



REPUBLIC OF THE PHILIPPINES  
 PROVINCE OF ILOILO  
 MUNICIPALITY OF PAVIA  
 -oOo-  
**OFFICE OF THE SANGGUNIANG BAYAN**



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**1<sup>st</sup> ENDORSEMENT**  
 October 22, 2025

Respectfully endorsing to the Sangguniang Panlalawigan the herein **MUNICIPAL ORDINANCE NO. 2025-15** entitled: **“AN ORDINANCE INSTITUTIONALIZING THE PALENG-QR PH PROGRAM IN THE MUNICIPALITY OF PAVIA, ILOILO, TO PROMOTE FINANCIAL INCLUSION THROUGH DIGITAL PAYMENTS IN PUBLIC MARKETS, TRANSPORT SERVICES AND ALL OTHER BUSINESS ESTABLISHMENTS”**, for information and appropriate action.

*Gynny G. Gumban*  
**GYNNYN G. GUMBAN**  
 Secretary to the SB

CC: **HON. LAURENCE ANTHONY G. GORRICETA**  
 Municipal Mayor

**HON. EDSSEL G. GEROCHI AND**  
**SANGGUNIANG BAYAN MEMBERS**

**DILG AND OTHER OFFICES CONCERNED**

Date Enacted	October 13, 2025
Date Forwarded to the LCE	October 20, 2025
Date Approved by the Mayor	October 21, 2025
Date Transmitted to Sangguniang Panlalawigan	October 22, 2025
Date Posted	October 22, 2025
Date Published	
Date Furnished to Constituents	



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OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG BAYAN HELD ON OCTOBER 13, 2025 AT 9:00 A. M. IN THE SESSION HALL, MUNICIPAL BUILDING, PAVIA, ILOILO.

PRESENT

- |                                       |   |
|---------------------------------------|---|
| 1. Hon. Edsel G. Gerochi              | - Municipal Vice-Mayor<br>Presiding Officer               |
| 2. Hon. Leonardo L. Belasa            | - Municipal Councilor                                     |
| 3. Hon. Joshua Philippe B. Gumban     | - -do-  |
| 4. Hon. Jo Jan Paul J. Peñol          | - -do-  |
| 5. Hon. Ariel B. Gerada               | - -do-  |
| 5. Hon. Daniel S. Fajardo, II         | - -do-  |
| 6. Hon. Kervin Matthew G. Zaldarriaga | - -do-  |
| 7. Hon. Joe Fritz C. Collado          | - -do-  |
| 8. Hon. Rhia B. Sotomil               | - -do-  |
| 9. Hon. Ludovico S. Alfaro            | - Liga ng mga Barangay President<br>Ex-Officio Member     |
| 10. Hon. Gerard Peter G. Zaldarriaga  | - SK Municipal Federation President,<br>Ex-Officio Member |

MUNICIPAL ORDINANCE 2025-15

AN ORDINANCE INSTITUTIONALIZING THE PALENG-QR PH PROGRAM IN THE MUNICIPALITY OF PAVIA, ILOILO, TO PROMOTE FINANCIAL INCLUSION THROUGH DIGITAL PAYMENTS IN PUBLIC MARKETS, TRANSPORT SERVICES AND ALL OTHER BUSINESS ESTABLISHMENTS

**WHEREAS**, Section 9 of the 1987 Philippine Constitution expressly provides that the State shall promote 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**, under the Local Government Code of 1991, every local government unit shall exercise powers necessary, appropriate, or incidental for its efficient and effective governance, and territorial jurisdictions, local government units shall ensure and support, among other things, the preservation and enrichment of culture, promote health and safety and support the development of appropriate and self-reliant scientific and social technologies, promote full employment among their residents, and maintain peace and order;

**WHEREAS**, pursuant to Department of the Interior and Local Government (DILG) and Bangko Sentral ng Pilipinas (BSP) Joint Memorandum Circular No. 2022-01 dated June 22, 2022, the DILG and BSP jointly developed the Paleng-QR Ph Program to promote digital payments in public markets and sari-sari stores, in support of the National Strategy for Financial Inclusion (NSFI);

**WHEREAS**, the Paleng-QR Ph Program in the local government units (LGUs) promotes and implements the adoption and implementation of digital payments among market vendors and consumers to promote financial inclusion;

**WHEREAS**, the Paleng-QR Ph Program builds on QR Ph initiative and promoting financial inclusion cashless transactions at QR Ph markets by community stores around the country. It aspires to build a digital ecosystem based on basic payment behaviors among Filipinos, raise the utility of transaction accounts, and aid in the promotion and adoption of these accounts;

**WHEREAS**, it is in the best interests of the public that the Municipal Government of Pavia, Iloilo will adopt the Paleng-QR Ph Program;

**WHEREAS**, financial inclusion is defined as having effective access to a wide range of financial products and services by all Filipinos. Financial tools services can help Filipinos improve accounts, their welfare, achieve their household and enterprises goals;

**WHEREAS**, account ownership is considered the gateway to financial inclusion. Through a formal account, one cannot only safely save money but can also have safe transactions such as receiving salary and cash assistance, collecting payment from customers, and paying taxes, purchases and bills;

**WHEREAS**, the Municipality of Pavia recognizes the importance of financial inclusion, digital innovation, and transparency in local transactions, and deems it proper to adopt the Paleng-QR Ph Program;

**NOW, THEREFORE, BE IT ENACTED** by the Sangguniang Bayan of Pavia, Iloilo in session duly assembled, that:

**SECTION 1. TITLE.** This Ordinance shall be known as the "Paleng-QR Ph Ordinance of the Municipality of Pavia, Iloilo."

