfinance portfolio. The PAR measures the outstanding principal amount of all loans that have at least one installment of principal past due for one day.

Progress toward commercialization of microfinance is usually hastened by a strategic decision of microfinance institutions to adopt a for-profit orientation, accompanied by a business plan to operationalize the strategy to reach full financial self-sufficiency and to increasingly leverage the institution's funds to achieve greater levels of outreach.¹¹ It is with this onset of commercialization that banks are becoming more and more involved in microfinance. They are realizing that there is a potential profitable market niche in microfinance. They are seeing that microfinance may take on a for-profit orientation which goes against past perceptions that microfinance is a service provided by non-profit organizations or charitable institutions.

It seems sensible for banks to engage in microfinance. For one, they have the resources and expertise in the provision of financial services that make them ideal vehicles for microfinance. Banks also have the authority and means to access cheaper sources of funding particularly by attracting deposits from the public. In addition, the existing network of banks is also an avenue in which to magnify the many benefits of microfinance. In the Philippines, rural banks cover around 80% of the total municipalities with nearly 800 banks and 2,000 branches nationwide. "Rural Banks are best placed to engage in microfinance. The World Bank comments that these banks offer an interesting possibility for reaching the poor effectively without setting up alternative institutions."¹² These rural banks also seem to know the peculiarities of the clientele that microfinance targets as the banks are both culturally and geographically close this sector. According to the Philippine Deposit and Insurance Corporation, 90.7% of the rural banks' clients are small borrowers.

These developments are encouraging for the microfinance sector. It has been proven in many cases that commercially viable institutions are more able to expand their reach to wider geographical areas and provide a more extensive range of financial services to their clients. With more commercially viable institutions in play, the ultimate benefit goes to the microenterprises because there will be more responsive products and services, innovative methodologies and lowered costs.

It is important to note, however, that while the commercialization of microfinance ushers in various benefits for the microfinance sector, there are important issues that must be addressed. First, is the danger of the "bandwagon mentality" wherein institutions would engage in microfinance without the adequate preparation or know-how. Microfinance is a serious business where capacity, capability and commitment are crucial. It is essential that the institutions who are interested should be well prepared before engaging in microfinance operations.

The other issue that must be addressed is the potential "mission drift" from the ultimate objectives of microfinance. As mentioned earlier, microfinance specifically targets low-income households and their microenterprises. The methodologies of microfinance are also attuned to the needs of this sector. With the onset of the for-profit orientation of some microfinance institutions, this market focus is sometimes abandoned and the objective of strengthening microenterprises to invigorate the sector and improve the quality of lives is

forgotten. Microfinance institutions should be cautious of this mission drift and should always bear in mind that the profitability and viability of microfinance operations is a means in which the institution can expand the depth and breadth of their outreach.

Stakeholders and Players

Although the focus of this paper is the banking sector, it is also important to look at the other institutions providing microfinance services to see the complete picture of the current players and providers.

Microfinance is provided in the Philippines by three types of institutions, the banks, non-governmental organizations (NGOs) and cooperatives.

There are about 300 NGOs with microfinance activities however only over 20 NGOs are considered to have sustainable and viable operations. According to the Microfinance Council of the Philippines, whose membership comes mainly from the NGO sector, out of their 24 members about 7 of these are contributing 80% of the total outreach of the sector which is currently estimated at around 400,000.¹³ It can then be estimated, therefore, that the current outreach of the NGO sector is currently around 500,000 clients. These figures are estimates as microfinance NGOs are presently not required to report their outreach to any central institution or organization.

The data from the cooperative sector are also inconclusive as most credit cooperatives do not submit data to the Cooperative Development Authority on a regular basis. As of December 2003, it was estimated that there are about 31,164 cooperatives that are operational.¹⁴ Practitioners state that out of this large number about 300 are functioning as pure credit cooperatives with approximately 400,000 in outreach. It would be helpful to get snapshots of the sector through data collected through various major players in the cooperative sector.

Data from the largest national cooperative federation, NATCCO, show that out of the 1,200 affiliated primary cooperatives⁶, 18% (216) are pure credit cooperatives and 71% (852) are multi purpose cooperatives with savings and credit as the bulk of their business.¹⁵ In a recent ADB study, 339 members of the NATCCO were used as basis of estimating the supply of the cooperative sector.¹⁶

One cooperative development program which started in Mindanao as a project of the World Council of Credit Unions, Inc and funded by the USAID Philippine Mission is also a major player in the cooperative sector insofar as microfinance is concerned. This program is the CUES or Credit Union Empowerment and Strengthening Program which aims to transform cooperatives into safe and sound financial institutions. As of June 2004, CUES has 40 partner cooperatives reaching 276,660 members. These partner cooperatives have total gross loans worth PhP 2,848,748,965.00 and total savings worth PhP 2,262,640,374.¹⁷ The CUES partners makes up a large percentage of the total

⁶ Most of the large cooperatives with assets of more than PhP 50 million are members of NATCCO.

