



Simbag Microfinance 30th Anniversary (1994 - 2024)



Our Vision

A dynamic and pro-active development institution of the Diocese of Legazpi committed to the total advancement of the entrepreneurial poor.



Our Mission

Simbag Microfinance commits to deliver financial and non-financial services with training and formation to micro-entrepreneurial families towards improved socio-economic conditions, political empowerment and enhanced spiritual well-being.

Simbag Microfinance Areas of Operations with Diocesan Partners

Map of the Philippines



Diocese of Libmanan
Libmanan, Camarines Sur

Diocese of Caceres
Naga, Camarines Sur

Diocese of Virac
Virac, Catanduanes

Diocese of Legazpi
Legazpi City, Albay

Diocese of Sorsogon
Sorsogon City, Sorsogon

Diocese of Masbate
Masbate City, Masbate

Diocese of Catarman
Catarman, Northern Samar

30 YEARS OF GROWING RESPONSE

We heard the cries of the poor. The church, imbued with a heart for the poor, was moved to action.

The Diocese of Legazpi explored ways on how to complement the proclamation of the Gospel to marginalized communities with provision of opportunities to address their various needs such as livelihood, social protection and empowerment. Simbag Microfinance was the answer. Set-up in 1994 as a development project by the Social Action Center of the Diocese, it evolved into an independent and financially sustainable microfinance-oriented non-governmental organization, now going by the name Simbag Microfinance.

Thirty years hence, Simbag Microfinance has many good results to show for. This anniversary book celebrates these results through stories of struggles and triumphs of 30 members of Simbag. These stories showcase a progressive response—to leave poverty behind and onward, to lead meaningful lives. Such response did not happen overnight but over years of faithfulness, perseverance, sacrifice, and collaboration. Those who draw strength from their faith, recalling these words from Scripture: “Commit your work to the Lord, and

your plans will succeed.” (Proverbs 16:3), as well as their personal experiences and accomplishments, have developed the inner strength and confidence to engage fully with life in pursuit of their dreams.

As our members grow in faith and feel a deeper sense of belonging to the church, they have become stewards for a greater purpose. As their socio-economic situation improves, they have become partners who are eager to share their blessings to those in need. They too hear the cries of the poor and, with enhanced capabilities, are moved to action.



+Joel Z. Baylon, DD

Bishop of the Diocese of Legazpi
Chairman of the Board
Simbag Microfinance

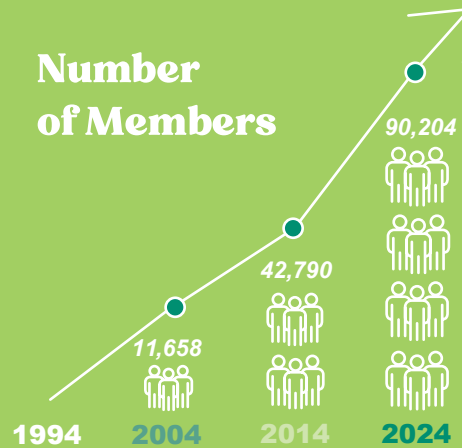
Simbag Microfinance celebrates 30 years of good results depicted in stories. These stories showcase a progressive response—to leave poverty behind and onward, to lead meaningful lives.



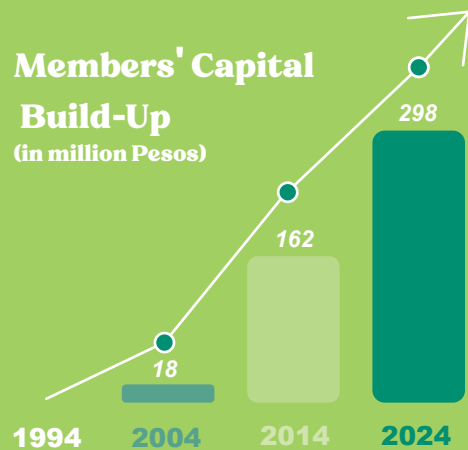
30 YEARS OF SIMBAG

Performance Results as of June 2024

Number of Members



Members' Capital Build-Up (in million Pesos)



Satellite Parish Offices

35

Number of Personnel

424

Fund Balance In million pesos

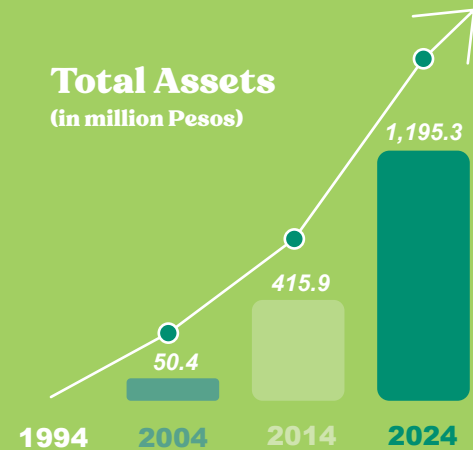
680

Number of Mutually Supporting Institutions established:

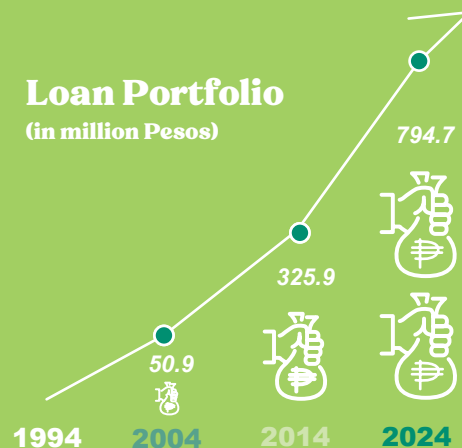
- Simbag MBA
- Simbag MPC

2

Total Assets (in million Pesos)



Loan Portfolio (in million Pesos)



KITA AN SIMBAG We are Simbag

On our 30th anniversary, upon approval by the Board of Trustees and ratification by the General Assembly on 25 May 2024, the Socio-Economic Development Program or SEDP - Simbag sa Pag-asenso, Inc. (A Microfinance NGO) which operates under the style of "SEDP-Simbag," will thereafter be called Simbag Microfinance.

Simbag, a *Bikol* word which means "response", has always been part of the institution's official name. We gave it emphasis, at this key moment, to demonstrate a renewal of our identity and mission as our Local Church's response to the challenge of poverty reduction in the Bicol Region and beyond, and to the aspirations of our members for a better life.

In 2009, Pope Benedict XVI wrote in *Caritas in Veritate*: "Ethical financing is being developed, especially through micro-credit, and more generally, micro-finance. These processes are praiseworthy and deserve much support. Their positive effects are also being felt in the less developed areas of the world." (CV 45) Furthermore, the experience of micro-finance...should be strengthened and fine-tuned. This is all the more necessary in these days when financial difficulties can become severe for the more vulnerable sectors of the population, who should be protected from the risk of usury and despair. The weakest members of society should be helped to defend themselves against usury, just as poor peoples should be helped to derive real benefit from micro-credit in order to discourage the exploitation that is possible in these two areas." (CV 65)

Inspired by Pope Benedict XVI's recognition of our humble efforts, this rebranding comes with both innovation and fidelity. Under innovation, we will constantly work to deliver better products and services, faster processing time, at still the lowest interest rate possible; with more empowering value-added services; and increased accessibility and presence. Under fidelity, we commit to stay true to who we are and stand by the elements that draw members to trust us: our dedication to their integral development, not just in their progress out of poverty but also in their spiritual growth; and our support to nurture enabling communities (centers) where they live out the values of integrity, work discipline, faith in God, empathy (the capacity to stand in the shoes of another) and solidarity (the capacity to walk with one another).

We showcase the stories of 30 inspiring members in this anniversary book to concretely demonstrate how the opportunities we have extended, so far, were responsibly harnessed to enrich individuals, families and communities.

These stories provide, at least 30 reasons, among so many, to celebrate and give thanks to the Lord and to the many people and institutions that supported and journeyed with us over the years.



Rev. Fr. Rex Paul Arjona

President & CEO
Simbag Microfinance





EDWIN ALDAVE

Fishing and Vending

I start my day at 3am to get ready to go fishing. With my motorized boat, I head off to the sea for a few hours of fishing in the community waters of Sipocot, Camarines Norte. Upon my return to shore, I proceed to sell my newly caught seafood— fish, crabs, oysters, which varies depending on the season. I make house to house drop-off in my motorcycle to 50 customers, many of whom work in copra and coconut farms with no regular income and thus value my willingness to sell fish on credit. I usually finish my sales route by 9am, before it gets too hot. In good weather, I make P3,000 in daily sales.

Simbag Microfinance provided me the breakthrough to earn more from fishing and vending. I used to go not too far into the sea with my boat (banca) and wooden oars; the business loan and subsequent loans I received from Simbag enabled me to buy a boat with a motor engine. Now, I can go farther in fish-rich areas.

With financial prudence, especially in my borrowing practices and spending habits, I was able to set aside money to build a concrete two-storey house for my family, finance the college education of my children—four of seven have so far obtained their teaching diplomas and licenses, and buy four motorbikes for my children's use to go to work, school or other places.

My reputation as a good steward has grown over the years. I got elected as a barangay councilor (kagawad), in charge of the education committee. Among the projects I have recently championed and implemented include improvement of school fence, construction of communal faucet, and installation of street lights. My children, who are now teachers, help me write project proposals which facilitate approval of funding from our local government. Simbag, through the Bible studies, has helped shape my moral compass. I am a better father, husband, and leader because of Simbag.



Simbag keeps me dreaming. On my next loan, I plan to buy another motorized boat and farm high-valued fish using fish cages.





