



CORPORATE GOVERNANCE AND FINANCE DEPARTMENT FINANCING AND LENDING COMPANY DIVISION

Impact Evaluation Form

Legal references

Primary reference is BSP Circular No. 1133 s. 2021 entitled Ceiling/s on Interest Rates and Other Fees Charged by Lending Companies (LCs), Financing Companies (FCs), and their Online Lending Platforms (OLPs). Secondary reference is SEC Memorandum Circular No. 3 s. 2022 entitled Implementation of BSP Circular No. 1133 s. 2021.

Purpose of the data collection

As the name of this form suggests, the data to be collected will be used to assess the impact of the imposition of interest rate caps on certain unsecured loans (i.e. those targeted under the aforementioned BSP and SEC administrative fiats) mainly in terms of **financial inclusion, customer protection, and pandemic relief** (which were the stated policy objectives). Ultimately, such data will be used for (1) evaluating the significance and necessity of the interest rate caps as a policy intervention, (2) identifying contextual factors that affected its effectiveness, and (3) eliciting substantive policy information on how the targeted demographic used the unsecured loans covered by the interest rate caps – that is, on the assumption of loan availability and loan availment. Only SEC-FLCD personnel will have access to the data to be collected and will be held accountable for the proper handling thereof specifically in accordance with the stated purpose.

Directions

1. Designate only one (1) representative from your company who will accomplish this form and who will be readily available to take follow-on queries from SEC-FLCD personnel and produce additional data that may be requested. In the interest of expediency, your chosen representative will be the only one who will be entertained by SEC-FLCD personnel for any question or clarification about the intent and content of the impact evaluation. Your chosen representative will be well advised to check regularly for updates on the SEC website for relevant announcements to preclude problems of compliance.
2. Your representative should supply **all responses required**. Attention should be given chiefly to the substance and veracity of the responses to be given. Do note that some survey questions will require **qualitative responses underpinned by his/her own analysis**.
3. Where necessary, your representative should provide quantitative data to substantiate such qualitative responses. Your representative should be able to exercise discernment in determining the granularity of data that would be truly helpful for policy purposes.

4. Your representative should beat the new deadline – **February 6, 2023** – and should submit your company’s Impact Evaluation Report (IER) in **pdf format** via email to the following email address: cgfd_flcd@sec.gov.ph. When sending it, your representative should use the following subject line: **IER 2022 of (Name of Company)**.
5. For any questions or clarification before the new deadline, your representative could get in touch with Ms. Angela L. Medina at malmedina@sec.gov.ph. And he/she should use the following subject line: **CONCERN RE IER 2022 from (Name of Company)**.
6. Companies that submitted their own impact evaluation reports prior to the extension of the deadline from January 15 to February 6 are advised to re-submit in line with the directions laid out herein notwithstanding their commendable initiative.

Basic company information

Name of the Company	
Nature of Industry	
SEC Registration No.	
Date Registered:	
Certificate of Authority No.	
Date of Grant of Certificate Authority	
Full name, official designation, email address and mobile number of your designated representative	
Classification (Choose one): FC (brick and mortar only) FC [brick and mortar with OLP(s)] LC (brick and mortar only) LC [brick and mortar with OLP(s)] <i>*If with OLPs, state the names thereof.</i>	
Principal office address	

General questions

1. To what extent was your company able to give full form and substance to the policy objectives of BSP Circular No. 1133 s. 2021?

(a) **In terms of financial inclusion**, what loan products did you offer that were WITHIN THE SCOPE of the said administrative directives?

If the loan products that you offered were OUT OF THE SCOPE of the said administrative directives, then identify your loan products that best served the demographic targeted by the said administrative directive and specify the volume thereof as a proportion of your total loan offerings for the period under review (March to December 2022).

(b) **In terms of customer protection**, would you say that the prescribed interest rate caps, by themselves, would have positively shaped the repayment behavior of borrowers?

Assuming your company offered loan products, covered by such caps, how did it evolve – or how would it have evolved – its vetting protocols for borrowers?

