Philippine Government Stimulus Package

3rd Edition (As of 27 April 2020)

#SGVforABetterPhilippines

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Stimulus Transmission Framework

For the past months we have observed unprecedented efforts to contain the pandemic – medically through the response of healthcare professionals, scientifically through the efforts being made to counter the virus and working on possible treatments and vaccines, and politically through the efforts to delay, contain, research and mitigate. Through those various efforts, the coming together of people and societies recognizing the need for collective and intergenerational responsibility, has been both unprecedented and heart-warming.

The pandemic is an extraordinary event that combines health, socio-economic and financial shocks, resulting in exceptional costs and damages and requiring extraordinary thinking and solutions and an 'anything is possible' mindset. The immediate responses – consisting mainly of relief and stabilization measures – include the provision of forbearance measures and direct subsidies for citizens and SMEs, as a policy response for the freeze in supply and demand activities. The Philippine Government provided a swift response package primarily through Republic Act No. 11469 ("*Bayanihan* to Heal as One Act"), approved on 24 March 2020, with focus on the health care sector, low-income households, and small business enterprises. An economic stimulus program – the proposed Philippine Economic Recovery Act – is expected to be enacted when the House of Representatives resumes its sessions on 4 May 2020. In other jurisdictions, stimulus packages have been extended to cover interruption assistance for various businesses and rescue packages for severely hit industries.

There are references and live case studies that can provide concrete opportunities for both the private and public sectors to work together in coming up with collective responses on the ***economic and financial*** implications, which can be guided by the following objectives:

1. *Act with purpose*. Be clear and consistent on the public interest objective, keep actions based on and fully aligned to this. Deftly embed stewardship of this purpose into the design of current and upcoming interventions, and in the background, begin to consider what this means when the "reboot" begins as the crisis eases.

2. *Swamp the business cashflow deficit and financing chasm*. Avoid major short term cashflow contraction (due to demand or financing issues); protect "good businesses" preferably outside but especially if entering formal insolvency processes.

3. *Maintain employment, mitigate harm to individuals, and avoid exacerbating health system stress.* In particular, minimize job losses by keeping people employed, support the vulnerable self-employed and temporary workers, mitigate self-isolation, and where possible, enable labor to redeploy to match short-term demand shortages.

4. *Build business resilience and enable timely recovery.* Help businesses adapt to changes in demand, regulation and supply chain; stimulate demand and leverage the role of Government as a customer.