**SECTION 2. DEFINITION OF TERMS.** For better understanding of this Ordinance, the following terms are hereby defined:

- a. **Digital Payment** refers to a monetary payment transaction between two (2) parties through an electronic channel in which both the payer and payee use electronic channels.
- b. **Electronic Fund Transfer (EFT)** refers to transfer of funds between two (2) transaction accounts in the same or different financial institutions supervised by the BSP, which are initiated, and received using electronic devices and channels to transmit payment instructions.
- c. **InstaPay or PESONet** refers to electronic fund transfer facility offered by their clients to another held in other participating banks or EMI in the Philippines.

- d. **QR Code** refers to "Quick Response Code". QR Code is a two-dimensional image-based bar code that stores information using patterns of large amounts of black dots and white spaces, arranged in a square grid. It can be read by a smartphone camera that is equipped for information. QR Codes store personal and financial information in a bar-code reader. When personal and financial information are stored in a QR code, it can also be used to send and receive money such as payment transactions. A recipient of the funds shows his/her QR code to the payer or sender who will scan the code to initiate the payment transaction.
- e. **QR Ph** is the national QR Code standard for all quick, low-cost, and safe method to pay, transfer and receive funds from other bank and e-money accounts in the Philippines. This is aligned with other EuroPay-Mastercard VISA Co (EMVCO) standards, the global standard for secure payments, which unifies the QR code as a form of cashless payment.
- f. **Seller** shall refer to a person who sells goods, commodities, or food other than inside a public market.
- g. **Buyer** shall refer to a person who purchases goods, commodities, or food to a vendor or seller.
- h. **Vendor** shall mean a person who sells goods, commodities, or food within the public market. Also known as "Mobile Trader" or "Peddler".
- i. **Ambulant Vendor** refers to a person who either for himself or for commission basis, a 'Trader' or Peddler' who place and sells his goods and offers to deliver the same, using a vehicle.
- j. **Hawkers** refers to an ambulant vendor who set their wares on a daily basis.
- k. **Client/User** refers to a person who avails of the QR Ph-ready Transaction Account.
- l. **Digital Payment** refers to a monetary payment transaction between two (2) parties through an electronic channel.
- m. **Financial Service Providers (FSPs)** refers to financial institutions that provide banking, loans, money transfers, and financial options to customers.

**SECTION 3. SCOPE OF APPLICATION.** The Ordinance shall cover (1) all public market vendors; (2) all public transport services; and (3) all other business establishments, including ambulant vendors and hawkers, in the Municipality of Pavia, Iloilo.

**SECTION 4. QR PH ENABLED PAYMENTS.** All covered entities in the Municipality of Pavia, Iloilo are hereby strongly encouraged to make QR Ph payments available for their customers in line with the Paleng-QR Ph program.

Provided, however, that nothing in this Ordinance shall prohibit payment in cash when opted by the patrons, consumers, buyers, or clients.

## SECTION 5. ROLES AND RESPONSIBILITIES.

a. The Local Government Unit of Pavia, Iloilo shall:

1. Authorize the Municipal Mayor to issue a certification permitting the following Financial Service Providers (FSPs) to provide their services for the opening of QR Ph Transaction Accounts for clients, including, but not limited to:
  - a) GCash;
  - b) Queenbank;
  - c) Palawan Pay;
  - d) Pay Maya; and
  - e) Landbank;
2. Coordinate with key local stakeholders such as the vendor associations, transport associations, and the market administrator, to ensure effective implementation of the program;
3. Invite FSPs to participate in the program and negotiate for deals/special offers to encourage target participants to open a transaction account as many and use QR code FSP digital payment;
4. Assist target participants in the opening of accounts by, among others, providing additional relevant documents such as LGU certification to support the know-your-customer (KYC) requirements;
5. Organize special "account opening day(s)" in coordination with participating FSPs to ensure ease and convenience of account opening by covered users and their clients including the provision of QR code printouts that can be readily displayed in their stores and vehicles;
6. Maintain a record on participating merchants under the Paleng-QR Ph program.

b. The participating Financial Service Providers (FSPs) shall:

1. Provide personal, customer assistance booths, and other appropriate resources, including QR Code Paleng-QR Ph account opening day(s)" to ensure successful conduct of LGU-Paleng-QR Ph;
2. Provide target users with appropriate materials on opening a transaction account, using QR Code payments and other digital financial services;
3. Provide resource speakers and contents, as requested, for the LGU's financial literacy program;
4. Assign competent contact person(s) to the LGU for efficient and timely coordination on the program implementation; and
5. Provide special offers for accounts opened under the Paleng-QR Ph program such as three (3) months t-shirt insurance and other coverage wearable, and special user rebates for a limited period and other variables.