**MERLYND
QUINIANO**

**Manufacturer of Ginger
and Turmeric Tea**

Simbag Microfinance helped me find my purpose and realize my potentials. When I joined Simbag 18 years ago, I have not read the Bible, I had no house and was living with my mother-in-law in her house, and no business, having no capital to start one. I did have some friends. Together, we formed a center of borrowers which gave us access to sustained business capital from Simbag. I was hooked. With our weekly bible readings at the center, I became prayerful, lifting up everything that I do to God and asking for His guidance and blessings. I put up one business after another, starting with a sari-sari store, hog raising, ginger farming, and manufacturing of healthy drinks from powdered ginger and turmeric. I have built a two-storey house for my family and a warehouse for my businesses.

I grow stronger and wiser from every experience I go through as an entrepreneur and a member of Simbag. I developed my leadership skills as Center Chief of the group of Simbag members in my community in Balatan, Camarines Sur. Today, my center has 87 members, much higher than the standard size of 30 members. More than half of my center members are founding members who still value the products and services of Simbag as well as the group camaraderie. We wanted to help as many deserving women as we can that we keep bringing in new members. I have also been elected as President of the barangay pastoral council. We take care of our chapel and facilitate the holding of a monthly mass in the community. I find leadership to be a rewarding experience especially when there is unity and cooperation among members.

My only child, equipped with a college degree, is now self-reliant. Our family businesses are thriving. I should be content, but, I am not. Influenced by Simbag, I am pursuing a bigger goal to help my extended family and community. I realized that I can only be truly happy when my loved ones and the people around me are also provided opportunities to pursue their dreams.



**There is much that can
be accomplished and
problems are easily
resolved when leaders and
members work together,**





GLENDALOTERIÑA

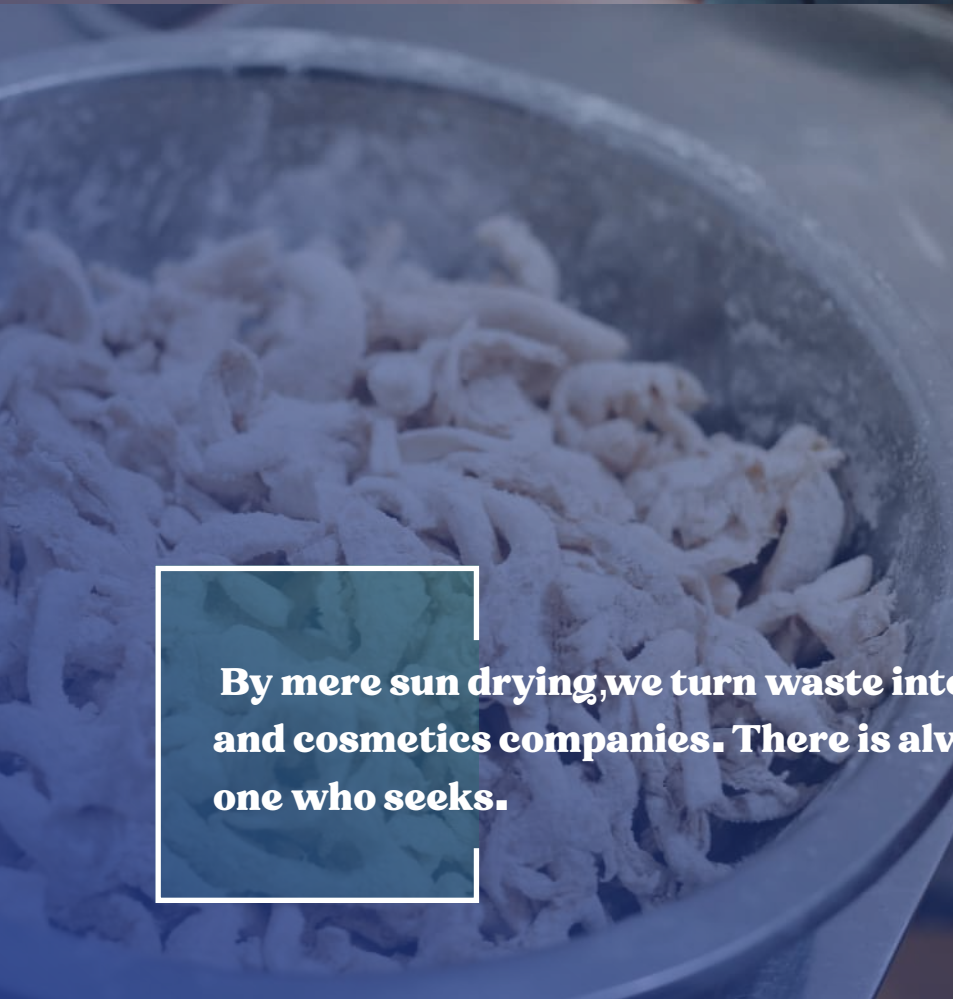
Mushroom chips and ice cream manufacturer

In one tragic blow, a major typhoon wiped out all my goods in the sari-sari store. With no money to restart, I collected grated coconut meat (sapal) from the market at no cost as it is considered waste after extraction of coconut milk. Once sun dried, a local trader buys it. Around that time in 2005, I became a member of Simbag Microfinance. With borrowed capital from Simbag over the years, we increased production by the tons. Every 1-2 weeks, our business collects at least 15 tons of grated coconut 'waste' from the markets. With more volume to sell, we were able to deal directly with a wholesaler. This direct access to a wholesale buyer led to a higher price for our commodity and higher income for us.

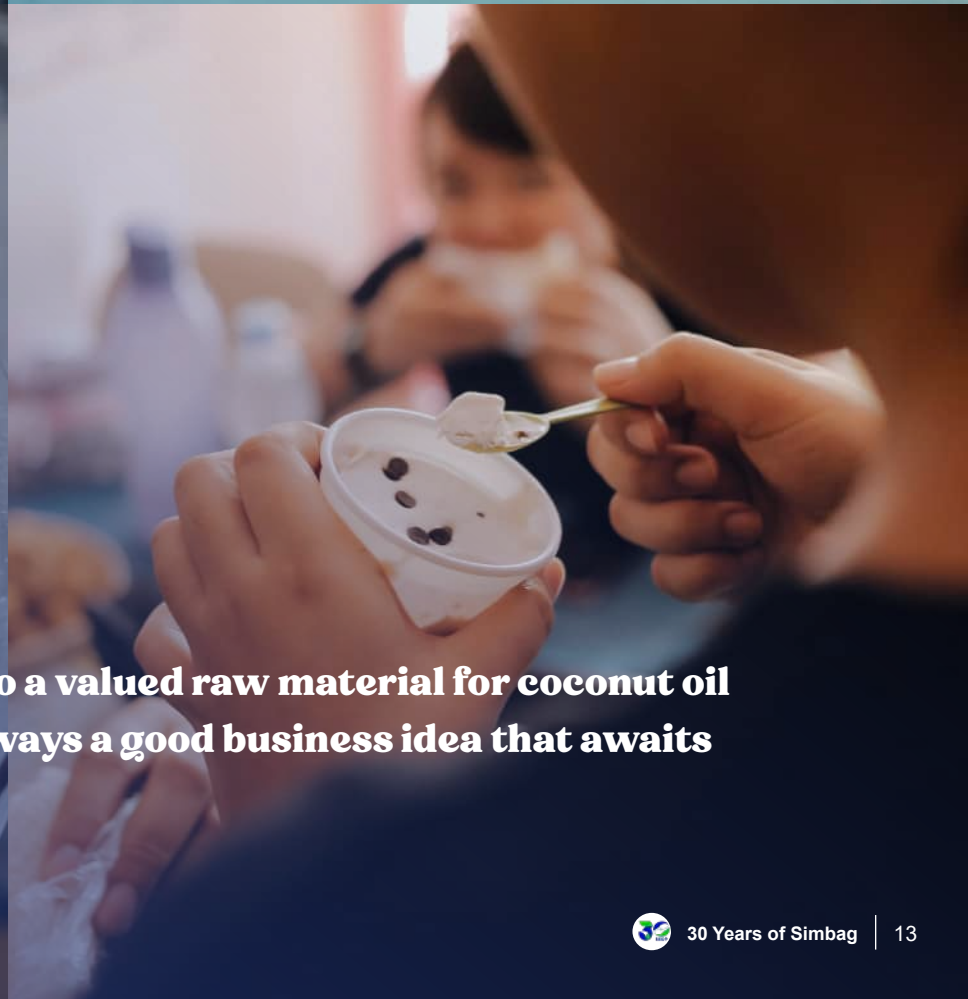
I was again confronted with a big challenge in 2019. I was diagnosed with a kidney ailment. I learned that nutrients from mushrooms can aid my healing and so I ate a lot of mushrooms. Along the way, I became a mushroom grower. I went on to launch another business— mushroom production and manufacturing. Our first product was mushroom chips. We have since developed and introduced mushroom ice cream in several variants- vanilla, chocolate, cookies & cream, and chili (red lava). Our future goal is to develop a franchise model for our mushroom business.

I employ 5 regular workers and 9 on-call workers. Five of my workers are working college students. I have been actively supporting working students as a way to lovingly remember my son who died from a vehicular accident before he could finish college.

Simbag has been a constant support. I can always count on it for access to additional capital and new markets, especially as I pursue bigger goals. This partnership has emboldened me to be the best entrepreneur I can be.



By mere sun drying, we turn waste into a valued raw material for coconut oil and cosmetics companies. There is always a good business idea that awaits one who seeks.





VILMA BERNALES

**Construction Supplies
and Auto Repair Shops**

I became an entrepreneur to help my husband, then an auto repairman and driver, provide for our family of 8. I would sell a variety of goods that customers demand— from clothes, houseware to vegetables and processed food, just to earn extra money. A good break came in 2017, after more than a decade of membership in Simbag Microfinance, when land was offered to us to use. This opportunity enticed my husband to open an auto repair shop. A year later and with space still available to use, we embarked on hollow blocks making and selling. It helped that each time a business opportunity arises, we have Simbag to provide loan for working capital and asset acquisition such as land, delivery trucks and multi-cab.