(c) **In terms of pandemic relief**, how would you assess the value of the unsecured loans covered by the interest rate caps to the targeted borrowers?

Would you say that the adverse impact of the pandemic on their circumstances truly figured prominently in their loan applications?

Do you suppose that there were other considerations that did figure therein?

2. In your opinion, did the imposition of interest rate caps on the specified unsecured loans have any **unintended consequences** to your company, to your borrowers, and whether or not you had managed to offer loan products WITHIN THE SCOPE of BSP Circular No. 1133 s. 2021?

Could you identify, if there are any such consequences, which ones are positive and which ones are negative?

3. How did your compliance, if you have had loan products that were well WITHIN THE SCOPE of the BSP Circular No. 1133 s. 2021, impact your operating costs and funding?

Were there any adverse effects? If there were any, how did you compensate for them? If you have had no such loan products, then imagine if you have had them; and if you have had them, then how do you suppose your compliance would impact your operating costs and funding? **Please explain.**

4. Would your company have any significant operational learning experience during the period under review that you think could serve as input to this impact evaluation?

Does it have anything to say about the imposition of interest rate caps on specified unsecured loans – whether or not it is necessary, whether it should be revised either downward or upward, or how its impact could have been optimized?

5. Would you have any suggestion on what policy interventions you would want the government to implement on top of, or in lieu of, interest rate caps that would help your company cater, with greater chances of repayment, to the credit requirements of those belonging to the lower income brackets during the post-pandemic period?

Data on loans extended by the Company (All Type of Products)

	2022 March 3, 2022 - December 31, 2022	2021 January 1, 2021 - December 31, 2021
Total number of borrowers		
Total number of loans availed		
No. of past due loans		
No. of write-offs		
No. of loans offered by OLPs		
Total amount of outstanding loans		
Total amount of non-performing loans		
Total net Income		
Geographical concentration		
i. National Capital Region		
ii. Luzon		
iii. Visayas		
iv. Mindanao		
Type of loans		
Total loan amount		
Tenors		
Interest rates		
Fees and other charges (specify)		

Minimum and maximum amount of loan availed by borrowers

Minimum amount of loan Indicate the lowest amount that the Company granted the borrowers	
Below 1,000.00	
1,000.00-5,000.00	
5,001.00-10,000.00	
10,001.00-50,000.00	
Above 50,000.00	
Maximum amount of loan Indicate the highest amount that the Company granted the borrowers.	
10,000 and below	
10,000.00-50,000.00	
50,001.00-100,000.00	
101,000.00-500,000.00	
Above 500,000.00	

Loan Portfolio (Unsecured, General Purpose loan, loan amount of up to Php 10,000, and loan tenor of up to 4 months)

Data on the total number of borrowers, loan availments, total number of borrowers who weren't able to settle their loans, amount of outstanding loans, non-performing loans, write-offs, and net income for the year 2022.

	2022 March 3, 2022 - December 31, 2022	2021 January 1, 2021 - December 31, 2021
Total Number of Borrowers for 2022		

<p>Total number of borrowers who availed of loans. Required data covers only the subject year.</p>		
<p>Total Number of Loans availed for 2022</p> <p>Total number of loans availed. Required data covers only the subject year.</p>		
<p>Total Number of Borrowers who weren't able to settle their loans</p> <p>Total number of borrowers who availed loans who weren't able to settle their loans. Required data covers only the subject year.</p>		
<p>Total Amount of Outstanding Loans for 2022</p> <p>Total Outstanding loans. Required data covers only the subject year.</p>		
<p>Total Amount of Non-Performing Loans for 2022</p> <p>Total Amount of NPLs (more than 90 days past due). Required data covers only the subject year.</p>		
<p>Total Write-Offs for 2022</p> <p>Total amount written off from. Required data covers only the subject year.</p>		
<p>Total Net Income for 2022</p> <p>Total Net Income on this type of loan. Required data covers only the subject year.</p>		
<p>Total of loans offered by OLPs</p> <p>Total number of loans offered by OLPs on this type of loan. Required data covers only the subject year.</p>		

