



Securities and
Exchange
Commission
PHILIPPINES

ANNUAL REPORT

MICROFINANCE NGO REGULATORY COUNCIL





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A. LIST OF ACCREDITED MICROFINANCE NGOs AS OF DECEMBER 2021

A. List of Accredited Microfinance NGOs as of December 2021

The Microfinance NGO Regulatory Council (MNRC or Council) has accredited two (2) microfinance NGOs (MF-NGO) in 2021, with certificate of accreditations valid for three (3) years under Rule 4, Section 6 of the Implementing Rules and Regulations (IRR) of Republic Act No. 10693, otherwise known as the Microfinance NGOs Act.

As of December 2021, the MF-NGOs accredited by the MNRC are as follows:



Figure 1: Accredited MF-NGOs for 2019

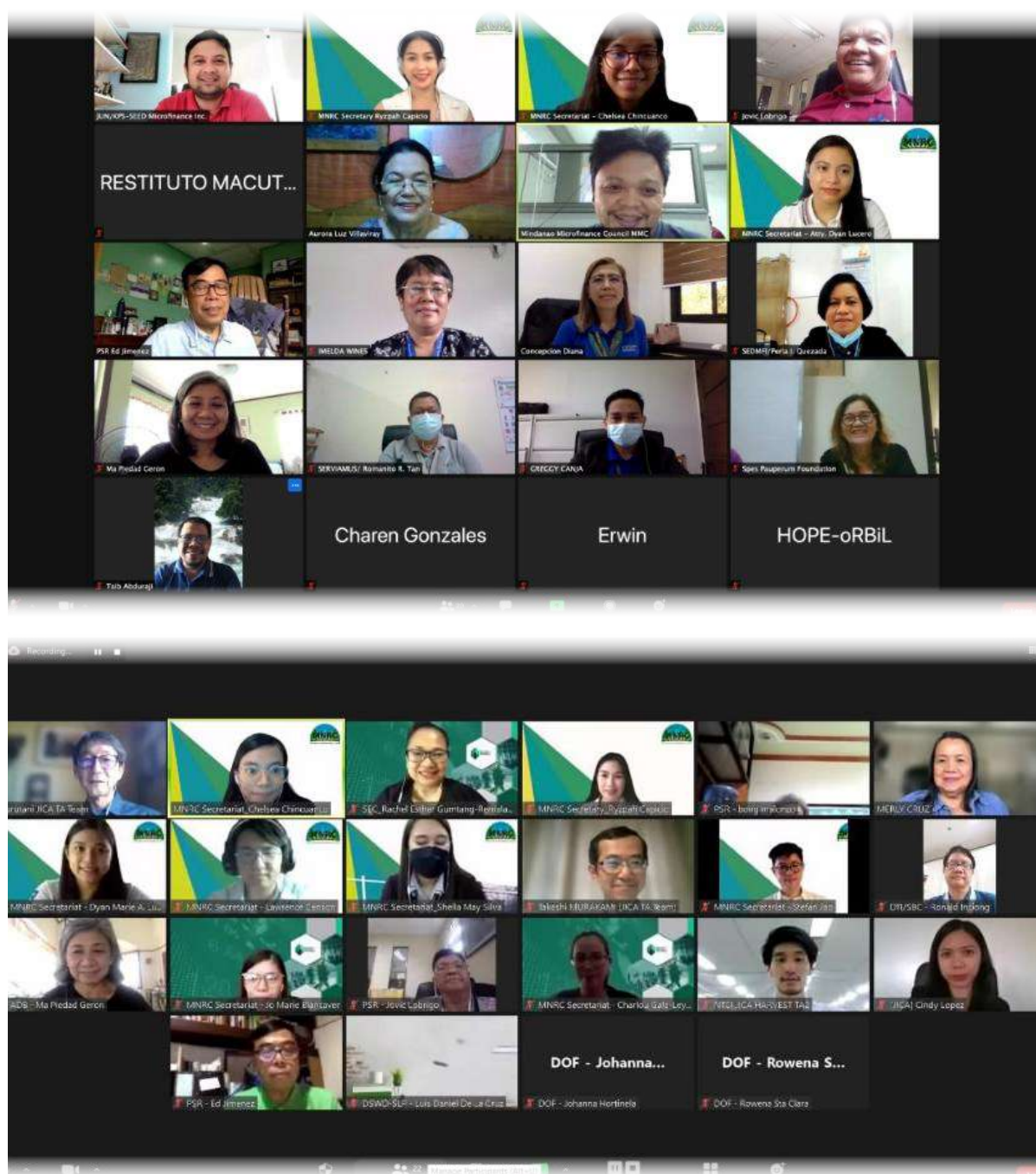
ACCREDITED MF-NGOS FOR 2019			
NAME OF MICROFINANCE NGO	CERTIFICATE OF ACCREDITATION NO.	DATE OF ISSUANCE	DATE OF PRIOR MNRC ACCREDITATION
1. ALALAY SA KAUNLARAN MICROFINANCE SOCIAL DEVELOPMENT, INC.	0001-19	01-Mar-19	28-Mar-18
2. ASA PHILIPPINES FOUNDATION, INC. (A MICROFINANCE NGO)	0002-19	01-Mar-19	28-Mar-18
3. CORDILLERA COMMUNITY MICROFINANCE (CCMI), INC.	0003-19	01-Mar-19	28-Mar-18

