REPUBLIC ACT NO. 7882

AN ACT PROVIDING ASSISTANCE TO WOMEN ENGAGING IN MICRO AND
COTTAGE BUSINESS ENTERPRISES, AND FOR OTHER PURPOSES.

SECTION 1. Objective of the Act. — It is hereby declared to be the objective of this Act to provide all possible assistance to Filipino women in their pursuit of owning, operating and managing small business enterprises.

Sec. 2. Coverage of the Act. — All women who are citizens of the Philippines, at least eighteen (18) years of age, regardless of civil status, shall enjoy the benefits provided in this Act.

Sec. 3. Women With Existing Micro and Cottage Business. — Any woman who, at the time of the effectivity of this Act shall have been engaged for at least one (1) year in any micro and cottage business, with a daily inventory of goods worth not more than Twenty-five thousand pesos (P25,000) or with any business equipment with a book value of not more than Fifty thousand pesos (P50,000) shall have priority to obtain a loan not exceeding the value of her business equipment at prime interest rate or at the rate of twelve percent (12%) per annum, whichever is lower from any government financing institution: *Provided*, That only women with good track record in sales shall be eligible to obtain such loan.

Sec. 4. Business Learner. — Any woman who shall have been certified, after appropriate training by the Technical Education and Skills Development Authority (TESDA), or any government or government-accredited training institution as eligible to operate a micro and cottage business with a maximum capitalization of Twenty-five thousand pesos (P25,000) shall likewise be eligible in obtaining a loan under the same conditions as provided in the preceding Section: *Provided,* That no loan for the operation of a retail store shall be granted: *Provided, further,* That the loan shall be limited to the purchase of the basic equipment, tools and materials: *Provided, furthermore*, That such basic equipment and tools shall be subject to chattel mortgage in favor of the government financing institution concerned.cralaw

Sec. 5. Technical Training. — The office of the TESDA shall provide and conduct such necessary technical training and programs, free of charge to all women who may avail of the benefits provided in Section 4 hereof.

Sec. 6. Implementing Bureau. — The function of accomplishing the objective of this Act is hereby given to the Bureau of Small and Medium Business Development of the Department of Trade and Industry created under Executive Order No. 133, including the authority to issue such necessary certification of eligibility to obtain a loan as provided in Sections 4 and 5 hereof.

Sec. 7. Assurance of Loan Availability. — There shall be earmarked from the loan portfolio of all government financing institutions such amount of money equivalent to five percent (5%) thereof for purposes of implementing the provisions of this Act.

Sec. 8. Rules and Regulations. — The Department of Trade and Industry shall promulgate such rules and regulations necessary to implement the provisions of this Act.

Sec. 9. Prohibited Acts. — The following acts are hereby prohibited:

(a) to sell mortgage, pledge or in any way encumber any of the equipment, tools or materials procured through a loan and obtained by virtue of this Act while the loan has not yet been fully paid.
(b) to refuse, deny or delay without justifiable cause granting loans as provided in this Act.

Sec. 10. Penalty. — Any person who may be found guilty of committing any of the prohibited acts provided in the preceding Section hereof shall be sentenced to suffer a penalty of one (1) year imprisonment or a fine of not less than Five thousand pesos (P5,000) or both.

Sec. 11. Effectivity. — This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved: **February 20, 1995**