⁷ These 339 cooperatives are those with credit and savings products with aggregate asset size of PhP 7.7 billion.

microfinance outreach of the cooperatives sector and represents the most sustainable and most sound credit cooperatives in the country.

National Regulatory Framework

With the increase in the number as well in the types of institutions involved in microfinance, an appropriate regulatory framework is of paramount importance. The regulatory framework aims to see the further development of the microfinance sector by ensuring the soundness of the financial system, by protecting the clients of microfinance and by establishing an accurate, reliable and transparent set of financial information for all types of microfinance institutions.

The National Credit Council approved a Regulatory Framework for Microfinance in 2002. The framework covers only institutions taking deposits from the general public and/ or from its members. These institutions, namely banks and cooperatives, are subject to prudential regulation and supervision. Since microfinance NGOs are not supposed to take deposits from the public, they are generally not covered by prudential regulations. However, NGOs that collect beyond compensating balances⁸ should transform into an institution that will be subject to appropriate regulation and supervision.

Banks engaged in microfinance operations will continue to be under the purview of the Bangko Sentral ng Pilipinas while the cooperatives will be supervised by the Cooperative Development Authority. NGOs are enjoined to submit reports to the Microfinance Council of the Philippines which has been tasked to be the repository of information for microfinance NGOs.

Supply and Demand of Microfinance and the Poverty Scenario

Even with the variety of institutions providing microfinance as well as a clear regulatory framework for the practice of microfinance, there is still much to be done insofar as increasing the outreach of microfinance institutions. The above discussions will show that the three institutions are reaching approximately 1.3 million microentrepreneurs. This is consistent with current studies that have estimated between 600,000-one million people have access to microfinancial services.¹⁸ Although these numbers may initially seem substantial, they are very small relative to the demand for microfinancial services in 2002. Different estimates from the industry say that the current supply of microfinance is reaching between 10% - 20% of the potential market.

The demand for microfinance, on the other hand, can not be divorced from the poverty figures given the market focus of microfinance. There are 4.1 million families in the bottom 40% of the population that are engaged in microenterprise activities.¹⁹ In addition, it has been proven that those in the bottom 30% of the population manage at least two microenterprise activities.²⁰ Other studies have confirmed these estimates where it was seen that 70% of the poorest 40% main source of income is entrepreneurial income²¹ All these figures will show that the potential demand for microfinance is very high compared to the existing supply of

⁸ Savings of the client must always be smaller than the loan amount wherein the institution is always a net-lender.

such services. One study placed the potential supply and demand gap of microfinance in 2002 at PhP 17.2 billion where potential supply of microfinance considering the existing institutions and their capacities is at PhP 8.8 billion while the potential demand based on the number of poor families engaged in entrepreneurial activities is at PhP 26 billion.

IV. Future Directions

Microfinance has indeed proven to be an effective tool for economic empowerment and development as well as a valuable means to combat poverty. Despite the promise and potential of microfinance, the above figures show that there is much to be done. There is still a very significant number of the microentrepreneurs left wanting for microfinancial services. In looking forward, the challenge in reaching more clients through sustainable operations remains considerable for policy makers and practitioners alike.

Performance Standards

For practitioners, they must commit to increase their capacity and capability to provide this much needed service with high quality products and services; in a timely and sustainable way. One important means of ensuring this is through the adoption of and subscription to performance standards and best practices. These standards cover governance, operational as well as the financial aspects of the institution. The standards utilize various indicators that measure portfolio quality, efficiency, sustainability and outreach. Microfinance Institutions must ensure that they are able maintain these standards in their operations so that they will be able to expand their operations more effectively and efficiently.

The National Credit Council has recently developed a uniform set of performance standards that will cut across the three types of institutions and will provide the tools to facilitate the evaluation and assessment of their operations. These standards may be used as an internal management tool by the microfinance institutions, an assessment tool by regulatory and supervisory agencies, a measurement tool for wholesale financial institutions, donor agencies and potential investors.²²

With comparable and credible performance standards, microfinance institutions may be more able to attract commercial funds that will further help their expansion and development. In addition, these performance standards may lay the groundwork for the establishment of a rating system for microfinance institutions, which will further strengthen the microfinance sector.

Credit Bureau

For policy makers, they must continue to be responsive to the various dynamic needs of the microfinance sector through policies that promote the development of microfinance while ensuring the soundness of its operations. One important undertaking that policy makers, especially the BSP, is reviewing is the need for a comprehensive, credible and complete credit bureau.

