

Comments on recommendations

- **On monetary policy**
 - The main contribution of monetary policy to mitigating inequalities should come from ensuring price stability.
 - Integrating inclusive development not practical given current condition and inflation projection.
- **On official reserves management**
 - Safety, liquidity, and return are BSP's primary objectives
 - Sustainability and ESG principles in reserve management
- **On financial inclusion**
 - Financial inclusion effectively addressed by targeted measures
 - CBDC may contribute to enhancement of payment system
- **On socially-oriented financial instruments**
 - BSP issued Sustainable Finance Framework (Circ No. 1085 – 2020)
 - Implemented initiatives to promote sustainability



Initiatives on inclusive development

- **National Strategy for Financial Inclusion 2022-2028**
 - Objectives include (1) promotion of digital finance; (2) enhancement of access to social protection and safety nets; (3) enhancement of agriculture and MSME financing ecosystem; and (4) Strengthening of financial education and consumer protection.
- **Lending to Micro, Small and Medium Enterprises (MSMEs)**
 - Incentivize bank lending to MSMEs
 - Relaxed requirements to ensure access to financing channels
- **Agricultural, Fisheries and Rural Development Financing**
 - Plans to address operational challenges of Agri-Agra Law
 - Enact amendments to Agri-Agra Law

