

REDEFINITION OF SMEs

BSP CIRCULAR LETTER, April 20, 1995

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/7f9d83395d0f/>

Attached for your reference and guidance is the memorandum of the Export Assistance Network (EXPONET) dated April 28, 1995 transmitting a copy of the SMED Council Resolution No. 3 dated April 20, 1995 on "Redefinition of Micro, Cottage and Medium-Scale Enterprises."

Annex:

SMED Council Resolution No. 3

Redefinition of Micro, Cottage, and Medium-Scale Enterprises

WHEREAS, Republic Act 6977, otherwise known as the Magna Carta for Small and Medium Enterprises mandates the Small and Medium Enterprises Development (SMED) Council, to review and adjust the present definition as deemed necessary;

WHEREAS, on 14 February 1995, President Fidel V. Ramos directed the SMED Council "to take appropriate steps for a continuing review of the definition of SMEs and to make necessary adjustments so as to improve access to preferential financing and other government programs and thereby be more responsive to global competitiveness."

WHEREAS, the present definition of micro, cottage, small and medium scale enterprises, which is presently used for credit allocation purposes, is no longer relevant due to the increase in prices since 1992 when the definition was last revised;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved to redefine micro, cottage, small and medium-scale enterprises as follows:

"Small and medium enterprises" shall be defined as any business activity or enterprises engaged in industry, agribusiness and/or services whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, must have value falling under the following categories:

Micro - P 150,000 and below

Cottage - above P 150,000 - P 1,500,000

Small - above P 1,500,000 - P 15,000,000

Medium - above P 15,000,000 - P 60,000,000

In a generic sense, all enterprises with total assets of fifteen million (P 15,000,000) and below shall be called small enterprises.

Approve, 20 April 1995.

(SGD.) MA. FINA C. YONZON
Head, SMED Council Secretariat

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.