4. JAIME V. ONGPIN MICROFINANCE FOUNDATION, INC.	0004-19	01-Mar-19	N/A
5. JMH MICROFINANCE, INC.	0005-19	01-Mar-19	28-Mar-18
6. KABALIKAT PARA SA MAUNLAD NA BUHAY, INC. (A MICROFINANCE NGO)	0006-19	01-Mar-19	28-Mar-18
7. KAZAMA GRAMEEN MICROFINANCE, INC.	0007-19	01-Mar-19	28-Mar-18
8. LIFEBANK MICROFINANCE FOUNDATION, INC. DOING BUSINESS UNDER THE NAME/S AND STYLE/S OF LIFEBANK FOUNDATION	0008-19	01-Mar-19	28-Mar-18
9. RANGTAY SA PAGRANG-AY MICROFINANCE, INC.	0009-19	01-Mar-19	28-Mar-18



10. SAKLAW FOUNDATION INC. (A MICROFINANCE NGO)	0010-19	01-Mar-19	28-Mar-18
11. SEDP-SIMBAG SA PAG-ASENSO, INC. (A MICROFINANCE NGO) DOING BUSINESS UNDER THE NAME AND STYLE OF SEDP- SIMBAG	0011-19	01-Mar-19	28-Mar-18
12. SURIGAO ECONOMIC DEVELOPMENT AND MICROFINANCE FOUNDATION, INC.	0012-19	01-Mar-19	28-Mar-18
13. ARDCI MICROFINANCE INCORPORATED	0013-19	21-Mar-19	28-Mar-18
14. BAYAN ENTERPRISE DEVELOPERS, GROWERS AND EVOLVERS-MICROFINANCE AND BUSINESS SERVICES, INC.	0014-19	21-Mar-19	28-Mar-18
15. ECLOF PHILIPPINES MICROFINANCE, INC.	0015-19	21-Mar-19	28-Mar-18
16. PAGASA NG MASANG PINOY MICROFINANCE, INC.	0016-19	21-Mar-19	28-Mar-18
17. RAFI MICRO-FINANCE INC.	0017-19	21-Mar-19	28-Mar-18
18. SERVIAMUS FOUNDATION INCORPORATED DOING BUSINESS UNDER THE NAME AND STYLE OF SERVIAMUS MICROFINANCE	0018-19	21-Mar-19	28-Mar-18

19. ST. ELIZABETH COMMUNITY DEVELOPMENT PROGRAM (SECDEP), INC. (A MICROFINANCE NGO)	0019-19	21-Mar-19	28-Mar-18
20. CENTER FOR AGRICULTURE AND RURAL DEVELOPMENT (CARD), INC. (A MICROFINANCE NGO)	0020-19	21-Mar-19	28-Mar-18
21. AHON SA HIRAP, INC. (A MICROFINANCE NGO)	0021-19	28-Mar-19	28-Mar-18