On top of our two income earning businesses, we have since expanded the family business to include a sari-sari store, hog raising and rice farming. Having a basket of income sources is our way to protect the family from income seasonality and irregularity.

I recognize that my family has received many blessings from God. I am still filled with awe and gratitude at how God protected four of my children who came out without a scratch from a vehicular accident a few years ago. Thus, I give time to serve God and Our Lady. As Vice President of our Barangay Pastoral Council, we implement regular projects to keep our chapel well maintained and ready for the annual fiesta. As officer of the Our Lady of Peñafrancia Association, we meet monthly for family prayers, and to plan and pursue projects, including participation in the annual fluvial procession for Our Lady. As a Center Chief for 17 years of a group of Simbag members, I consider it a privilege to support a member who is sick and needs financial help. Truly, a grateful heart is all it takes to spread goodness in the world.



**Serve God first
and marvel at how
everything else in life
falls into its proper
place at the right time,**





VIOLETA MALANA

**Rope trading and Water
refilling station**

We formed our Simbag Microfinance center of borrowers in 2014 with me as Center Chief. Ten years hence, not one member has left. We only welcomed new members to the current 57. All of us are very satisfied with Simbag's products and services— access to continuing business loans keep our businesses running and/or growing; our family has social protection through the microinsurance, and there is scholarship we can tap for our children's education. With Bible studies conducted every week at the start of center meetings, our bond has strengthened, like sisters, as we live out common values notably financial discipline and mutual support.

I was a rope weaver earning less than a thousand pesos a week when I joined Simbag. I used my first loan of P7,000 to move up the supply chain by becoming a direct buyer of agas grass, a natural material that comes from Masbate Island. With my subsequent microfinance loans, now reaching the maximum size of P300,000, I have become a trader who buys rope from 57 home-based weavers in the community. I sell the rope to three buyer-consolidators, two of whom buy P40,000 worth of rope a week, and to a factory which can absorb P22,000 of rope weekly. The factory turns the rope into baskets. In the future, I hope to open a factory and make products out of the rope we produce in the area. I have always believed in myself. With Simbag providing sustained support, I know that I can make this dream a reality.

My husband and I have diversified our income sources to keep our finances secure. We opened a potable water refilling station and a mini grocery that employs six workers. Our three children who all have completed their college education can stand on their own. With no more demands to cover school expenses, we now use our income in the construction of a new house— another dream set to be fulfilled.



The secret to a thriving business is good people management.

Be compassionate to your weavers and workers when they need help. Then watch them also take good care of the business,





**NOEMI
SAYSON**

Sari - Sari Store Owner

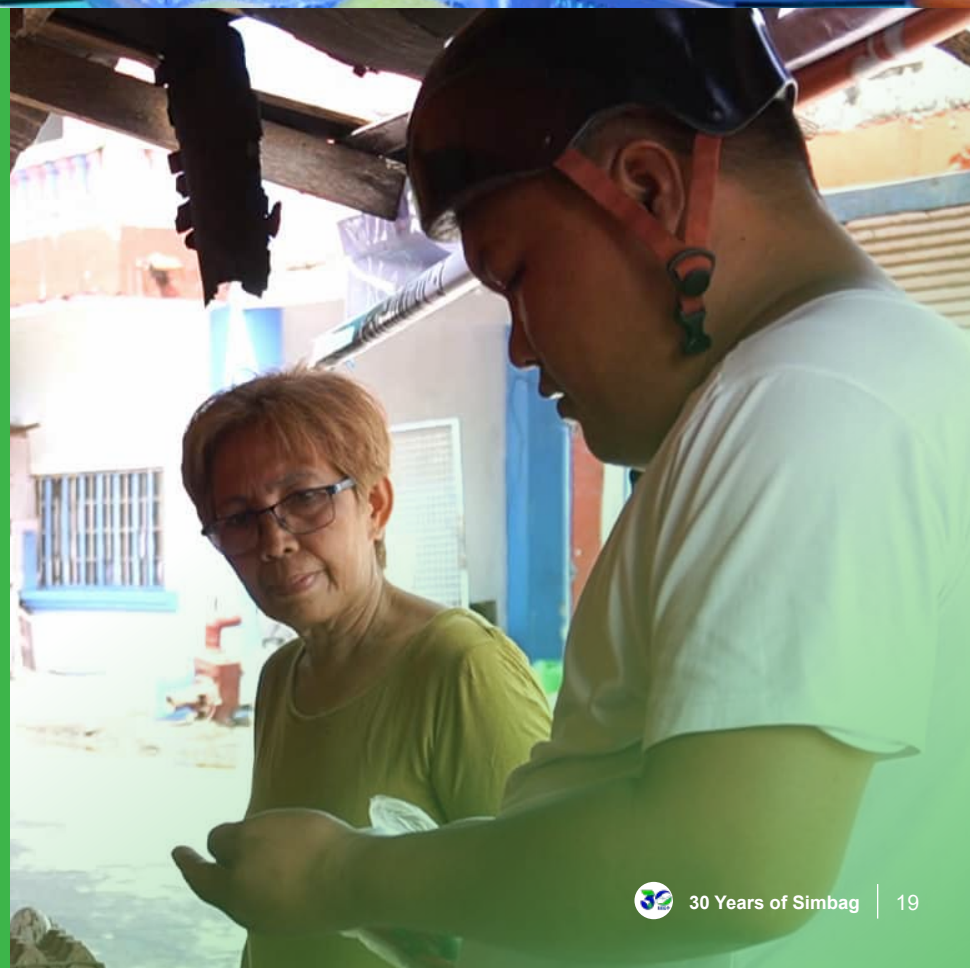
I started to dream of a bountiful life when I joined Simbag Microfinance in 2000. My husband was then a farm laborer who gets paid by the day. With six children to care for, our focus was on daily survival. To reach my dream, I also resolved to give Simbag everything I have—my loyalty, hard work and commitment to recruit 2,000 members to sustain a Simbag office in Libon, Albay. I am happy to note that we reached this number back then, in collaboration with Simbag personnel.

I became a firm supporter of Simbag having benefited from its many products and services. At Simbag, we also learned to read the Bible to strengthen our faith. We attend livelihood and business management training sessions and avail of educational scholarships for our children. I reactivated my membership in the Social Security System (SSS) through the collection facility that Simbag provides. I am set to receive my old-age pension benefits from SSS by end of 2024. My special child, whom I registered as dependent, will receive part of my pension when I am gone; such enduring benefit is so assuring to a mother.

I turned out to be good in business. My sari-sari store supported the launch of other businesses that I subsequently turned over to my children. Of my 6 children, 3 became entrepreneurs— one manages the restaurant, another took on the school supplies and feeds store, and the third child operates a motor parts and electrical supplies store. They too liked the idea to be your own boss. Two of my enterprising children have also become Simbag members. Another child who is not interested in business decided to work for Simbag. Looks like there is no getting out of Simbag for me and my family. What joy that is!



**Face and handle the
problem head-on.
Only then will it
go away.**





**HELEN
MOICO**

**Tablea Chocolate
Maker**

With no second thoughts, I grabbed the opportunity to buy a second-hand rice grain grinder when it was offered to me. Years of membership at Simbag Microfinance, in good credit standing, entitled me to avail of bigger loans such as the P50,000 capital that I needed. The addition of the grinder business to my buy and sell business at the public market provided me the competitive advantage to attract more customers especially the many rice cake makers in my community.

From one grinder, I bought 5 more electric grinders suited for other crops, such as peanut and cacao, in response to the demands of my customers. Ultimately, local cacao farmers, would come to my store to sell their produce. Unlike other traders that demand a minimum volume, I buy any volume, even just five kilos, provided that the fermented cacao beans are of good quality. This started many years of productive engagement with at least 50 cacao farmers, whom I share tips with on good processing practices, to meet the quality standards of chocolate drink making.

As my inventory of cacao beans increased, I eventually ventured into tableya and chocolate making under the brand 'Moico's Bicol Tableya'. My own tableya recipe has gained wide acceptance in terms of good taste and quality that even the government's Department of Trade and Industry (DTI), thanks to the introduction of Simbag, would regularly invite me to train other women in tableya making. DTI even sponsored my exposure visit to Thailand to broaden my appreciation on the potentials of cacao, known these days as 'black gold'. I look forward to the day when one of my nine children, who have all graduated from college, will take on the management and grow our chocolate business to greater heights.



In my 29 years as Simbag member and center leader, I have long stopped chasing money, I find that being wealthy is more than about having money but also about having family and friends to pursue other interests with, Every year, my co-members and I joyfully go on a pilgrimage to visit local churches and give thanks to God,



CARMEN BARRAMEDA

**Hog Raising, Food Stand
and Mini Grocery**

I was attracted to join Simbag Microfinance for its scholarship program. I have six children, all intelligent if I may add. It is our family's aspiration to have all children finish their studies to better prepare them for a bright future. One of them eventually became a Simbag scholar, graduated and obtained her license as an accountant. Having experienced the good works of Simbag, she decided to be part of the institution and now occupies a management position.

I got into hog raising with capital borrowed from Simbag. This is the business I chose as it allows me to raise the needed financing for school fees. I can plan the sale of hogs with the school enrolment. I get my weekly loan payment from my allowance as a barangay councilor/ official or from my husband's daily income as carpenter.