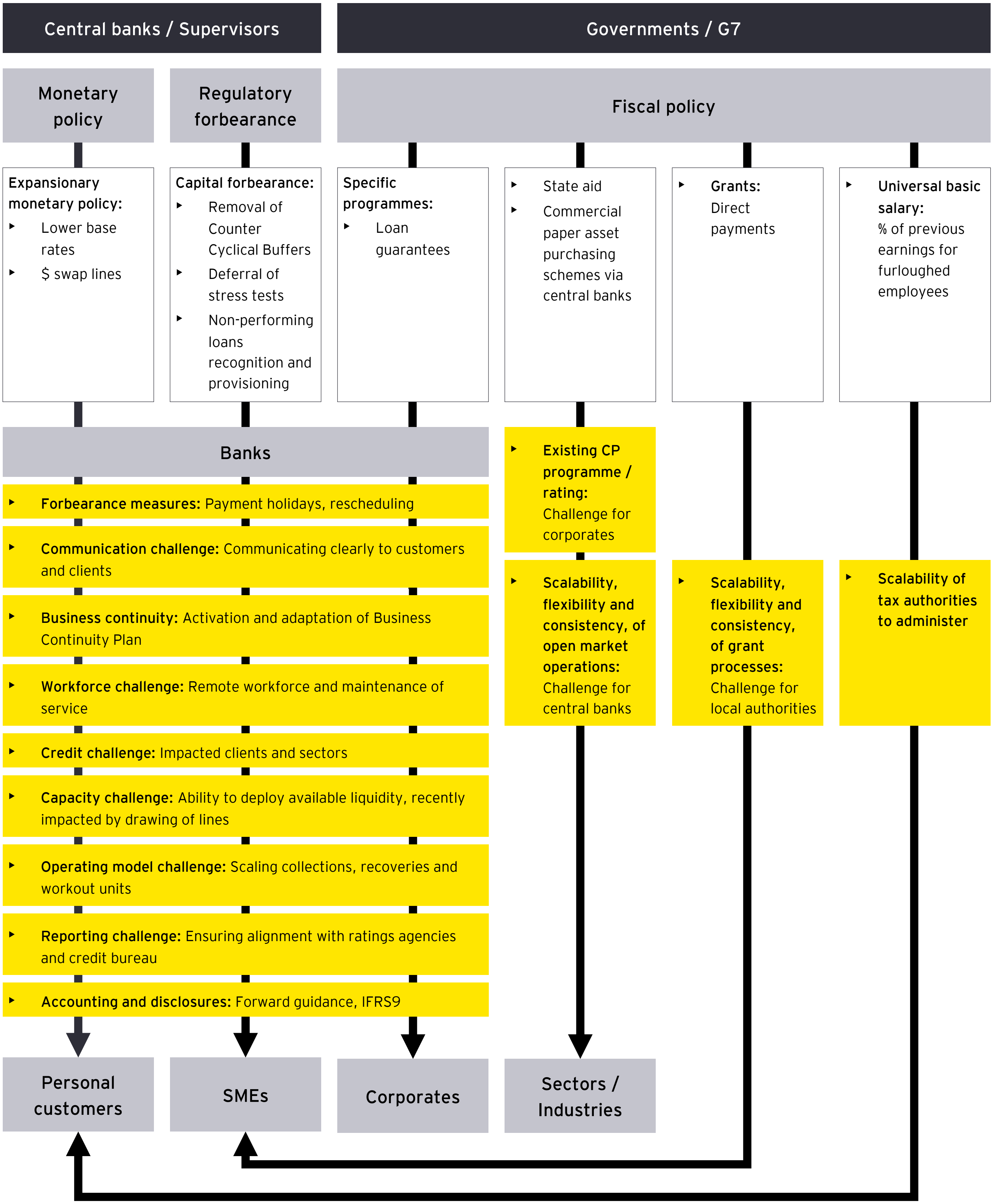
5. *Ensure the financial system remains resilient and able to support the medium-term "reboot".* Firstly, act collectively or individually as the Government ensures more than sufficient liquidity is in place for the long-term. Secondly, while using the banking system as a transmission to create transparency on risk and ensure banking and insurance markets avoid long-term impairment, act purposefully to reflect stewardship principles.

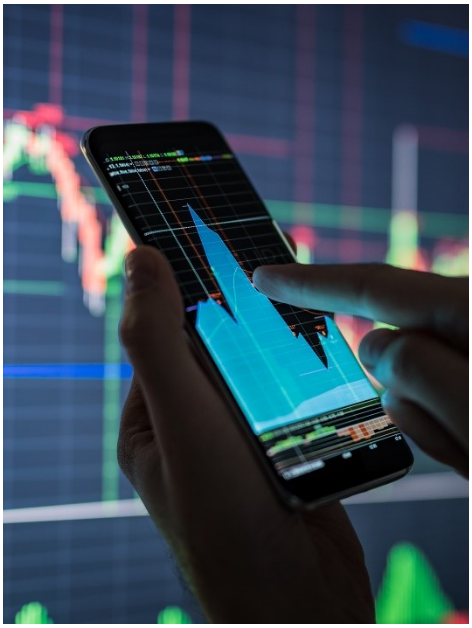
To get this done, there are several imperatives that need to be adopted, within the constraints of biosecurity, but not prevented by both the private and public sectors:

- Recognize the "Purpose" imperative – build public interest stewardship into the design upfront
- Create an evolving coherent strategic program to act widely within complementary interventions
- Ensure simple intervention design enabling rapid yet sufficient development and deployment while avoiding unnecessary execution risk
- Create multi-skilled execution teams with strong leaders, empower action and remove excessive constraints (e.g., regulation) but do build in sufficient control and compliance
- Recognize the security and cybersecurity threat

The Stimulus Transmission Framework: A 3-way stimulus…for now

Shown here is EY's stimulus transmission framework that considers the breadth of measures, and their transmission mechanisms to the real economy, as represented by the citizens (covering both individuals and households), SMEs and corporates. The 3-way stimulus arising from the unprecedented coordination of monetary, regulatory and fiscal policies will pass through two primary channels – (1) the national and local Government authorities, and (2) the banking system – that transmit the 3-way stimulus from coordinated monetary, regulatory and fiscal policies.





