



**SENATE**

'19 NOV 26 P 1:43

**S.B. No. 1192**

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**Introduced by SEN. WIN GATCHALIAN**

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**AN ACT REQUIRING THE COMPLETION OF AN ECONOMICS AND  
PERSONAL FINANCE ("EPF") LITERACY COURSE AS AN  
ELEMENTARY, SECONDARY, TERTIARY, AND TECHNICAL-  
VOCATIONAL GRADUATION REQUIREMENT IN PUBLIC AND PRIVATE  
SCHOOLS, LOCAL UNIVERSITIES AND COLLEGES, STATE AND  
PRIVATE COLLEGES AND UNIVERSITIES, AND TECHNICAL-  
VOCATIONAL SCHOOLS AND CENTERS, MANDATING PROFESSIONAL  
DEVELOPMENT FOR EPF TEACHERS, TEACHING FINANCIAL  
LITERACY TO EPF PARTNERS, APPROPRIATING FUNDS THEREFOR,  
AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Various government agencies, such as the Bangko Sentral ng Pilipinas, the Department of Finance, the Securities and Exchange Commission, the National Credit Council, and the Department of Education, have launched both coordinated and independent programs to raise financial literacy in the country. However, these financial literacy programs of the respective government agencies may not be sustainable if not institutionalized in our education system.

Within a span of 18 years of schooling, most college graduates spend their time learning the skills needed to secure a decent job and earn more money – but not being taught fundamental personal finance lessons that will help them prepare and successfully navigate the financial realities they will

face in their life. This can be attributed to the absence of a financial literacy course in the school and college curricula which could have helped in developing good money management habits of pupils and students in their adult lives.

Financial education at home is no better. While 89% of Filipino youth rely so much on their parents' financial knowledge,<sup>1</sup> the Global Financial Literacy survey conducted by Standard and Poor's shows that only 25% of Filipino adults are financially literate. This means that 75% of Filipino adults – including the parents and the teachers who will be the source of financial knowledge of the younger generations – are not financially literate. The younger generation thus enters the real world financially unprepared, with very little knowledge or without ever learning about money in school or at home.

This bill seeks to include an Economics and Personal Financial (EPF) literacy course as part of the curriculum and a requisite for graduation in the elementary, secondary, tertiary and technical-vocational levels. It is essential that the younger generation is consistently taught about money management at an early age in order to form spending, saving, and investing habits that can have lasting monetary and personal benefits.

It is likewise equally important that parents or guardians are actively involved in helping a child learn about financial matters, especially from ages 8 to 14, which are critical times in the development of a child's financial behavior. Thus, the financial knowledge of EPF teachers and partners, such as parents and guardians, must be enhanced since they are the ones teaching financial literacy to the younger generation.

The methods of teaching good money management to the younger generation must also be taught to these teachers and partners. Accordingly, this proposed measure also endeavors to provide EPF professional development to teachers and EPF training course to government and private

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<sup>1</sup> <https://gdfi.com.ph/2019/01/10/bsp-deped-incorporate-financial-literacy-k12/>, citing a study conducted by Visa Philippines

sector employees who are parents or guardians so they can properly guide the younger generation in making financial decisions.

Providing financial education to the younger generation is essential to ensure their security and well-being in the future. A financially-literate Filipino youth will be able to make well-informed financial decisions that will positively impact personal financial circumstances, empowering them to take better advantage of economic opportunities, and consequently contribute to inclusive and sustained economic development.

The passage of this measure is earnestly sought.



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

1 Section 1. *Title.* – This Act shall be known as the “Economics and  
2 Financial Literacy Curriculum and Training Act of 2019”.

3  
4 Sec. 2. *Declaration of Policy and Objectives.* – Recognizing financial  
5 literacy as an essential life skill and the complementary role of financial  
6 education in promoting the outcome of financial literacy, it is hereby declared  
7 a policy of the State to establish the foundations of financial literacy at an  
8 early stage of life by focusing on the financial education of the youth and  
9 utilizing school and learning programs to create more skilled, knowledgeable  
10 and well-informed future generations of Filipinos. Thus, the critical role of  
11 teachers, parents, guardians, schools, colleges and universities in advancing

1 financial literacy among all demographic groups and across social classes,  
2 reducing financial literacy gaps and inequalities across generations, and  
3 preparing the young people for their adult life shall be emphasized.

