

**TWENTIETH CONGRESS OF THE ]  
REPUBLIC OF THE PHILIPPINES ]  
First Regular Session ]**

25 AUG -7 P2:59

**SENATE  
S.B. No. 1111**

RECEIVED BY: 

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**Introduced by SEN. WIN GATCHALIAN**

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**AN ACT  
MANDATING THE LAND BANK OF THE PHILIPPINES AND THE  
DEVELOPMENT BANK OF THE PHILIPPINES TO CREATE A BANK ACCOUNT  
FOR EVERY UNBANKED FILIPINO, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Despite the boom of digital payment solutions during the pandemic and the government's initiatives for financial inclusion, marking a 27-percentage point increase in the share of Filipino adults with formal financial accounts from 29% in 2019 to 56% in 2021, an estimated 34.3 million Filipino adults remain without access to formal financial accounts per the Bangko Sentral ng Pilipinas (BSP)'s 2021 Financial Inclusion Survey.<sup>1</sup> Notwithstanding significant improvements in financial inclusivity in the country, formal account ownership in the Philippines still pales in comparison with other ASEAN countries, such as Singapore at 98%, Thailand at 96%, and Malaysia at 88%.<sup>2</sup>

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<sup>1</sup> Bangko Sentral ng Pilipinas, *2021 Financial Inclusion Survey*, BSP WEBSITE, at <https://www.bsp.gov.ph/Inclusive%20Finance/Financial%20Inclusion%20Reports%20and%20Publications/2021/2021FISToplineReport.pdf> (last visited July 4, 2025).

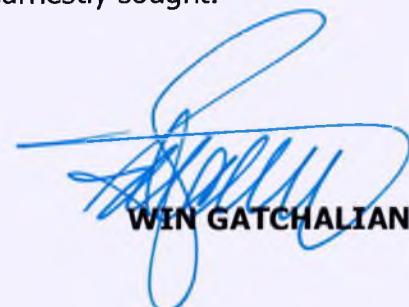
<sup>2</sup> Asli Demircuc-Kunt, Leora Klapper, Dorothe Singer, and Saniya Ansar, *The Global Findex Database (2021)*, WORLD BANK, at <https://www.worldbank.org/en/publication/globalindex/Report> (last visited July 5, 2025).

According to the latest financial inclusion data from the BSP, only 56% respondents with ages 15 years old and above have a formal financial account, which includes bank, e-money, cooperative and microfinance institution accounts, with merely 23% having bank accounts. The same survey shows that 45% of unbanked Filipinos fear inadequate balances, 40% lack documentary requirements, and 15% lack trust in financial institutions.<sup>3</sup>

The enactment of Republic Act No. 11055 or the "Philippine Identification System Act" in 2018 has significantly contributed in the improvement in financial inclusivity in the country in recent years. In fact, the Philippine Identification System (PhilSys)'s colocation efforts with the Land Bank of the Philippines (LandBank) have been cited by the BSP in the 170-percent increase in the number of Basic Deposit Accounts (BDAs) opened in the first quarter of 2023, translating to an increase from 8.1 million BDAs in Q1 2022 to 21.9 million BDAs in Q1 2023.<sup>4</sup>

In order to take advantage of this momentum and further expand financial inclusion in the Philippines, especially among economically disadvantaged Filipinos, this proposed measure mandates the LandBank and the Development Bank of the Philippines (DBP) to open and maintain a bank account for every unbanked Filipino, free from any opening and maintaining balance, as well as other maintenance fees and charges. The bank accounts so created will be used for the efficient, transparent, and targeted delivery of the government's public and social services, and will be linked with the Philippine Identification System.

In view of the foregoing, passage of this bill is earnestly sought.



**WIN GATCHALIAN**

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<sup>3</sup> *Supra* note 1.

<sup>4</sup> Philippine Statistics Authority, *PSA encourages Filipinos to use their PhilIDs, ePhilIDs for financial transactions*, PSA, at [https://psa.gov.ph/system/files/philsys/Press%20Release%20re%20PSA%20encourages%20Filipinos%20to%20use%20their%20PhilIDs%20C%20ePhilIDs%20for%20financial%20transactions\\_SIGNED\\_0.pdf#:~:text=\(BSP\)%20in%20the%20170%20percent%20increase%20in,million%20on%20the%20same%20period%20in.%202022,\(last%20visited%20July%205,%202025\).](https://psa.gov.ph/system/files/philsys/Press%20Release%20re%20PSA%20encourages%20Filipinos%20to%20use%20their%20PhilIDs%20C%20ePhilIDs%20for%20financial%20transactions_SIGNED_0.pdf#:~:text=(BSP)%20in%20the%20170%20percent%20increase%20in,million%20on%20the%20same%20period%20in.%202022,(last%20visited%20July%205,%202025).)

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**FOR EVERY UNBANKED FILIPINO, AND FOR OTHER PURPOSES**

*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 "One Filipino, One Bank  
2 Account Act".