22. COMMUNITY ECONOMIC VENTURES, (A MICROFINANCE NGO) INC.	0022-19	28-Mar-19	28-Mar-18
23. KASANYANGAN CENTER FOR COMMUNITY DEVELOPMENT AND MICROFINANCE FOUNDATION, INC.	0023-19	28-Mar-19	28-Mar-18
24. NEGROS WOMEN FOR TOMORROW FOUNDATION, INC. (A MICROFINANCE NGO) DOING BUSINESS UNDER THE NAME/S AND STYLE/S OF NEGROS WOMEN FOR TOMORROW FOUNDATION, INC. OR NWTF	0024-19	28-Mar-19	28-Mar-18
25. TAYTAY SA KAUSWAGAN (A MICROFINANCE NGO), INC.	0025-19	28-Mar-19	28-Mar-18
26. PEOPLE'S ALTERNATIVE LIVELIHOOD MICROFINANCE FOUNDATION OF SORSOGON (PALMFS), INC.	0026-19	15-May-19	28-Mar-18
27. TULAY SA PAG-UNLAD, INC. (A MICROFINANCE NGO)	0027-19	15-May-19	28-Mar-18
28. KATUWANG RESOURCE CENTER, INC. (A MICROFINANCE NGO)	0028-19	14-Jun-19	11-Jul-18
29. USWAG DEVELOPMENT FOUNDATION, INC. (A MICROFINANCE NGO)	0029-19	10-Dec-19	N/A



Figure 2: Accredited MF-NGOs for 2020

ACCREDITED MF-NGOS FOR 2020			
NAME OF MICROFINANCE NGO	CERTIFICATE OF ACCREDITATION NO.	DATE OF ISSUANCE	DATE OF PRIOR MNRC ACCREDITATION
30. KPS-SMALL ENTERPRISE AND ECONOMIC DEVELOPMENT. MICROFINANCE, INC.	0001-20	27-Jan-20	28-Mar-18



Figure 3: Accredited MF-NGOs for 2021

ACCREDITED MF-NGOS FOR 2021			
NAME OF MICROFINANCE NGO	CERTIFICATE OF ACCREDITATION NO.	DATE OF ISSUANCE	DATE OF PRIOR MNRC ACCREDITATION
1. URBAN PROGRAM FOR LIVELIHOOD FINANCE & TRAINING (UPLIFT) PHILIPPINES MICROFINANCE INC.	0001-21	29-Jan-21	28-Mar-18
2. SPES PAUPERUM FOUNDATION (SPFI) MICROFINANCE NGO, INC.	0002-21	25-Aug-19	28-Mar-18

B. MNRC MEMORANDUM CIRCULARS ISSUED IN 2021



B. MNRC Memorandum Circulars Issued in 2021


1. MNRC Memorandum Circular No. 1, Series of 2021, on the Prudential Relief Measures to Support Economic Recovery of Accredited Microfinance NGOs



During its 45th meeting on 31 March 2021, the MNRC issued MNRC Memorandum Circular (MC) No. 1, Series of 2021, on the Prudential Relief Measures to Support Economic Recovery of Accredited Microfinance NGOs. The MC also includes the guidelines of accreditation for the year 2021.

MF-NGOs duly accredited by the MNRC under RA No. 10693 are entitled to the following prudential relief measures:

- a. Relaxation of the One Million Pesos (P1,000,000.00) minimum fund balance required under MNRC MC No. 1, Series of 2017 and MNRC MC No. 3, Series of 2018.
- b. Relaxation or waiver of compliance to the following, as a result of operations for calendar year 2020:
 - i. Minimum fifty percent (50%) rating for the financial performance indicator under Item 2.c.i. of MNRC MC No. 1, Series of 2018;



ii. Minimum sixty percent (60%) weighted average rating for all performance indicators under Item 2.c.ii. of MNRC MC No. 1, Series of 2018.

c. Relaxation of the application of RA No. 10693, its implementing rules and regulations, and MNRC issues in the conduct of table and/or onsite examinations which may be conducted during the community quarantine.

d. Reports and other documents to be submitted to the MNRC covering calendar year 2020 under Item 3 of MNRC M.C. No. 2, Series of 2020 shall be extended to 31 December 2021.