4 In pursuit of this policy, this Act aims to attain the following objectives:

5 (a) To provide adequate attention to the learning needs on financial  
6 education of the youth in different stages of their lives;

7 (b) To afford professional development on economics and personal  
8 financial literacy to teachers and employees of the government and private  
9 sectors who will provide guidance to the youth as they make personal  
10 financial decisions;

11 (c) To lay down the framework for the provision of financial education  
12 to the youth and professional development for their teachers; and

13 (d) To improve access on financial education and raise the level of  
14 financial literacy to contribute to an individual and his family's sustainable  
15 future.

16  
17 *Sec. 3. Inclusion of Financial Literacy in the Elementary, Secondary,*  
18 *Tertiary, and Technical-Vocational Education Curricula.* – All public and  
19 private schools, local universities and colleges, state and private colleges  
20 and universities, and technical-vocational schools and centers are required  
21 to develop and include as part of their respective curriculum the teaching of  
22 a course focused solely on Economics and Personal Finance (“EPF”) in  
23 elementary, secondary, tertiary, and technical-vocational education.

24 The Department of Education (“DepEd”), the Committee on Higher  
25 Education (“CHED”), and the Technical Education and Skills Development  
26 Authority (“TESDA”) shall collaborate with the Bangko Sentral ng Pilipinas  
27 (“BSP”), the Department of Finance (“DOF”), and the Securities and Exchange  
28 Commission (“SEC”) in developing the academic standards, curricula and  
29 materials for the EPF course and jointly issuing the proper guidelines or rules  
30 and regulations for this purpose. The content of the EPF course shall be  
31 aligned with the standards set by the aforementioned government entities. A  
32 passing grade shall be required for graduation or completion of the course of  
33 study.

1 The DepEd, the CHED, and the TESDA shall review the standard course  
2 of study to determine the grade or year level during which the EPF course may  
3 be completed and reorganize other courses as they may deem appropriate.  
4

5 Sec. 4. *Content of the EPF Curriculum.* – (a) The EPF course for the  
6 elementary level shall provide instruction on basic economic principles and  
7 personal financial literacy that shall include, but not limited to, the following:

- 8 (1) Understanding the forms, uses and purposes of money in daily life  
9 and its relation to work and earnings;
- 10 (2) Making spending decisions, and planning and managing personal  
11 finances;
- 12 (3) Individual and family financial goal setting;
- 13 (4) Evaluating expenses and preparing a budget;
- 14 (5) Managing savings, credit, investments, and risks; and
- 15 (6) Other relevant and financial literacy issues.

16 (b) The EPF course for the secondary, tertiary, and technical-vocational  
17 education levels shall provide instructions on basic economic principles and  
18 personal financial literacy that shall include, but not limited to, the following:

- 19 (1) Understanding the concept of income and preparing a savings plan;
- 20 (2) Understanding the financial landscape and participating in various  
21 savings and investment schemes;
- 22 (3) Choosing and managing a credit card or an investment;
- 23 (4) Borrowing money for personal consumption, such as automobiles,  
24 house and lot, further education, etc.;
- 25 (5) The true cost of credit, savings, and investment;
- 26 (6) Home, car and other mortgages;
- 27 (7) Credit scoring and credit reports;
- 28 (8) Planning, saving, and investing for retirement;
- 29 (9) Teaching financial education to younger generation; and
- 30 (10) Other relevant and financial literacy issues.

31  
32 Sec. 5. *Financial Literacy Training for EPF Teachers.* – The DepEd, in  
33 coordination with the BSP's Center for Learning and Inclusion Advocacy

1 (“CLIA”), shall immediately develop and offer a professional development  
2 course for EPF teachers approved and continuously reviewed by the DepEd,  
3 the CHED, or the TESDA, as may be applicable, the BSP, the DOF, and the  
4 SEC.

5 The DepEd, the CHED, and the TESDA shall require that all EPF  
6 teachers continuously receive the professional development necessary to  
7 ensure that the intent and goals as embodied in the provisions of this Act are  
8 carried out. Attendance to the EPF professional development course shall be  
9 considered as compliance to a portion of the training hours requirement of  
10 the Civil Service Commission (“CSC”) for purposes of promotion, as may be  
11 applicable.