When my husband turned 60 and found it harder to work directly under the sun, we put up a karinderia (food stall) with him as the main cook. We complemented it with a mini grocery when customers started asking for other products. All these plans took off because Simbag provides continuing access to business loans at increasing amounts. Even if two of my children are still in school— one is studying to be a medical doctor, I no longer feel the financial burden to support their college education. My older children, who have finished their schooling and are now working, also extend financial support to their younger siblings. My family and I are finally reaping the fruits of responsible financial stewardship.



You can rely on Simbag, not only for capitalization of a new business, but also for investment in your children's education,





PAZ GURAY

**Rice Farming
and Copra Making**

Life was hard. But it is all in the past now. These days, I can truly say that life is good!

Before I joined Simbag Microfinance, our main source of income was farm labor. For a day's work, my husband used to bring home P300. This was barely enough to meet our basic needs, especially with our 7 children in school. When there is demand for more farm laborers, I also work in the farm to earn supplementary income for the family.

With my first loan of P5,000 from Simbag back in 2014, I bought four piglets. Instead of rearing the piglets for sale after a few months, my husband would sell our newly bought piglets at a higher price to interested buyers in neighboring villages. This way, we were able to earn fast and well. With subsequent bigger loans availed over the years, we acquired farm lands. We increased our income by making and selling copra when we got access to a parcel of coconut land under a land pawning arrangement. We also went into rice farming through a similar land pawning arrangement.

As our income increased, so did the expenses of our family with growing children. Most of our income went to finance the school expenses of our children. All of them dreamt to obtain their college diplomas, get employed and support the family. My husband and I worked even harder to make these dreams come true.

All of my children did us proud — they all finished their studies without delay. All of them are now gainfully employed/engaged as teacher, office managers, office personnel and priest. Having experienced our struggles to take care of the family, all of them are now doing their part to take care of me and their father. With their pooled savings, they built us a beautiful two-storey house. They also provide us allowance even if we are still able to earn. These days, we turn to our neighbors to share our blessings. Every harvest, we give out a few kilos of rice to neighbors without farms. So, this is the good life— when you are in a position to give than to receive.



Our family left poverty behind by working together to reach our common dreams. We now invest as a family to grow our resource base and face an even brighter future.





MELANIE SALAZAR

**Fish Vending
and Variety Store**

The coastal village of Manapao in Claveria Town, Masbate is where I raise my family. For many years, it provided my husband, six children and I with everything we need— fish from the sea, beach and clear waters to enjoy, clean air conducive to a simple and quiet life. We did not have our own boat, so for the use of my parents' boat, we share our daily fish catch with my parents. My husband would fish daily, when weather permits, and I would promptly sell the fish. This arrangement was fine until the children got older and my eldest had to attend high school in the town center. Although the distance from our village to the center is only 9 kilometers, the road is narrow and dangerous with sharp bends that we had to put him up in a boarding house. We realized that we needed to earn more to support the growing needs of our children.

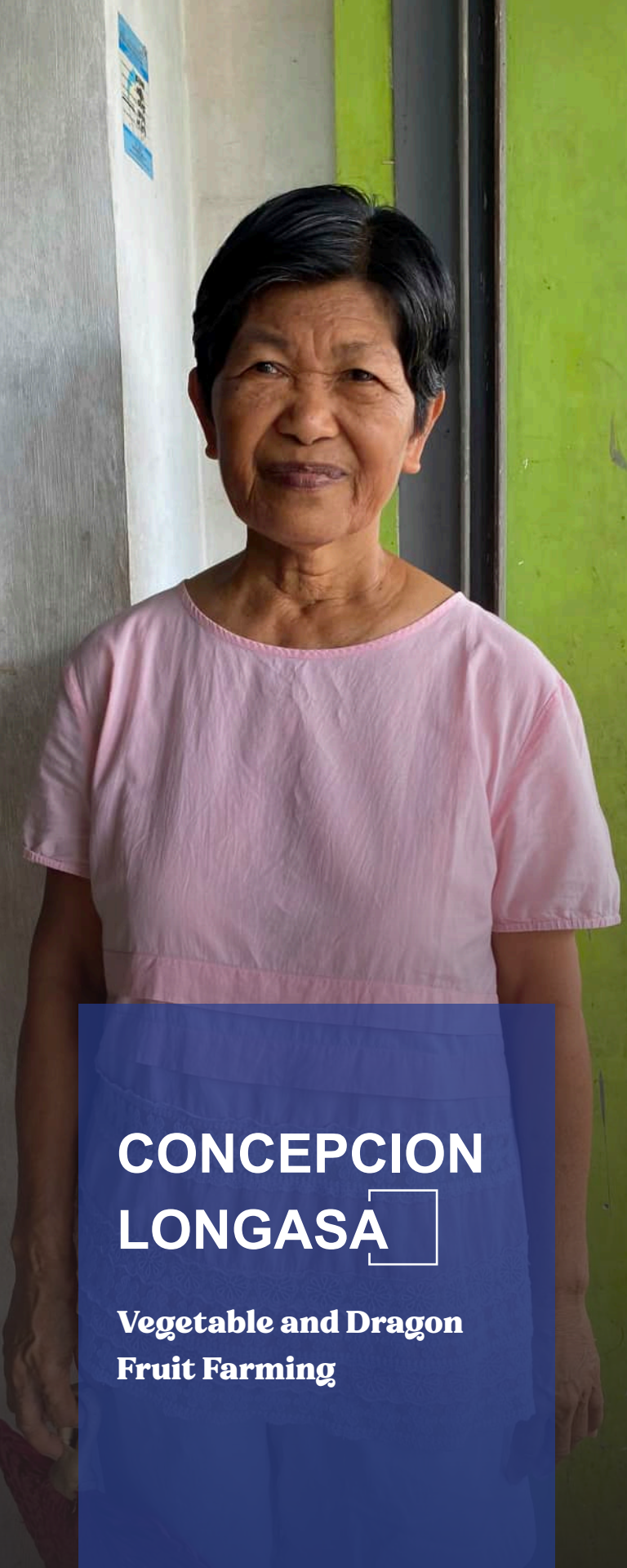
Simbag Microfinance was a God sent. In 2014, I received my first business loan which I used to set-up a variety goods store to generate daily income, which we found especially useful in times of bad weather when fishing is put on hold. Subsequent loans were used to expand the store and the fishing business.

Ten years hence, we have 2 boats of our own which allows us to trade 500 kilos a day through a network of fish resellers in nearby villages including direct sales to customers. Fishes that cannot be sold within the day are dried under the sun and sold at later days. The store continues to operate with more products for sale. We now generate enough income to support the needs of our family. Two children have completed their college education and the rest are still in school.

In 2023, I got elected as village councilor and was entrusted to head the Health Committee. Among the projects I advocate in our community include proper waste segregation, composting and community garden. Many years of leadership of the Simbag center of members in my community may have contributed to this win. I am proud and happy to serve my community.



I urge Simbag members to stay strong and faithful. If we meet our loan obligations diligently, Simbag can grow further and serve a bigger number of mothers.



CONCEPCION LONGASA

**Vegetable and Dragon
Fruit Farming**

I am 70 years old and possibly one of the happiest mothers in the world. Two of my six children took up religious vocations— one became a priest and another, a nun.

I am a pioneer member of Simbag Microfinance with 30 years of productive partnership by 2024. Since 1994, my husband and I kept our farm going, with steady source of capital from Simbag. We managed to adequately provide for the needs of the family. We shifted from rice farming to fruit farming such as papaya and dragon fruit, which requires less water as there has been scarcity of water in the farm over the years. It has been two years since we established the dragon fruit plantation. This year, we have started to harvest dragon fruits and generate additional income from fruit sale. We also plant seasonal vegetables and raise chicken to enjoy steady income throughout the year.

With all children now grown-up, I stay on as member of Simbag not so much for the access to working capital loans but to avail of other benefits and activities. Simbag gives me the opportunity to also serve the Lord. As a volunteer Formator, I facilitate Basic Bible Orientation and Commitment Building Ceremonies of Simbag members in my community in Bacacay, Albay. When we let the Lord direct our way, I can truly say that the good life is ours to enjoy.



**God paves a way for a
persevering dreamer.
When my son expressed his
resolve to become a priest,
God answered through a
scholarship from Simbag,**





**DOLORES
BAGADIONG
-RECIO**

**Multiple Business
Owner**

As a mother of eight children, I had to earn to supplement my husband's meager income from tricycle driving. I opened a sari-sari store at home. When Simbag Microfinance set-up a branch 15 years ago in Libmanan, Camarines Sur, I promptly borrowed capital. I used my first loan to stock up my sari-sari store and to engage in hog raising. These businesses remain in operation together with additional businesses that I pursued over the years to include peanut butter making, poultry raising, and buy and sell of health products. Rather than focus on one business that could fail and leave me financially vulnerable, I opted to handle multiple businesses to have a secure and steady income stream. With proper time management that begins daily at 4.30am, I can handle multiple tasks.

Despite having a busy daily schedule, I still make time for volunteer work as a Formator. Every week, I facilitate Basic Bible Orientation and Commitment Building Ceremonies of members of Simbag and the local parish. I have learned to combine business demands and church commitments. Along with my Bible, I also bring bottles of peanut butter or health products. I do my sales pitch at break time. By end of day, I have done my service and made some sales.

I had an unexpected break from my routine when I was paralyzed for three months due to hypertension. I prayed to God for strength and healing. When I got healed, I took it as a sign to serve God with even more passion. It amazes me at how God always finds ways to express His satisfaction— in words of thanks by those who have gotten to know Him through me or in opening doors of opportunities for me. It fills me with happiness—the kind that no money can buy, and sustains me to share my time and talent to others.



Don't quit! I followed this advice when I was developing my peanut butter recipe. I knew I made it when customers started calling for repeat orders.