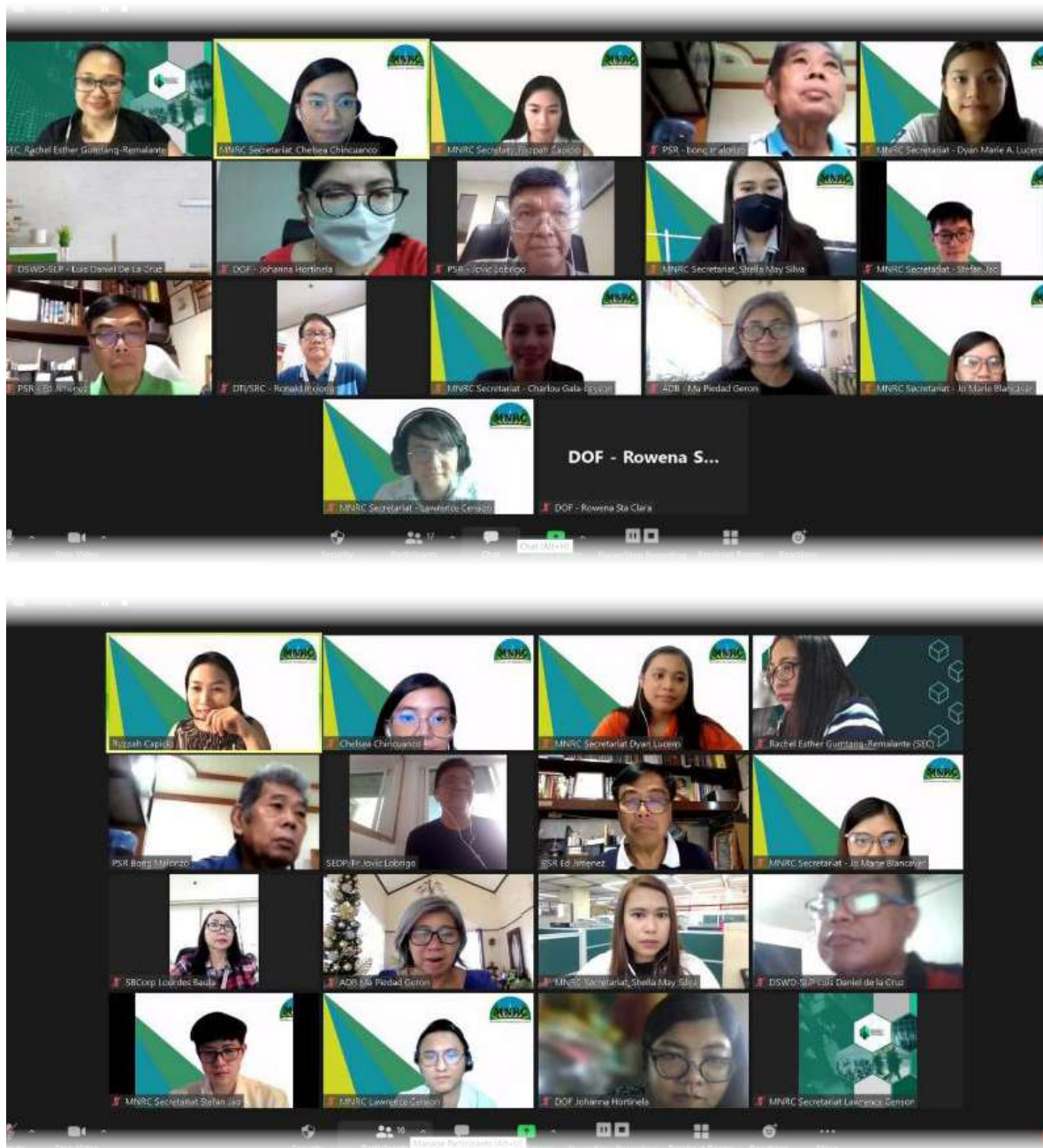
e. Such other measures which may be deemed necessary and/or prudent by the MNRC considering the circumstances.

The prudential relief measures enumerated took effect for one (1) year from the effectivity of the said Circular.

