

**[ PROCLAMATION NO. 719, October 19, 2004 ]**

**DECLARING 2005 AS YEAR OF MICROFINANCE IN THE  
PHILIPPINES**

**WHEREAS**, the Constitution mandates the promotion of a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life for all;

**WHEREAS**, it is a policy of the State to recognize the indispensable role of the private sector, encourage private enterprise, and provide incentives to needed investments;

**WHEREAS**, the State affirms microfinance as an effective tool for economic development and poverty reduction to empower low income enterprises and entrepreneurs to increase their income and economic activity, generate employment, reduce vulnerability to economic shocks and improve the over-all quality of their lives;

**WHEREAS**, the Social Reform and Poverty Alleviation Act institutionalizes microfinance as a credit and savings mobilization program exclusively for the poor to improve the asset base of households and expand the access to savings of the poor;

**WHEREAS**, the United Nations General Assembly Resolution 53/197 of December 15, 1998 proclaimed 2005 as the International Year of Microcredit and enjoined all governments, bilateral and multilateral organizations, the UN system and other stakeholders to promote microfinance programs in all countries, particularly developing countries;

**WHEREAS**, with the observance of Year 2005 as the International Year of Microcredit, the Philippines deems it appropriate that the Year 2005 be also declared as the Philippine Year of Microfinance to provide the necessary impetus for greater development of sustainable microfinance in the country and further promote microfinance as an effective tool for social and economic development.

**NOW, THEREFORE, I, GLORIA MACAPAGAL – ARROYO**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby declare the Year 2005 as the Philippine Year of Microfinance.

Pursuant to this Proclamation:

1. The National Committee which has been establish to facilitate the country's active involvement in the celebration of 2005 as the International Year of Microcredit shall also coordinate and monitor activities in the observance of the