12 To the extent funds are made available for this purpose, the Local  
13 School Boards shall require their local public school, college or university to  
14 make available to EPF teachers and prospective EPF teachers the EPF  
15 professional development course provided by the DepEd. To the extent  
16 possible, the EPF professional development course shall be conducted at the  
17 DepEd-approved location most conveniently located to the local public school,  
18 college or university.

19  
20 *Sec. 6. Financial Literacy Training for EPF Partners.* – The Local  
21 Government Academy (“LGA”) and the Development Academy of the  
22 Philippines (“DAP”), in coordination with the CLIA and the DepEd, shall  
23 likewise develop a basic EPF literacy course for the employees of the  
24 government and the private sector who shall serve as partners in the financial  
25 education of the youth. The content of the course should include basic  
26 principles on personal financial literacy and how they can teach and guide  
27 the youth on financial matters. The course for EPF partners developed by the  
28 LGA and the DAP shall be approved and continuously reviewed by the DepEd,  
29 the CHED, or the TESDA, as may be applicable, the BSP, the DOF, and the  
30 SEC.

31 Government employees shall be required to attend at least two (2)  
32 sessions of the EPF literacy course and such attendance shall be considered  
33 as compliance with a portion of the training hours requirement of the CSC.

1            *Sec. 7. Pre- and Post-Test Evaluation on EPF Literacy of Teachers and*  
2 *Partners.* – A pre- and post-test evaluation on EPF literacy shall be conducted  
3 by the DAP on participants of the EPF professional development course prior  
4 to the distribution of the certificates of completion. The DAP shall keep and  
5 regularly update a database of the results of the pre- and post-tests conducted  
6 to EPF teachers and partners, and shall report to concerned government  
7 entities its assessment and analysis of the results. The concerned government  
8 entities shall use DAP’s assessment and analysis in the review and  
9 improvement of the EPF curricula and standards.

10            In addition, the BSP, the DOF and the SEC, in partnership with the  
11 private sector, the DepEd, the LGA, and the DAP, shall regularly conduct  
12 basic training and workshop on updates to personal financial literacy to EPF  
13 teachers and partners located in various regions of the country; Provided,  
14 That in the course of the training and workshop, including the preparation of  
15 materials, no financial products or services of the private sector partner shall  
16 be offered, advertised, or promoted for sale or distribution.

17  
18            *Sec. 8. Appropriations.* – For the fiscal years 2020-2021, there is hereby  
19 appropriated to the DepEd, the CHED, and the TESDA the sum of One  
20 Hundred Million pesos (Php100,000,000.00) each as grant-in aid to provide  
21 for the completion of the professional development course required under  
22 Section 5 of this Act for EPF teachers of the elementary, secondary, tertiary,  
23 and technical-vocational courses.

24            For the same fiscal years, there is hereby appropriated to the LGA and  
25 the DAP the sum of Fifty Million pesos (Php50,000,000.00) each as grant-in  
26 aid to provide for the provision of the basic EPF literacy course required under  
27 Section 6 of this Act for EPF partners.

28            The funds appropriated under this section shall be used to provide (i)  
29 the EPF professional development course, including the administration of a  
30 pre- and post-testing on EPF literacy, and the provision of a certificate of  
31 completion to qualified teachers; and (ii) the basic EPF literacy course for  
32 partners, including the administration of a pre- and post-testing on EPF  
33 literacy, and the provision of a certificate of completion to qualified partners.



1           Thereafter, the necessary budget for the development and the continued  
2 and effective implementation of the professional development course on EPF  
3 Literacy for teachers and partners shall be included in the annual General  
4 Appropriations Act of the concerned government agencies.

5  
6           Sec. 9. *Implementing Rules and Regulations.* – The DepEd, the CHED,  
7 and the TESDA, in consultation with the BSP, the DOF, and the SEC, shall  
8 promulgate jointly the implementing rules and regulations to implement the  
9 provisions of this Act within sixty (60) days from its effectivity.

10  
11           Sec. 10. *Separability Clause.* – If any provision or part thereof is held  
12 invalid or unconstitutional, the remainder of the law or the provision not  
13 otherwise affected shall remain valid and subsisting.

14  
15           Sec. 11. *Repealing Clause.* – All laws, acts, presidential decrees,  
16 executive orders, administrative orders, rules and regulations or parts  
17 thereof, inconsistent with or contrary to the provisions of this Act are hereby  
18 amended, modified, or repealed accordingly.

19  
20           Sec. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
21 publication in the Official Gazette or in any newspaper of general circulation.

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23           Approved,