2. MNRC Memorandum Circular No. 2, Series of 2021, on the Guidelines for the Accreditation of Microfinance NGOs for the period 2022 to 2025

During the 53rd MNRC Meeting, the Council, with the assistance of Asian Development Bank (ADB) Consultant, Dr. Ma. Piedad S. Geron, approved MNRC MC No. 2, Series of 2021, on the Guidelines for the Accreditation of Microfinance NGOs for the Period 2022 to 2025, which prescribed the required organizational structure for an MF-NGO seeking accreditation (Sec. 2); the general operational requirements (Sec. 3); the performance standards, namely Social Performance, Financial Performance and Governance standards, that the applicant MF-NGO must meet; the documentary requirements it must submit; the procedure for securing accreditation - from the filing of the application to the issuance of the Certificate of Accreditation; and the validity period of the accreditation.

The memorandum circular sets the standards for the accreditation of MF-NGOs which seek to avail of the two percent (2%) preferential tax rate under RA No. 10693, otherwise known as the Microfinance NGOs Act, for the years 2022 to 2025. The said MNRC memorandum circular was published on 23 November 2021 and took effect on 08 December 2021.



The memorandum circular sets the standards for the accreditation of MF-NGOs which seek to avail of the two percent (2%) preferential tax rate under RA No. 10693, otherwise known as the Microfinance NGOs Act, for the years 2022 to 2025.

The said MNRC memorandum circular was published on 23 November 2021 and took effect on 08 December 2021.

C. NOTICES



C. Notices

Taking into consideration the challenges and difficulties brought about by the COVID-19 pandemic to the Philippines and the implementation of community quarantine in the country, the MNRC issued the following notices for the benefit of accredited MF-NGOs:


- a. MNRC Notice dated 24 August 2021, on the Request for Comments on the Exposure Draft of the Revised MNRC Social Performance Report Card Template

On 24 August 2021, the MNRC invited microfinance NGOs, their clients, industry stakeholders and all interested parties to submit their written comments on the attached draft of the Revised MNRC Social Performance Report Card Template to the MNRC Secretariat, pursuant to its function of instituting and operationalizing a system of accreditation for microfinance NGOs based on sound and measurable standards of social performance.

- b. MNRC Notice dated 26 August 2021, on the Request for Comments on the Exposure Draft of the Revised MNRC Governance Performance Report Card Template

On 26 August 2021, the MNRC invited microfinance NGOs, their clients, industry stakeholders and all interested parties to submit their written comments on the attached draft of the Revised MNRC Governance Performance Report Card Template to the MNRC Secretariat, pursuant to its function of instituting and operationalizing a system of accreditation for microfinance NGOs based on sound and measurable standards of governance.

- c. MNRC Notice dated 01 September 2021, on the Request for Comments on the Exposure Draft of the Revised MNRC Financial Performance Report Card Template



On 01 September 2021, the MNRC invited microfinance NGOs, their clients, industry stakeholders and all interested parties to submit their written comments on the attached draft of the Revised MNRC Financial Performance Report Card Template to the MNRC Secretariat, pursuant to its function of instituting and operationalizing a system of accreditation for microfinance NGOs based on sound and measurable standards of financial performance.

- d. MNRC Notice dated 01 September 2021, on the Re-Accreditation, Submission of Annual Reports under MNRC Memorandum Circular No. 2, Series of 2020, and Prudential Relief Measures afforded by MNRC Memorandum Circular No. 1, Series of 2021.

In light of the expiration of the MNRC Certificates of Accreditation secured on or before 31 March 2019, the MNRC reminded MF-NGOs who have secured accreditation for the period 2019 to 2022 and are seeking re-accreditation to timely file their applications on or before 31 January 2022.

Aware of the financial losses accredited MF-NGOs may have incurred due to the COVID-19 pandemic and cognizant of how this affected their compliance with the Microfinance NGOs Act, its IRR and applicable MNRC issuances, the MNRC encouraged applicant MF-NGOs to avail of the prudential relief measures granted under MNRC Memorandum Circular No. 1, Series of 2021.