JUNAVY
ARNASAN
Bakery Manager

We put up a bakery in our community in San Miguel Island, Tabaco, Albay banking on the expertise and years of baking experience of my husband, his brother and cousin. They bake the bread while I keep the business capital flowing. I borrow from only one financial institution, Simbag Microfinance, to keep our financing cost manageable. For 18 years of infusing additional capital to the business, our bakery also kept growing in reputation and production.

The Arnasan Bakery serves all seven villages in the island. Each barangay or village has a designated reseller who, with his own motorbike, delivers freshly baked bread daily to sari-sari store owners. We provide each reseller with a 20% commission on daily sales. My top reseller earns P1,000 a day whenever he makes a sale of P5,000. From our earnings, we have constructed a two-storey concrete building with the ground floor serving as the bakery space and the second floor as our residence. With a sturdy structure and adequate space dedicated to the bakery, we have become known as the cleanest bakery in the island in addition to baking the tastiest pan de legazpi, pan de coco, and pandesal.

Inspired by Simbag's mission of service, I also do my part to share our blessings. I regularly give bread, especially to old people, who pass by our bakery. At Christmas, I share bread to people who serve the church during the early morning masses. These acts of generosity, however small, always evoke wide smiles, warm thanks, and good tidings from the recipients. As for the giver, she glows with inner joy in knowing that helping others is within her reach.



I plan to operate a mini-grocery to complement our bakery. I can always count on Simbag to provide capital so I can pursue my dreams,





**MARIETA
PEÑALES**

Fish Dealer

My day starts at 2.30am to deliver fish to our resellers around Bato, Camarines Sur. I used to be a reseller too before I joined Simbag Microfinance and availed of additional business capital. We had no fish stall in the market so my husband and I would sell in street corners, including outside a cockpit arena, where many people pass by or congregate. During good days, we could make P5,000 in daily sales. Having additional capital made a big difference in the volume of fish that we could sell. On the average, we now make P25,000 pesos in daily sales. We became a fish dealer to 10-20 resellers who send us their daily orders by text messages. We source the fish from a port, 50 kilometers away from our town. We are assisted by three workers to keep the fish frozen and delivered on time.

As soon as we had saved enough, we bought a residential land and built our dream house. Finally, we were able to let go of our old house by the lake which gets flooded and destroyed every year. We did not stop with one dream, we kept dreaming till we acquired a car for family use, motorbikes for the children, and a truck and a motorbike with side car for our business. All four older children have completed their college education and are gainfully employed; the youngest is set to graduate after one more year of schooling. For our community, we regularly contribute to fund raising campaigns for church activities or repair. We also bought a statue of St. Jude Thaddeus, Saint for Impossible Causes, to participate in the procession every Holy Week.

Simbag provided the vital support which led to our growth. I am confident that we have left poverty behind, for good.



Treat your customers with respect and understanding, Growth happens when customers are satisfied with your prices and services.,



GENE
PERDIGON
Soft Broom Seller

I used to make 100 soft brooms a week. When I joined Simbag Microfinance, I became a soft broom wholesaler, currently trading 2,000 pieces a week. This upward move was made possible by having access to sustained and increasing working capital loans from Simbag. My business provides regular income to at least 35 families comprising of farmers, bundlers, dryers, sewers, weavers, and viajeros/resellers. Every Saturday, I pay for labor and supplies to keep the soft broom making a daily/regular activity of these families in my community in Manito, Albay.

I also manage a sari-sari store which has become a vital support to my broom business. When my raw material suppliers or weavers would run out of money, they can get their food and other supplies, on interest-free credit, from the store. No family involved in my business goes hungry. There will always be lighting, too. I also manage the BAPA or the Barangay Power Association which connects electricity to at least 100 households in my community. After the electric cooperative threatened to cut off power distribution in our barangay due to high unpaid electrical bill, I helped negotiate for a repayment scheme. I have taken on leadership of BAPA to bring back unity and financial discipline in the community.

Having experienced poverty, I resolved to be generous when my income situation improves. Simbag helped me realize this dream. I am proud of what I have accomplished as an entrepreneur with thriving businesses that generate enough income to save, invest and to help my community.



**I will continue to
partner with Simbag as
long as there are people
in my community who
need help,**



CATALINA ROSOPA

**Lettuce Production
and Livestock Raising**

At 65 years old, I still enjoy doing business. This time around, my business partner is my daughter, who learned about lettuce production, initially, from YouTube. Lettuce growing is less labor-demanding compared to other crops and this suits me well. A high-valued crop for an increasing market of health -conscious customers in Ligao, Albay and neighboring towns and cities, we did not need to find buyers for lettuce. Burger shop owners and fruit and vegetable vendors snatch our fresh lettuce as soon as they are harvested for consumption or sale. In my experience, there will always be a right business for anyone who actively looks, tries and perseveres at any situation.

Over the years, I got into different kinds of businesses with my family—from rice farming, piggery, blacksmithing, and food vending. With children all grown up and raising their own families, I have turned over the rice farms and blacksmith shop to them. Two of my enterprising children have also become members of Simbag Microfinance, my source of reliable financial support in 24 years. Simbag also granted scholarship to one of my children who went on to earn a college degree in Business Management. One of my proudest moments is to have a child graduate from college. Simbag helped make this happen for me.

Another source of pride is my continuing leadership of the Simbag center of members in my community. For 24 years, our center maintains a good credit record where members help each other out in times of financial difficulties from sickness, accident and natural calamities that affect business operations and income flow. Simbag offers incentives such as access to the scholarship program so we persevere to maintain a good standing record. I am also a member of the Barangay Pastoral Council where I conduct Bible reading sessions and teach interested children to pray the rosary. My partnership with Simbag has taught me that life becomes interesting and purposeful when it is dedicated to serve others.



**Financial discipline is key
to a sustainable business,
Protect your business
capital; use only your net
income for family and
personal expenses,**





EMILY SUAREZ -BARBIN

**Multiple Business
Owner**

I am good in buy and sell. With my own small capital, I buy fish and fruits to be sold by my network of ambulant resellers in various communities in Rapu-Rapu Island, Albay.

I have many business ideas. Simbag Microfinance gave me the opportunity to try out many of these ideas. I opened a bakery. It did good. Then, I bought a motorized boat with a capacity of 70 passengers and got into the transportation business. Having a boat also facilitates bringing in of goods from the mainland to our island. I started to sell livestock feeds and rice. I availed another loan to buy 2-hectares of land which got us into coconut farming. My husband takes care of the farm and raises hogs to sell.

Income from each business is small but the combined total is more than enough to improve our standard of living. We bought a residential lot and are now building a new house on it. My youngest child, has graduated from college—an accomplishment of the family, being the only one among my four children who did so.

Fourteen years of membership in Simbag has been good to me and my family. I am very thankful. I, too, do my part to help Simbag spread its services to others in need. I have helped recruit more than 200 Simbag members comprising four centers in our island. I belong and lead Center 1 with a current membership of 63. Many of my co-members depend on fishing. When their husbands could not go fishing due to bad weather and they are faced with financial difficulties, it is usually up to me to lend them money for loan repayment. I do it willingly. They pay me back as soon as they get income flowing. We have become friends; we meet weekly and we start our meetings with prayer and Bible studies. Friends support each other. Yes, we do.

I still have many business ideas, one of which will require a capital of more than a million pesos, In God's perfect time, I am confident that this dream will also come true,





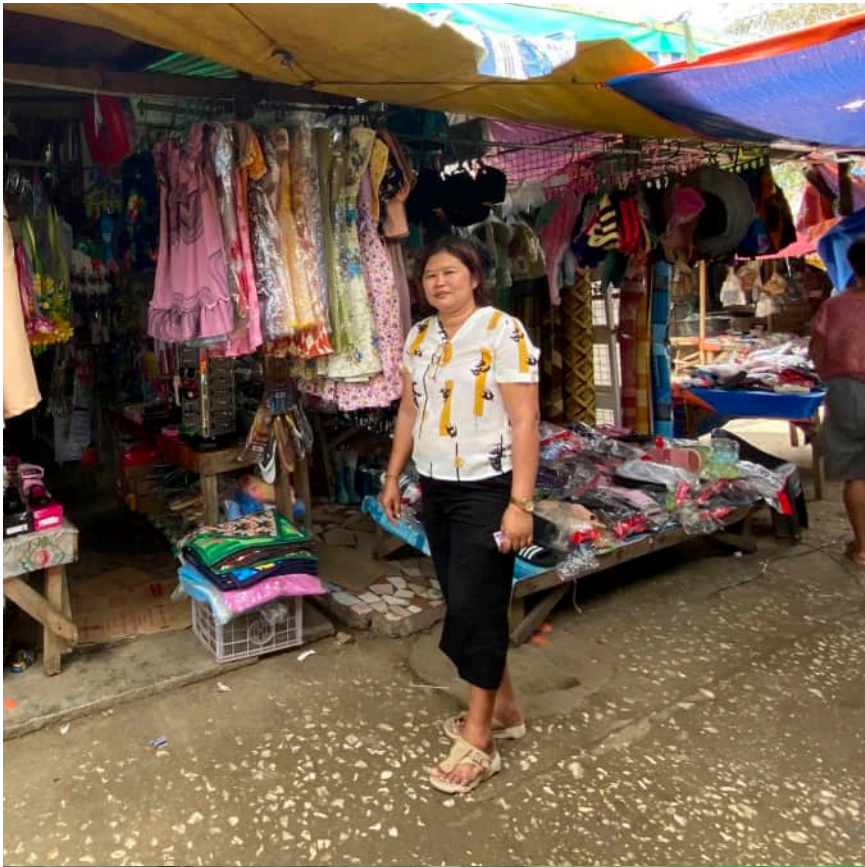
JOY MANANGAT

Buy and Sell of Goods

Fire and I are not friends. On two occasions, my shops at the public market where I sell house wares and ready -to-wear clothes, were razed to the ground. On the first fire incident, I lost goods worth more than half a million pesos. I just bought stocks from Manila back then. I cried for days. When it felt like I had no more tears to shed, I started the painful process of rebuilding.

