

**NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )**



23 APR 19 P1:29

**SENATE  
S.B. No. 2078**

RECEIVED BY: 

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Introduced by: **Senator Raffy T. Tulfo**

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**AN ACT ENHANCING THE FINANCIAL LITERACY OF OVERSEAS FILIPINO  
WORKERS (OFWs), AND FOR OTHER PURPOSES**

Explanatory Note

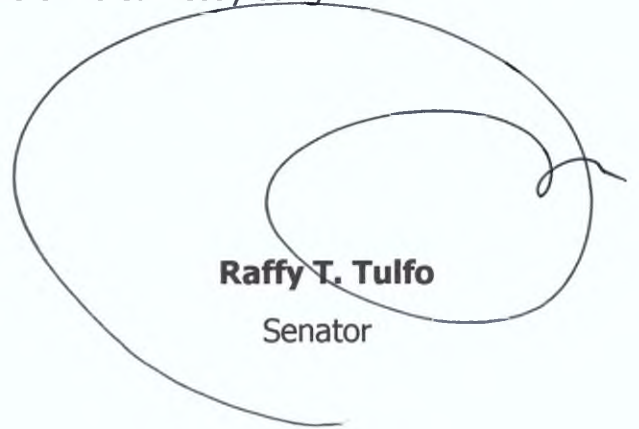
Financial literacy is defined as the ability to effectively apply financial skills for budgeting, investing, and overall management of personal finances. According to the Banko Sentral ng Pilipinas (BSP), the average Filipino remains to have low levels of financial literacy which make them have a difficult time making important decisions regarding savings, investments, loans, and many more. The onslaught of the COVID-19 pandemic showed all Filipinos the importance of financial safety and stability in times of economic depression.

In relation to this, numerous Overseas Filipino Workers (OFWs) are victimized by various investment and online scams. Due to a lack of financial knowledge, a great number of OFWs are exploited and swindled off their hard-earned money and return home to their families empty-handed. As such, financial education remains the key component to equip Filipinos, most importantly OFWs, with the skills and knowledge to make sound financial choices.

The proposed measure aims to provide financial literacy training programs for OFWs, that is free-of-charge, as a pre-departure and post-arrival seminar in order to promote and develop financial responsibility. Upon doing this, the State shall aid in

the development of OFWs' financial independence by providing them with the tools to better manage their finances.

In view of the foregoing, the passage of this bill is earnestly sought.



**Raffy T. Tulfo**  
Senator

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*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress Assembled:*

1           **Section 1. Short Title.** – This Act shall be known as the "*OFWs Financial*  
2 *Literacy Enhancement Act.*"

3  
4           **Sec. 2. Declaration of Policy.** – The State shall have the continuous duty to  
5 acknowledge the valuable contributions of Overseas Filipino Workers (OFWs), land-  
6 based or sea-based, to the national economy through their foreign exchange  
7 remittances. With that being said, the State shall take appropriate measures to ensure  
8 OFWs' financial and economic well-being by enhancing their financial literacy through  
9 education and proper training that will provide them with the necessary skills to  
10 protect all matters regarding their assets and liabilities such as their resources,  
11 investments, debts, credits, and other financial transactions.

12  
13           **Sec. 3. Mandatory Financial Literacy Training Seminar.** – All OFWs shall  
14 undergo mandatory financial literacy training seminars which shall become an integral  
15 part of the Pre-Departure Orientation Seminar (PDOS). Moreover, Post-Arrival Training  
16 Seminars (PATS) on financial literacy shall likewise be required of OFWs within a  
17 reasonable time upon their arrival in a country of destination on their first employment

1 contract or those who transfer from one place of work to another without stopping by  
2 the Philippines.

3  
4 **Sec. 4. Participating Agencies.** – The PDOS and PATS shall be primarily  
5 conducted by the Department of Finance (DOF), as the lead agency, in coordination  
6 with the Department of Migrant Workers (DMW), the Overseas Workers Welfare  
7 Administration (OWWA), and accredited PDOS providers across the country, including  
8 the embassies or consulates, whichever may be available, in the country of  
9 destination.

10 As the lead agency, the DOF is tasked to formulate training modules on  
11 financial literacy; initiate and conduct training programs on financial management and  
12 responsibility; apprise OFWs on financial opportunities and pitfalls among others;  
13 ensure the accessibility of qualified online financial and economic advisors and/or  
14 counselors; and disseminate knowledge-expanding activities that promote financial  
15 literacy among OFWs and their dependents.

16  
17 **Sec. 5. Free Financial Literacy Training Programs.** – Training programs  
18 undertaken under this Act shall be free of charge.

19 The DOF, in coordination with the DMW and the OWWA, shall educate the  
20 OFWs on the budgets and actual expenditures of government institutions, provide  
21 credit information on micro- and small-scale enterprises to prospective lenders, and  
22 prioritize the liens on real estate and movable collaterals used to secure loans.  
23 Financial literacy should include education on financial products, such as stocks,  
24 bonds, insurance, and mutual funds, which are available in the market.

25  
26 **Sec. 6. Penal Provisions.** – Any person or corporation who shall defraud an  
27 OFW by any of the means mentioned in Article 315 of the Revised Penal Code shall  
28 be considered as qualified estafa and would carry a penalty as provided therein.

29  
30 **Sec. 7. Implementing Rules and Regulations.** – Within ninety (90) days  
31 from the approval of this Act, the Secretary of the DOF, in consultation with the

1 Secretary of the DMW and the Administrator of OWWA, shall promulgate the  
2 necessary rules and regulations for the effective implementation of this Act.

3

4 **Sec. 8. Repealing Clause.** – All laws, decrees, executive orders, and  
5 proclamations, rules, and regulations, or parts thereof inconsistent with this Act, are

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7 **Sec. 9. Separability Clause.** – If any provision of this Act is held invalid or  
8 unconstitutional, the remaining parts or provisions not affected shall remain in full  
9 force and effect.

10

11 **Sec. 10. Effectivity.** – This Act shall take effect fifteen (15) days after its  
12 publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*