- e. MNRC Notice dated 29 October 2021, on the Request for Comments on the Exposure Draft of the MNRC Memorandum Circular on the Guidelines for Accreditation of Microfinance NGOs for the Period 2022 to 2025

During the 52nd MNRC meeting, the Council resolved to approve the draft memorandum circular on the "Guidelines for Accreditation of Microfinance NGOs for the Period 2022 to 2025" for public exposure.

The Council invited microfinance NGOs, their clients, industry stakeholders and all interested parties to submit their written comments on the draft circular (with annexes) to the MNRC Secretariat no later than 15 November 2021.

- 
- f. MNRC Notice dated 09 December 2021, on the Schedule of Filing of MNRC Application for Re-Accreditation, Online Submission of Sworn Application Form, and Compliance with MNRC MC No. 2, Series of 2020

The MNRC Secretariat, pursuant to its authority under the Microfinance NGOs Act “to coordinate the activities involved in the accreditation process, monitoring and regulation of accredited [MF-NGOs],” notified all concerned MF-NGOs of the schedule to be observed for the submission of the applications for re-accreditation.

- g. MNRC Notice dated 10 December 2021, on the Addendum to MNRC Memorandum Circular No. 2, Series of 2021 published on 09 December 2021

This has reference to MNRC MC No. 2, Series of 2021, on the Guidelines for the Accreditation of Microfinance NGOs for the Period 2022 to 2025, published on 09 December 2021, which provided items in the MNRC Performance Standards which were inadvertently omitted in the publication, but form an integral part of the MC.

D. REPORT CARD TEMPLATE WORKING GROUP MEETINGS





D. Report Card Template Working Group Meetings

Corporate Governance Performance Standards Meetings were held on the following dates:

1. 1 April 2021
2. 5 May 2021
3. 1 June 2021
4. 2 June 2021
5. 7 June 2021
6. 9 July 2021
7. 24 September 2021

Social Performance Standards Meetings were held on the following dates:

1. 23 April 2021
2. 8 September 2021

Financial Performance Standards Meetings were held on the following dates:

1. 15 April 2021
2. 28 June 2021
3. 7 July 2021
4. 14 July 2021
5. 21 July 2021
6. 11 August 2021
7. 22 September 2021
8. 7 October 2021
9. 23 November 2021

E. MNRC MEETINGS HELD IN 2021





E. MNRC Meetings held in 2021

During the 35th MNRC meeting held on 13 May 2020, the Council members approved MNRC Internal Guidelines No. 1, Series of 2020, on the "Attendance and Participation of MNRC Members in Regular and Special Meetings during the Philippine Community Quarantine through Teleconferencing, Videoconferencing and Other Remote or Electronic Means of Communication."

Despite the continuing impacts of the COVID-19 pandemic until the year 2021, the MNRC held a total of twelve (12) meetings for the year. The meetings were held on the following dates:

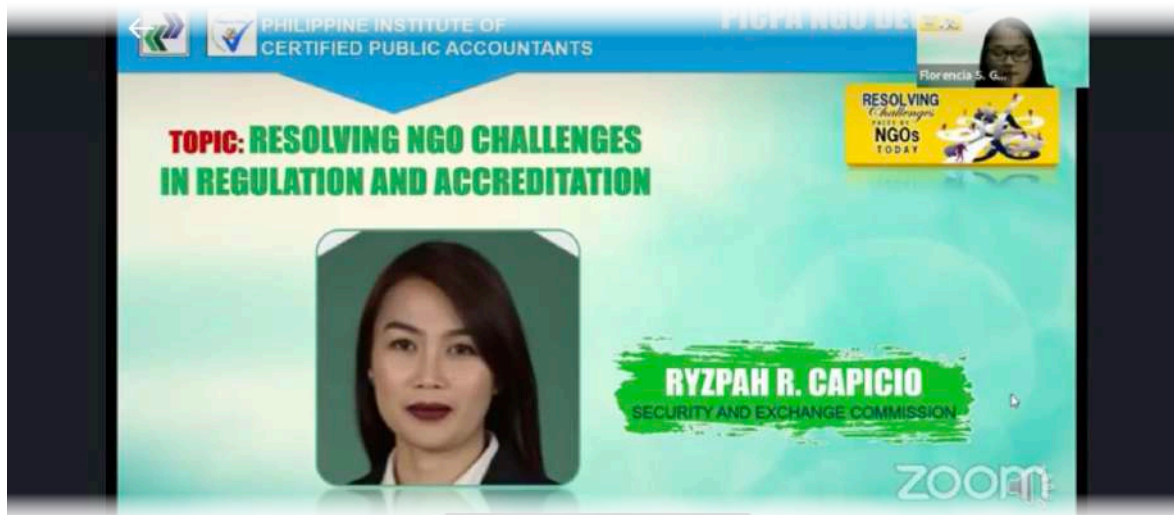
1. 01 January 2021
2. 24 February 2021
3. 31 March 2021
4. 28 April 2021
5. 26 May 2021
6. 30 June 2021
7. 28 July 2021
8. 25 August 2021
9. 29 September 2021
10. 27 October 2021
11. 24 November 2021
12. 10 December 2021