When the second fire incident happened in 2022, I was able to cope better. Simbag Microfinance provided me with immediate support. A member of Simbag since 2011, I was extended a refinancing facility. In no time, I had my much-needed capital to re-stock, set-up and sell. Business is back on the growth track with two shops at the newly-built public market enjoying brisk sales. I am ready to borrow half a million pesos, if Simbag approves, to spur bigger business growth.

Overcoming these tragedies has made me stronger and more faithful. In gratitude, I willingly share resources to my community in Masbate. I take on leadership positions when offered. I am the current President of the Barangay Pastoral Council. We maintain the church structure and keep it clean. One of our regular activities is a feeding program, held every 2nd Friday of the month, for underprivileged children. I recently completed my term as an elected barangay kagawad (official). In its place, I was promptly appointed as the VAWC Desk Officer to look into cases of violence against women and children in the barangay. Like Simbag, I do not hesitate to give my support when I can.



Simbag's refinancing facility helped me rebuild my business without delay. In gratitude, I am happy to help my community by taking on leadership positions and implementing developmental projects,



LORIBELLE PACATE

Farmer - Entrepreneur

I was an agricultural laborer who turned farmer- entrepreneur when I became a member of Simbag Microfinance in 2014. I started in retail trade with a sari-sari store. We acquired farm lands, under a land pawning arrangement, as I became eligible to borrow bigger loans at Simbag. Together with my husband, we grow crops and raise ducks. We put to good use our years of farming experience which brings us good harvest at 100 sacks of rice per hectare. This time, we receive the full benefits of the seeds that we plant.

As income increased, so did our resolve to save and invest. My old age pension fund is secured through the Simbag service that allows me to conveniently deposit my membership contribution to the state-run Social Security System (SSS). We also maintain a savings deposit in a bank. When a typhoon demolished our house six years ago, we no longer felt helpless; we had our savings and used it to promptly rebuild the house. As all my children are still in school, with the eldest in college, we also heavily invest in their education. I am confident that with good education, my children will have a solid foundation to a bright future.

Simbag has also brought me closer to God and to my community in Tigaon, Camarines Sur. Every week when Simbag members meet, we read the Bible and reflect on our situation based on relevant readings and teachings. When we face problems at the center, for example a member is unable to cover her weekly loan repayment, we do not feel burdened anymore. We can depend on each other to overcome problems. This is what the Bible urges us to do. It gives me satisfaction to be in a position to help. I could be in need in the future; it assures me to know I have friends to lean on. Simbag has shown me the beauty of being part of a united faith community.



**Save for a rainy
day to keep dark
clouds at bay.**





MARIA BULING BONAGUA

**Hardware and
Construction Supplies
Shop Owner**

I am the day-to-day manager of our hardware shop in Malinao, Albay. In addition to the usual nuts and bolts, we supply gravel and sand and make and sell hollow blocks for construction works. I have 5 workers under my care and an elf truck to use for pick- up and delivery of goods. My husband, Sonny, with his two assistants and a 10-wheeler truck, is mostly on the road in the Visayan islands looking for and buying legally-compliant coconut lumber to sell in our shop. With established work flow and proper time management, I get to manage our shop and to also take care of my hogs to raise more income.

An entrepreneur's life is not always this smooth. We faced many challenges in business over the years. There was a time when my P150,000 loan from Simbag Microfinance, which we invested in lumber, could have led to financial loss if not for our persistence to go through the bureaucratic red tape and demonstrate compliance to regulations. This I have learned — no challenge is so big that it cannot be overcome. Believe in yourself and believe in a God who knows what you need, including challenges meant to strengthen you.

I draw on my life experiences to carry out my role as Simbag center leader in my community. What a privilege to be able to guide members, many of whom start their entrepreneurship journey feeling inadequate and afraid to fail. I assure them that starting small is a good way to learn; as they grow in wisdom and experience, fear dissipates. A dream is within reach so long as the Simbag loan is used prudently and productively.



Turn your fear of failure into a challenge that will drive you to take the first step and the next till you reach your dream.





MARITES MIRANDA

Mini Grocery

When I reflect on my entrepreneurial journey, I always shed tears of joy. Back in 2000, Simbag Microfinance trusted me, an unemployed mother, with a first loan of P5,000 to set-up a sari- sari store. I managed to hang and fill-up the back of our front door with goods for sale after taking a portion of the limited capital for emergency medical treatment of my son. When Simbag granted me a second loan, conveying continuing trust and confidence to me, I knew that I can make it in business. 24 years hence, the store is now a mini grocery. We sell almost everything that a coastal community would need— packed and canned food, frozen meat and fish, drinks, and even hardware supplies, charcoal, rubber tires, slippers, and LPG tanks, etc.

My husband resigned from his job as a bus conductor and joined me to manage the several businesses that I started. We also trade karagumoy (native pandan species) handwoven products that my coastal hometown of Bacacay, Albay is known for. I support 10 families by buying, in cash, their finished woven items. I used to take 5-hour bus rides, with my two toddlers in tow, to personally bring karagumoy baskets, sleeping mats, hats, and even chairs to Sipocot, Camarines Sur for sale by my sister who lives there. Thankfully, these days, local bus companies can deliver the items for pick-up by a designated recipient at the bus terminal. Payment can be done online using money transfer facilities that charge reasonable fees. During fiesta, birthdays, and other celebratory events, we also rent out 14 videoke machines. We hire a part-time driver who on the average makes 3 deliveries a week. During the Christmas season, all 14 machines are rented out daily for families to sing and have fun together.

Every day now feels like Christmas as my family and I enjoy a good quality of life. We live in our dream house of two-floors and invested in a 400 sq.m. residential lot. My four children can go to private schools that offer high quality education; two have already graduated from college so I am half-way in my other dream of having my children acquire good college education to prepare them for a bright future. Now, who would not shed a tear of joy with these accomplishments? I could jump for joy!



**Dreams do come true
to one who perseveres
and works hard.
Dream on,,**





MERIAM PENETRANTE

Multiple Business Owner

I learned entrepreneurship from experience. I took a chance to engage in a videoke rental business knowing that I can access sustained business capital from Simbag Microfinance. So, if the first business does not work out, I can always try another one. The first videoke machine rental earned good profit. I decided to keep it up and even bought ten additional machines. To facilitate smooth delivery of videoke machines to customers' homes or fiesta venue, I bought a jeepney using a bigger loan obtained from Simbag.

Once I focused my attention on business and active engagement with my suppliers and customers, new business opportunities presented itself. I took on the next business that served the needs of my growing market. On top of my videoke machine rental, I also managed vehicle rental, fruit and vegetable mobile store, hog raising, and farming. I still have plans to become a rice trader. As all my children have graduated from college and lead their own lives, I now dedicate my efforts to my grandchildren.

As if running multiple business is not demanding enough, I am also the Center Chief of the Simbag group of members in my community. It has been 13 years since I got elected to the position. I stay on as a way to thank Simbag, which is more than a provider of loans to us. It has a wide range of products that make us feel cared for and secured. I am honored to be able to do my part to nurture the members under my care. Together with my co-members, we also nurture the children in the community with a weekly feeding program of soup such as goto, champorado or macaroni. Simbag has shown us that the key to a joyful heart is to be available to serve others.



There is no hunger to one who is persistent and hard-working, We convey this conviction to members who face difficulties and provide steady support until they are able to grow strong and capable, as we have become,



NOEME
BELGRADO

Corn Shelling and Farming

I can still recall how dirt poor we were before I joined Simbag Microfinance in 2013. A bout of El Nino (temperature warming) led to drought and zero corn harvest that year. My husband went to Manila to work as a daily construction laborer, while I borrowed my first loan from Simbag to replant corn. Every week, I use the income sent by my husband to pay for my loan and provide for our children's needs. Every cent of his income is put to good use. I wanted to have him come home in the shortest possible time; together, we can better guide our three children during their growing up years. For 7 years that he was away, I was the corn farmer. After deducting payment for farm labor, any extra income from the corn harvest is turned over to the neighborhood hardware store as advance payment for materials. When enough construction materials have been paid for, I had our house built. By the time my husband returned home due to COVID pandemic and lack of employment opportunities in Manila, he was greeted with a newly built house.

Our family's dependence on corn farming did not bring us income sufficiency, however. Through Simbag, we are able to seize opportunities to diversify and increase our income. We bought a corn sheller and started to offer corn shelling services in our community in Buhi, Camarines Sur. We then bought a truck and provided hauling services. We raise hogs. We buy and sell seasonal farm harvests. We resell fertilizers on commission basis. Last year, we acquired a parcel of coconut land under a land pawning arrangement. This time, I used part of our savings on top of the loan to come up with the required funds.

We have become known in our area as a progressive farming couple. We started to get visits from agricultural technicians of the government and of commercial input suppliers which opened up more opportunities such as contract growing. We gained the respect of our community. My husband was elected as the president of the Barangay Pastoral Council. Together, we guide the community to prepare for our annual fiesta and hold novena masses in our chapel. Our years of hard work, financial discipline and partnership with Simbag paved the way for the good life we now lead.

**Dreams do come true
when complemented
by a plan of action,
resourcefulness and
hard work,**





JEANETH
RELLORA

Taro Chips Manufacturer

I was attracted to join Simbag Microfinance to avail of microinsurance for me and my family. It turned out that there are more products and services that I could benefit from.