3  
4       **SEC. 2. Declaration of Policy.** — It is hereby declared the policy of the State  
5 to expand financial inclusion in the Philippines, and to promote seamless, efficient,  
6 transparent, and targeted delivery of public and social services.

7       Towards this end, the Land Bank of the Philippines (LandBank) and the  
8 Development Bank of the Philippines (DBP) shall empower every unbanked Filipino to  
9 have access to financial services that will allow efficient, transparent, and targeted  
10 delivery of public and social services, and enable ordinary Filipinos to secure funding  
11 for future enterprises. Thus, the LandBank and the DBP shall be mandated to create  
12 and maintain a bank account for every unbanked Filipino, free from any opening and  
13 maintaining balance, as well as other maintenance fees or charges.

1       **SEC. 3. *Scope and Coverage.*** — This Act shall apply to all Filipino citizens  
2 who are covered by the Philippine Identification System (PhilSys) under Republic Act  
3 (RA) No. 11055, otherwise known as the "Philippine Identification System Act".  
4

5       **SEC. 4. *Creation of Bank Accounts.*** — The LandBank and the DBP are  
6 mandated to open and maintain a bank account for every Filipino citizen, upon  
7 application, free from any opening and maintaining balance, as well as other  
8 maintenance fees or charges, through which the government's public and social  
9 services may be seamlessly and transparently delivered: *Provided*, That the LandBank  
10 and the DBP shall jointly create and manage a unified database of the bank accounts  
11 created pursuant to this Act: *Provided, further*, That only one account may be opened  
12 for each Filipino in accordance with this Act: *Provided, finally*, That the PhilSys shall  
13 be linked by the LandBank, the DBP, and the Philippine Statistics Authority (PSA) with  
14 the bank account so created and maintained under this Act. The creation of such  
15 unified database and linkage of the opened bank accounts shall be in accordance with  
16 Republic Act (RA) No. 10173 or the "Data Privacy Act of 2012" and RA No. 1405 or  
17 the "Law on the Secrecy of Bank Deposits".

18       The LandBank and the DBP shall open and maintain a bank account for Filipino  
19 citizens who have successfully registered with the PhilSys, at the option of such  
20 registered Filipinos, upon presentation of the PhilID or ePhilID issued pursuant to RA  
21 No. 11055, without need to present or submit any additional requirements: *Provided*,  
22 That any Filipino citizen who has not yet registered with PhilSys may proceed to the  
23 nearest LandBank or DBP branch to secure a bank account by presenting other proper  
24 and acceptable identification issued by the government, or such other document as  
25 may be allowed under the implementing rules and regulations of this Act: *Provided*,  
26 *further*, That the LandBank and the DBP shall assist in the PhilSys registration of  
27 applicants as needed, and the bank account shall be automatically linked with the  
28 PhilSys upon successful registration.

29       The bank accounts for Filipino citizens below the age of majority or who are  
30 incapacitated to give consent under Article 1327 of the New Civil Code shall be opened  
31 with the consent of their parents, legal guardians or persons exercising substitute  
32 parental authority, as the case may be, subject to such other requirements as may



1 be provided under the implementing rules and regulations of this Act, and relevant  
2 issuances of the Bangko Sentral ng Pilipinas (BSP).

3 The LandBank and the DBP, in coordination with the BSP, the PSA, the  
4 Department of Economy, Planning and Development (DEPDev), the Department of  
5 Social Welfare and Development (DSWD), and other relevant government agencies  
6 and local government units, shall immediately formulate a mechanism to implement  
7 the objectives of this Act, and to establish a seamless transition wherein these bank  
8 accounts shall be used for the delivery of the government's public and social services.  
9

10 **SEC. 5. Appropriations.** — The amount needed for the initial  
11 implementation of this Act shall be taken from the current year's appropriations of  
12 the LandBank, the DBP, and the PSA. Thereafter, the amounts necessary for its  
13 continued implementation shall be included in the annual General Appropriations Act.  
14

15 **SEC. 6. Implementing Rules and Regulations.** — Within sixty (60) days  
16 from the effectivity of this Act, the LandBank and the DBP, together with the BSP, the  
17 DSWD, the PSA, and the DEPDev, shall jointly promulgate the necessary rules and  
18 regulations for the effective implementation of this Act: *Provided*, That the LandBank  
19 and the DBP may call upon any agency to provide information or assistance in the  
20 drafting of the rules and regulations.

21 The non-promulgation of the implementing rules and regulations shall not  
22 prevent the implementation of this Act upon effectivity.  
23

24 **SEC. 7. Separability Clause.** - If any provision of this Act or part thereof be  
25 declared unconstitutional or invalid, all other provisions or parts not affected thereby  
26 shall remain valid and effective.  
27

28 **SEC. 8. Repealing Clause.** — All laws, decrees, executive orders, rules and  
29 regulations or parts thereof, which are inconsistent with this Act, are hereby repealed,  
30 amended or modified accordingly.  
31

1       **SEC. 9. *Effectivity.*** — This Act shall take effect immediately upon its  
2       publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*