Credit bureaus are useful in reducing risks in lending and in encouraging a more responsible attitude towards credit by borrowers which will ultimately lower

delinquency and strengthen the credit and financial system. Despite the many benefits of having a credit bureau, many have not participated or availed of these services due to fear of losing clients to competition, confidentiality issues and effectiveness of current credit bureau services. In the Philippines, there are three main private credit bureaus but they do not capture the whole information set of the credit market. It clearly does not include microfinance transactions. Because microfinance institutions are faced with the danger of multiple borrowings and credit pollution, a credit bureau system which will include microfinance transactions will be beneficial for the sector.

At present, the BSP is looking at ways, within its mandate, to strengthen and develop the credit bureau system in the Philippines. In the future, legislation may be necessary to fully institutionalize credit bureau operations in the country.

V. Conclusion

Microfinance has proven to be an effective intervention towards economic development and poverty alleviation. This paper has attempted to show that many encouraging developments in the sector in terms of its policies, practice and performance. The paper also demonstrated, however, that the statistics on the sector is still very incomplete and inconclusive. With the significant role that micenterprises and microfinance plays in the socio-economic development of the country, it is imperative that the government and private sector develop the information system of the sector to be able to get a clearer picture of the state of microfinance in the Philippines. This information will be useful to determine the impact of microfinance on economic development, the necessary policy interventions as well as the other needs of the sector to ensure its further development. At the BSP, we are working towards this objective. We are currently gathering data on the microfinance operations of the banking sector and have incorporated it in the reportorial requirements for the banks. However, because microfinance is also provided by other stakeholders, cooperation is necessary within and among the different players. The end goal is to develop a transparent, sound and vibrant microfinance sector that will ultimately benefit the disadvantaged yet industrious Filipino microentrepreneur.

Endnotes

- ¹ Mario Lamberte et al, “ADB PPTA: 3814/PHI Microfinance for Rural Development Study,” p.1, Manila, August 2002.
- ² Congress of the Republic of the Philippines, Republic Act 9178, Manila, 22 July 2002.
- ³ G.L. Llanto, M.P. Geron and M.G. Tang, Directed Credit Programs: Issues and Framework for Reform, Manila, October 1999.
- ⁴ National Credit Council, “National Strategy for Microfinance,” Policy Notes, Manila, 1997.
- ⁵ Bangko Sentral ng Pilipinas Microfinance Unit, “BSP Report on Microfinance as of May 2004,” Manila, 2004.
- ⁶ Bangko Sentral ng Pilipinas Core Group of Examiners, “Banks in Microfinance,” Manila, 2004.
- ⁷ RBAP-MABS, “MABS Banks Microfinance Performance Report as of June 2004,” Manila, June 2004.
- ⁸ “MABS Banks Microfinance Performance Report as of June 2004”
- ⁹ People’s Credit and Finance Corporation, “PCFC Operational Highlights as of June 30, 2004,” Manila, August 2004.
- ¹⁰ Microfinance Council of the Philippines, “Winning the Challenge: A Survey of Institutional Plans of Philippine Microfinance Institutions,” Manila, January 2002.
- ¹¹ Stephanie Charitonenko, Commercialization of Microfinance: Philippines, p.2, Asian Development Bank, Manila, 2003.
- ¹² Commercialization of Microfinance: Philippines
- ¹³ Edgardo Garcia, Microfinance Council of the Philippines, August 2004.
- ¹⁴ Information from the MIS Department, Cooperative Development Authority, March 2004.
- ¹⁵ Commercialization of Microfinance: Philippines, p 16-17.
- ¹⁶ ADB PPTA: 3814/PHI Microfinance for Rural Development Study,” p 44
- ¹⁷ CUES-Philippines, “Partner Cooperatives’ Outreach as of June 30, 2004,” Davao, August 2004.
- ¹⁸ Commercialization of Microfinance: Philippines, p 10.
- ¹⁹ National Statistics Office, “Annual Poverty Indicators Survey 1999,” January 2004, www.census.gov.ph.
- ²⁰ Teresita Deles, “Government’s Challenge to the Microfinance Sector,” Speech delivered during the National Conference on Microfinance, Manila, November 2001.
- ²¹ Mario Lamberte and Herbert Docena, “Financing for Micro-entepries, Small and Medium Sized Businesses and Poor Households in the Philippines,” Annual Meeting of the Philippines Economic Society, Manila, March 14, 2002.
- ²² National Credit Council, “Purpose of Establishing a Common Set of Performance Standards for Microfinance,” Manila, February 2004.