With my first loan of P3,000, twelve years ago, I set-up a home-based sari-sari store. I earned little but having daily income helped. Simbag, in partnership with the Department of Trade and Industry (DTI) also offered opportunities to learn new business skills. As I love to learn and eager to make my own products to sell, I joined a taro chips-making training. I was determined to make chips from the taro plant which abundantly grows in the uplands of my town, Castilla, Sorsogon. Initial buyers loved my chips. I was then provided technical assistance in business planning and product development by the SEDP Multi-Purpose Coop (SEDP MPC). It also introduced me to Sante Foundation which provided financial and capacity building assistance geared for business scale-up.

I did everything that was required, and before I knew it, I received my license as manufacturer of taro chips from the Food and Drug Administration (FDA). This stamp of good manufacturing practices opens up my market from the village to malls and supermarkets nationwide. A marketing partnership with the SEDP MPC Community Store ensures that my chips reach a wider market.

I look at the world now as full of opportunities ready for the picking. Open your mind. Immerse yourself in the market and its trends. Grab the opportunity, and do take Simbag with you in the journey of discovery and purpose.



**Believe in yourself.
Let nothing stop
you from reaching
for the stars,**





ARNEL SANTELICES

**Farming and Sari - Sari
Store**

Arnel Santelices is a born leader. His community in Virac, Catanduanes must have thought so, having elected him as Barangay (Village) Captain for three consecutive terms—the maximum period prescribed by law. He can certainly discern a good development partner when he meets one.

When I welcomed Simbag Microfinance to operate in the village, I was also one of the first members to join. I seized the opportunity to earn more income to save up for my children's higher educational expenses.

15 years and counting, the partnership has helped me and my wife to realize not just one but 4 dreams— 4 of our 5 children have gone on to complete their college education. Except for the new graduate who has yet to seek employment, three of them have landed good jobs.

I used the loans obtained from Simbag to infuse continuing capital to the family sari-sari store and our 3-hectare rice, corn and vegetable farm. The store provides us daily income to cover small basic expenses while the farm provides lump sum seasonal earnings that we set aside for school enrolment and related expenses. Now that only the youngest child is in college, I look forward to putting more capital to grow the family businesses. I plan to buy a tractor to make farm work easier as I am not getting any younger. As our store is along the highway, we plan to make it into a mini-grocery with a food stall on the side.

For about two years now, I have also been active in the lay ministry of our local church. I lead the Barangay Pastoral Council as well as the bigger group— the Parish Pastoral Council, that covers 6 villages. We focus our efforts on spiritual formation of the youth and newly married couples. I found that when I let the Lord take the lead, my life becomes more meaningful and my load, lighter.



**A good leader values
having trusted
partners, like
Simbag, to pursue
and attain goals,**





MARIBETH ESPERA

Rice Farming and Piggery

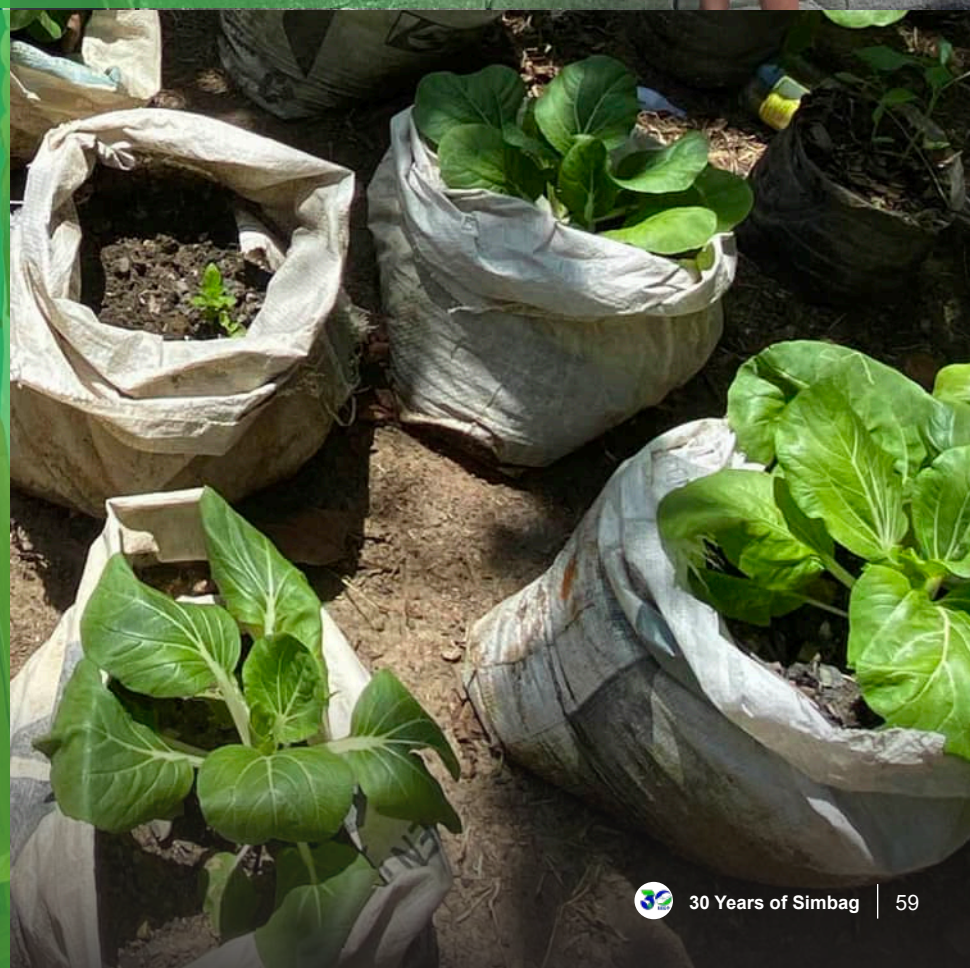
I am a survivor. When I was a child, I had measles which left my eyesight partially impaired. Instead of losing hope, I persevered even more; I wanted people to recognize that persons with disability (PWDs) deserve a fair share of opportunities and respect to lead independent and progressive lives.

Simbag Microfinance is a perfect fit for me. It, too, persevered amidst difficulties to reach our distant village— being the first microfinance institution in 2013, that was not dissuaded to travel along the muddy unpaved roads leading to our community in Bobon, Northern Samar. When Simbag came to serve our financial needs and spiritual thirst, I knew that better days are ahead of us.

Being a mere tenant of rice and coconut land, my family could barely survive with the harvest/income left to us after providing the land owners with their share of harvest/income. The Simbag loans opened opportunities for me and my husband to increase and diversify our income source. I was able to set-up a variety goods store which gave us daily income for food and basic needs. We also raised pigs to earn lump-sum amounts every quarter to finance the school expenses of our children. We bought a hand tractor, thresher and carabao to make our crop production efficient and to earn additional income from rent of these assets.

With perseverance and hard work, 3 of my 4 children have graduated from college, with the fourth and youngest child, set to follow. As family demands ease up, I have turned my attention to helping my community as officer of the PWD Federation in Bobon. Truly, life is determined not by what you have but what good you have done with what you have.

I go to mass every Sunday not just to ask for favors but also to give thanks for everything, - good or bad, Even a bad thing has its purpose to shed light on what is good and worthy to pursue,





**ROSELYN
LAURIO**

**Sari - Sari Store
and Food Vending**

When I joined Simbag Microfinance in 2013, my husband and I had no business or regular job. Simbag gave me the opportunity to regain my confidence, realize my potentials and become financially independent.

I used my first loan to buy and sell fish in our community in Baleno, Masbate. To this loan, my husband and I combined hard work to earn more money. How I wished that I could extend daytime so I can keep selling fish. On my next loan, we bought a motorcycle on installment and used it to cover a bigger area to sell increased volume of fish and other seafood. To hard work, we also infused resourcefulness to grow our businesses. On a Good Friday during the Holy Week which discouraged the eating of beef, pork or chicken meat, we sold 32 kilos of shrimps and had a windfall in earnings. This led us to engage in shrimp culture using cages close to shore. As we meet more customers and exchange business ideas, we added pig roasting (paglilitson) to offer a variety of products to our customers. With our increasing income and access to sustained business loan from Simbag, we considered and took the plunge to manage a 9-hectare coconut plantation. This venture is now reaping quarterly income from the sale of copra.

As I take care of a growing business, I also recognize the need to take good care of ourselves. We exercise, eat on time, have enough sleep and most importantly, pray for guidance and provisions. Since I have let go and fully entrusted our plans and activities to the Lord, I have never been without. Instead, there is always something I can draw on to meet my needs or to help others. We are, after all, our brothers' keepers.



Be generous as the Lord is generous to us. When we brought a neighbor to the hospital, instead of asking money for gasoline, we even gave money to help them cover their medical costs,





THERESA MALTO

**Sari - Sari Store
and Rice Farming**

Simbag Microfinance is heaven sent! In 2013, it did not only give me hope out of poverty and debt, it also extended a loan so I could become a micro entrepreneur. My first loan was P3,000; I did not see it as a small amount, I saw it as a means to start a sari-sari store and earn for the family. Every six months, I get the opportunity to renew my loan and receive a higher loan amount for increased business capital.

I used my fourth loan to redeem our mortgaged farm land. Finally, we can enjoy 100% of our harvest. The store has expanded into rice trading as we produce more rice than we can consume. We also employ 10 farm workers every production season. I feel privileged to be in this position to help others earn and be able to support their families.