Participation of FSPs in the program shall be non-exclusive.

c. Covered merchants are strongly encouraged:

1. To open and maintain a QR Ph-ready Transaction Account;
2. Explicitly display their QR Ph code in their store where it is visible to customers;
3. Make QR Ph payments available as a method of payment; and
4. Participate in the information campaign, financial literacy program and other relevant activities that will be facilitated by the LGU and FSPs.

**SECTION 6. ASSISTANCE.** The Local Government Unit of Pavia (LGU-Pavia), through the Business Permits and Licensing Office (BPLO) in coordination with the Municipal Treasury

Office shall provide necessary assistance to all covered entities such as public market vendors, tricycle operators and drivers, other local merchants, and all other business establishments, and their clients in opening a QR Ph-Ready Transaction Account.

**SECTION 8. IDENTIFICATION OF USERS OR CLIENTS.** Prior to the opening of QR Ph-ready Transaction Account, all target users or clients must show for the purpose of identification at least one government-issued identification.

**SECTION 10. INFORMATION, EDUCATION AND COMMUNICATION CAMPAIGN (IECC).** The LGU-Pavia shall develop and sustain the IEC campaign to promote the Paleng-QR Ph Program.

The IEC campaign will cover digital payments in business, financial services for micro and small enterprises, and financial consumer protection.

The IEC campaign shall target market vendors in public markets, all other business establishments, and tricycle operators in the Municipality of Pavia to promote the use of QR Ph.

**SECTION 11. INCENTIVES.** All covered entities in Pavia, Iloilo who shall provide QR-Ph as an alternative mode of payment shall be granted the following incentives:

a. Financial Incentives:

i) For business-related entities:

All duly registered business-related entities shall be entitled to a one time discount on their business taxes, subject to the rates specified hereinbelow:

Gross Sales	Rate of Discount on Business Tax
500,000.00 or less	5%
More than 500,000.00, but not more than 5,000,000.00	4%
More than 5,000,000.00, but not more than 10,000,000.00	3%
More than 10,000,000.00, but not more than 50,000,000.00	2%
More than 50,000,000.00	1%

ii) For transport service entities:

All transport service entities duly registered shall be entitled to a one time twenty percent (20%) discount in their renewal fees for the renewal period immediately following the date of application.

All duly registered business-related and transport service entities seeking to avail themselves of the discount must submit the voucher issued by the Municipal Treasury Office at the time of application. The voucher shall serve as an evidence that the client has been duly registered as a QR Ph-Ready Transaction Account Holder. This privilege shall remain effective solely for the taxable year immediately following the date of application. Failure by duly registered entities to claim the aforementioned discount on the next taxable year shall result in its forfeiture.

b. Non-Financial Incentives:

1. PalengQR Ph Day

- A special day to accommodate business owners who are duly registered as QR Ph Transaction Account Holders.

2. A special credit window, if available.

These incentives are not automatically applied and shall only be granted upon application and declaration of the Municipal Treasury Office and Business Permit and Licensing Office.

**SECTION 12. COMPLIANCE MONITORING.** The Business Permit and Licensing Office, together with the Municipal Treasury Office, and the Pavia Public Safety Traffic Management Office are hereby mandated to monitor compliance of this Ordinance.


**SECTION 15. SEPARABILITY CLAUSE.** If any provision or section of this ordinance or the application of such provision or section to any person or circumstances is found to be invalid, the rest of the provisions of this Ordinance or the application of such provision or section to other persons or circumstances shall not be affected and remains in effect.

**SECTION 16. EFFECTIVITY.** This Ordinance shall take effect fifteen (15) days following the publication in a newspaper of general circulation.

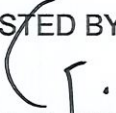
**BE IT ORDAINED FURTHER,** to furnish copies of this ordinance to the Sangguniang Panlalawigan of the Province of Iloilo for review, and other concerned agencies for information and appropriate action.

**APPROVED,** this 13<sup>th</sup> day of October 2025 at Pavia, Iloilo, Philippines.

I HEREBY CERTIFY to correctness  
of the above-quoted ordinance:

  
GYNNYN G. GUMBAN  
Secretary to the Sangguniang Bayan  
10/20/2025

ATTESTED BY:

  
HON. EDSSEL G. GEROCHI  
Municipal Vice Mayor  
Presiding Officer 10/20/2025

APPROVED BY:

  
HON. LAURENCE ANTHONY G. GORRICETA  
Municipal Mayor 10/21/25