F. RESOURCE PERSONS IN SEMINARS / OUTREACH



F. Resource Persons in Seminars / Outreach

1. PICPA NGO Development Webinar on “Resolving Challenges Faced by NGOs Today” held on 20 January 2021



MNRC Secretary Ryzpah R. Capicio served as a panelist for the topic “Resolving NGO Challenges in Regulation and Accreditation,” wherein she presented the concepts and data of foundations and microfinance NGOs, discussed the compliance requirements of foundations and the accreditation process for microfinance NGOs, put forward the prevalent and common findings regarding the challenges faced by NGOs, and thereafter addressed the questions from the participants.



2. 29th APPEND Leadership Conference (ALC) held on November 12, 2021 via Zoom

SEC Commissioner Kelvin Lester K. Lee presented the Financial Inclusion Strategies with the New Normal Processes of MFIs: Support to Microfinance Institutions under the New Normal.

3. 29th APPEND Leadership Conference (ALC) Awarding Ceremony: 1st APPEND Outstanding Client Leader Awards (OCLA) held on November 12, 2021

MNRC member Rachel Esther Gumbang-Remalante served as APPEND's Chair of the Awards Committee, where she graded and presented seven (7) microfinance NGOs with outstanding client-leader awards.





4. Round Table Discussion (RTD) with Mindanao Microfinance Council Inc. held on 21 May 2021

The following MNRC Members attended the RTD:

- a. Ms. Aurora Luz Villaviray (Department of Finance)
- b. Dir. Restituto Macuto (Department of Social Welfare and Development)
- c. Mr. Eduardo Jimenez (PSR)
- d. Fr. Jose Victor Lobrigo (PSR)
- e. Atty. Ibarra Malonzo (PSR) - Note: confirmed his/his MF-NGO's attendance but he was not included in the screenshot
- f. Dr. Ma. Piedad Geron



During the round table discussion, the MNRC members discussed the MNRC initiatives to help microfinance NGOs recover from the COVID-19 pandemic.

In light of the upcoming accreditation period, the MNRC then proceeded to discuss the MNRC accreditation procedure, including the proper completion of application requirements and satisfaction of performance standards. To ensure the long-term compliance with the MNRC's standards, the MNRC members then discussed the MNRC issuances for compliance of accredited microfinance NGOs.

The discussion was concluded with the presentation of the MNRC's projects, which aim to promote microfinance NGOs to the public while properly informing and protecting the latter.



Attributions

Watermelon Guy | Photo by **Avel Chuklanov** on Unsplash
<https://unsplash.com/photos/PhfHFMq18cY>

People Walking on Market Store | Photo by **Frank Lloyd de la Cruz** on Unsplash https://unsplash.com/photos/_1DIKCetFFk

Free Cebu Image on Unsplash | Photo by **Josephus Bajo** on Unsplash <https://unsplash.com/photos/MTMpE0EdnWA>

Woman in Red Long Sleeve Shirt and Blue Denim Jeans Sitting on Brown Wooden Chair | Photo by **Ralph Labay** on Unsplash
<https://unsplash.com/photos/-XlbTJtX8-c>



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**SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Bel-Air, Makati City
www.sec.gov.ph**