In gratitude of many blessings received, the whole family serves in church. I am a Chairperson of the Barangay Pastoral Council (BPC) and Lector/Commentator at the parish in Magallanes, Sorsogon. My husband is also an officer of the Parish Pastoral Council, and my daughter is a choir member. We attend mass as a family every week. This has caught the attention of many of my friends and neighbors and instead of feeling envious, they too have started to go to mass with their families. The BPC holds a monthly procession for Saint Isidore, the Patron Saint of Farmers. We also do house-to-house visits to engage families in prayer to Mama Mary and Saint Isidore and to invoke God's blessing of bountiful harvests. For four years now, I volunteer as a Simbag Formator engaged in spiritual formation activities among members such as Bible studies, prayer and conduct of Commitment Building Ceremonies. I may get tired on some days but it is nothing compared to the joy and lightness that I feel when I serve the community and God.

Many women in my community are still afraid to borrow as the means to grab the opportunity to grow. I have taken on the mission to convince and help these women take the path that has led me to progress and fulfillment.





SONIA MALATE

Hog Raising

Since I joined Simbag Microfinance in 2011 and used my business loan for hog raising, I have never been without a pig to raise. With an average 10 piglets born by each sow, I disperse some piglets to my family and neighbors to raise. I take a 40% share of the litter. This way, I get to spread joy through shared livelihood and earnings with those around me.

Despite the hard work in running a piggery, farm, and more recently, a sari-sari store, we still could not earn enough to support the education of our 14 children. With our income, we can only send two children at a time in college. I let my children decide as to who gets to go to higher education first. My boys, who can now work in the farm and help their father, would give way and let their sisters continue their schooling. They make me proud and awed with the way they decide and put the welfare of the family first.

I would like to think that the children have learned to imitate the adults in our community in Pioduran, Albay. At our Simbag center of members, we also extend our limited financial resources to uplift the welfare of each member. We exert every effort to maintain a repayment rate of 100% every week not only to help members who are facing financial difficulties, but also to avail of the scholarship facility provided as incentive to centers in good standing. Peer support that is called forth by the Simbag group-lending model does not feel a burden, rather it can bring satisfaction, when every member cooperates and shares their resources to solve a problem.



Money may not be overflowing in our community but sharing is widely practiced. I have seen how a P10.00 contribution can make a huge difference to smoothing out financial difficulties and bringing forth hope to one who is down and out.



ROSANA BALLARBARE

**Takoyaki and Other
Food Vending**

I joined Simbag Microfinance in 2008. I watched it broaden its range of products and services to become a more responsive service provider of micro entrepreneurs. To complement microfinance, a department called Members Development Services has been established to extend assistance in the areas of health, children's education and calamity response. Two other institutions were created, the Simbag Mutual Benefit Association (MBA) delivers micro insurance and the Simbag Multi-Purpose Cooperative (MPC) through its Community Store provides marketing support to micro and small enterprises.

From watching, I got involved in leadership roles within Simbag. This enabled me to develop my leadership abilities and better represent the interest of my co-members. When I became a Center Chief, I took on the responsibility, not only to maintain credit discipline but also to diligently guide my members in their spiritual formation. We learned to read the Bible, share and reflect on the readings and messages, and pray for wisdom and strength to live out the messages in the way we take care of our families, businesses and communities. Among the Center Chiefs, I got elected as one of the member-representatives to sit in the MBA Board of Trustees and in the Simbag Microfinance Board of Trustees.

I also hold various positions in the barangay, parish and town organizations engaged in social concerns, evangelization, paralegal, women empowerment, responsible voting, and purok management. The key to handling all these leadership positions is good time management. I mostly spend mornings attending meetings and performing other leadership tasks, and my afternoons are reserved for my business. It is a good thing that my only child is now grown up and is happily willing to co-manage our food business.

I thank Simbag for the trust and confidence and for providing me opportunities to develop my leadership knowledge and skills. I commit to support Simbag in developing leaders among the members.



**Christ centeredness
has taught me self-
control which leads to
patience, compassion,
responsibility and
harmony.**



MICROFINANCE AND THE CATHOLIC CHURCH

A Ministry of Ethical Financing for the Entrepreneurial Poor

By Rev. Fr. Rex Paul B. Arjona

Ethical financing is being developed, especially through micro-credit and, more generally, micro-finance. These processes are praiseworthy and deserve much support. Their positive effects are being felt in the less developed areas of the world.

— Pope Benedict XVI, *Caritas in Veritate*, 45

In 1994, the Social Action Center of the Diocese of Legazpi started a series of projects to support marginalized women entrepreneurs in Albay Province, Philippines. Under its Socio-Economic Development Program (SEDP), these projects offered livelihood training, financial literacy, values education, business starter kits, and financing for micro enterprises. Their success led to the creation of satellite offices in several parishes and eventual transformation from a program into a formal institution, the SEDP-Simbag sa Pag-Asenso, Inc. (A Microfinance NGO), now rebranded as Simbag Microfinance.

Renewed Mandate from Caritas in Veritate. We carried on over the years bolstered up by testimonies of good results from thousands of women we have supported. Then Pope Benedict XVI wrote his social encyclical *Caritas in Veritate* in 2009, calling for a people-centered ethics: “*The economy needs ethics in order to function correctly—not just any ethics, but one that is people-centered*” (CV, 45). More pointedly, he praised microfinance as a tool to realize this ethical economy. “*Microfinance should be strengthened and fine-tuned... for the vulnerable who should be protected from the risk of usury and from despair*” (CV, 65).

This call resonates with the social justice agenda of Simbag Microfinance: financial inclusion to empower the poor and protection of the vulnerable from exploitation. We offer small loans, savings, and micro-insurance to individuals excluded from traditional banking, and enable them to start, sustain, or expand micro businesses. Income generated are then used to improve their homes, and invest in education and healthcare of the family. Doing so fosters human dignity, workers' rights, and solidarity with the

poor—principles embedded in the Church's Social Teachings.

Recent studies confirm the transformative impact of microfinance. A 2022 report, by the Consultative Group to Assist the Poorest (CGAP), stated microfinance programs have lifted over 200 million people worldwide out of extreme poverty. Entrepreneurs who benefit from these programs often reinvest their earnings into their communities, creating a ripple effect of economic growth. For every dollar lent, small businesses generate up to three dollars in local economic activity, according to World Bank. Moreover, microfinance fosters gender equity with women comprising 80% of borrowers, a figure rising to 98% at Simbag Microfinance.

Overcoming Misconceptions and Resistance. Despite the gains from decades-long practice, microfinance still faces skepticism. Critics cite high-interest rates and the risks of over-indebtedness and financial distress. Concerns also arise over the perceived mix of spirituality and finance when Church-based organizations lead these efforts. Some question its alignment with Christian values, citing Gospel teachings that call for lending without expecting repayment.

Simbag Microfinance addresses these concerns by adhering to the highest standards of good governance; maintaining the lowest interest rates among microfinance institutions in the Philippines; and reinvesting a third of the surplus into scholarships, disaster response, healthcare, financial literacy, and enterprise development programs. These efforts are not mere handouts but sustainable solutions that build capacity and resilience.

In addition, we integrate spiritual services—Masses, sacraments, prayer meetings, and Christian formation—and encourage members' engagement in their parish or faith community in order to nurture holistic development and contribute to the Church's renewed integral evangelization. Participation is voluntary, witnessing to a faith that is proposed rather than imposed.

Microfinance complements acts of charity by providing a sustainable framework for poverty alleviation. As Pope Francis noted in his 2022 encyclical *Fratelli Tutti*: *"Helping the poor financially must always be a provisional solution... The broader objective should always be to allow them a dignified life through work"* (FT, 162).

A Legacy of Church-Based Ethical Financing. Modern microfinance may trace back its origins to Grameen Bank, founded by Nobel laureate Muhammad Yunus in the 1980s. But it is rooted deeply in Christian traditions of social justice and economic solidarity.

However, for centuries the Catholic Church condemned all lending with interest—until Pope Leo X in 1515, through the papal bull *Inter Multiplices*, legitimized moderate interest rates to sustain operations benefiting the poor. He aligned with the *Mons Pietatis*, a movement founded in Italy by Franciscan friars and adopted by civil humanists, which established pawnshops offering low-interest loans to counter exploitative practices. Pope Leo X wrote: *"Such a type of lending is meritorious and should be praised and approved. It certainly should not be considered as usurious. It is lawful to preach the piety and mercy of such organizations."* Today, the Church carries forward this legacy. The Vatican's Dicastery for Promoting Integral Human Development advocates for equitable economic models,

while Caritas Internationalis, the Catholic network of charities and social action centers, has members engaged in various microfinance initiatives worldwide—from self-help groups to cooperatives, even a microfinance bank in Kenya.

Other notable initiatives include the *Banco da Providência* in Brazil, founded by the renowned "Bishop of the Slums" Dom Hélder Câmara in 1959, which provides small loans to impoverished entrepreneurs. In Italy, Fr. Massimo Rastrelli, SJ, revitalized the *Fondazione San Giuseppe Moscati* to fight usury, freeing many families from the clutches of predatory lending.

A number of Catholic Church-based NGOs in the Philippines are also into microfinance, such as *Serviamus* of the Diocese of Iligan, and *Spes Pauperum* of the Diocese of Tagum.

Ecumenical microfinance efforts are equally impactful. Some Christian churches have microfinance units that equip communities with financial literacy and small business know-how, and build credit cooperatives' capacity to operate effectively.

Mission Beyond Lending. Church-based microfinance is clearly neither a handout nor mere lending; it offers sustainable solutions to overcome exclusion and exploitation. For Simbag Microfinance, it is a mission—deeply rooted in faith—of journeying with the entrepreneurial poor as they grow in capacity and strive for a better life.



Microfinance should be strengthened and fine-tuned... for the vulnerable who should be protected from the risk of usury and from despair.

POPE BENEDICT XVI
Caritas in Veritate, 65



simbag
MICROFINANCE

The Chancery, Cathedral Compound
Old Albay District, Legazpi City, Albay
<https://sedp.ph/>