Distribution of Interest Rates and Other Fees for unsecured, General Purpose loan, loan amount of up to Php 10,000, and loan tenor of up to 4 months

	2022 March 3, 2022 - December 31, 2022	2021 January 1, 2021 - December 31, 2021
Nominal Interest Rate per day per Month		
0.00 - 0.17% per day 0.00-5.00% per month		
0.17 - 0.33% per day 5.01-10.00% per month		
0.33 - 0.50% per day 10.01-15.00% per month		
0.50% - 0.67% per day 15.00-20.00% per month		
More than 0.67% per day More than 20.00% per month		
Other Fees and Charges (Share of the Loan amount in Percent)		
0.00-5.00%		
5.01-10.00%		
10.01-15.00%		
15.00-20.00%		
More than 20.00%		
Effective Interest Rate per day per Month		
0.00 - 0.17% per day 0.00-5.00% per month		
0.17 - 0.33% per day 5.01-10.00% per month		
0.33 - 0.50% per day 10.01-15.00% per month		
0.50% - 0.67% per day 15.00-20.00% per month		
More than 0.67% per day More than 20.00% per month		

Historical data on borrowers of the company for unsecured, General Purpose loans, loan amounts of up to Php 10,000, and loan tenors of up to 4 months

		2022 March 3, 2022 - December 31, 2022	2021 January 1, 2021 - December 31, 2021
a.	Demographics		
	i. Age		
	18-24 years old		
	25-31 years old		
	32-39 years old		
	40-47 years old		
	48-55 years old		
	56-65 years old		
	Above 65 years old		
	ii. Education		
	No grade completed		
	Pre-school		
	Some Elementary		
	Elementary Graduate		
	Some High School		
	High School Graduate		
	Post-Secondary		
	College Undergraduate		
	College Graduate		
	Post-Baccalaureate		
	iii. Gender/Sex		
	Male		
	Female		
	iv. Occupation		
	Government Employee		

	Private Employee		
	Self-Employed		
	Unemployed		
	Corporate Borrower		
	v. Income level (monthly)		
	Less than PHP 9,250		
	PHP 9,520 - PHP 19,040		
	PHP 19,041 - PHP 38,080		
	PHP 38,081 - PHP 66,640		
	PHP 66,641 - PHP 114,240		
	PHP 114,241 - PHP 190,400		
	More than PHP 190,400		
	vi. Marital status		
	Single		
	Married		
	Widowed		
	Separated		
	Others		
b.	Risk Profile of Borrowers		
	Low Risk		
	Medium Risk		
	High Risk		
c.	Number of rollovers/refinance borrowers and one-time borrowers		

Stated Loan Purpose. If you choose "Other", specify the purpose/s for the loan availed by borrowers.

Indicate for which purpose the proceeds of the loans were used. Please check all applicable loan purposes.

Personal Consumption	
Small Business	
Tuition Fees	
House and Land	
Other:	

Fees, Charges, and Penalties. List down all the upfront fees deducted from the loan, as well as the corresponding amounts.

<p>Upfront fees deducted from the loan</p> <p>Were there upfront fees deducted from the loan prior to the release of loan proceeds to the borrowers?</p> <p>Please indicate all upfront fees collected and indicate the amount for each fee (Ex. Service Fee - Php 1,000.00)</p>	
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Market and Eligibility and Documentary Requirements

<p>Target Market Provide details on who avails of the loan. Did the loan cater to a particular segment of the population or income class?</p>	
Employed	
Self-Employed	
Other	
<p>List of Eligibility Requirements List all eligibility requirements for loan application</p>	
At least 21 years old	

Filipino Citizen	
Employed	
Self Employed	
Other	

Proof of compliance

Please submit sample Loan Application Forms, Terms and Conditions, Loan Contracts, and Disclosure Statements.

Declaration and Attestation

I am aware and I give consent to the collection of the data required for this impact evaluation form. I further attest that all particulars and supporting documents provided by me are correct and complete. I am aware that any false statement or fraudulent or incomplete documents will be subject to applicable penalties provided under SEC Memorandum Circular No. 3 s. 2022.

(Signature over the printed name of your designated representative)