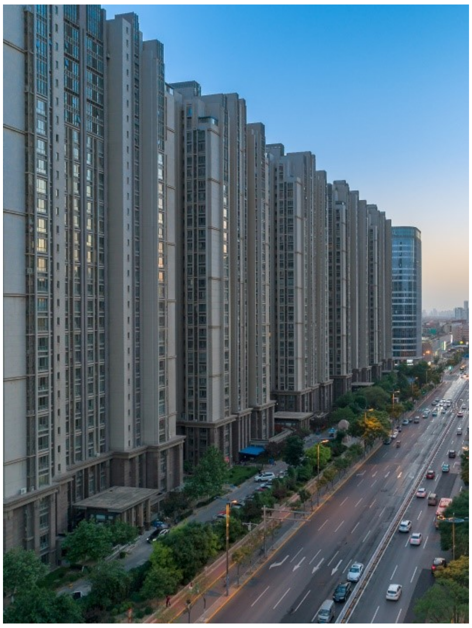
Central banks have lowered interest rates, cut reserve requirements, offered low cost funding to banks for SME credit extension, as well as funding schemes that go directly to corporates, and put in place swap lines. There is a clear message from central banks that liquidity will not be an issue and banks have a vital role in offering credit.

Governments have offered fiscal incentives to those transmitting stimulus. There are jurisdictions that have openly announced financial support while making it clear that any guarantees provided by the National Government, while unlikely to be needed to support banks, would not be seen as a state aid. As long as sovereign finance is both resilient and the target segments clearly and immediately identified, guarantees can be an effective nudge for the banking system to extend financing. There were also jurisdictions that were more direct and deliberate with their follow-through. For instance, the UK's HMT, BoE and FCA issued a joint letter exhorting their banks to maintain and extend lending to businesses and customers, and this was backed by a letter from their Chancellor offering support for businesses to establish certainty and confidence in the wider economic community.

Regulators have offered several forms of regulatory forbearance, including the removal of counter-cyclical Buffers and deferral of stress tests, which will all help to provide the playing field on which banks can extend further credit. We have also seen welcome moves to scale back more routine regulatory requirements to allow firms to focus on supporting customers. In spite of this, there is still an expectation from regulators that banks will anticipate increased and new forms of fraud, as well as digital and consumer protection risks as their operating models evolve to operate in this new, remote-access environment. Further interventions from regulators, Governments and central banks are expected if they feel it necessary. For example, the PRA has already started to address concerns around the impact of IFRS 9 and its impact on the banks' capital and ability to lend.

For now, the continuing imperative is how to ensure that the stimulus is transmitted successfully, and quickly and effectively, to the real economy, as represented by the citizens, SMEs and corporates.

The range of stimulus measures observed for the real economy has been targeted and coordinated in such a way that the banking system plays a central role. For this reason, banks need to be resilient and strong themselves and should also be adaptive and agile enough to address current and emerging requirements, including surge aspects of lending for restarting and shortfall purposes. Shown next is the Resilience Framework with a summary of tactical and strategic planning considerations for financial institutions.



Focus on Households and Individuals. In implementing RA No. 11469, all public and private lenders shall apply a grace period for all loans extended to MSMEs and corporate borrowers. The Philippine Government likewise provided cash and goods subsidies, and even advanced the release of certain cash bonuses. This is particularly helpful to provide relief to the significant number of daily-wage earners in the Philippines who are not able to work during the lockdown or quarantine periods. The BSP has also offered various relief measures to encourage financial institutions to actively provide safe and efficient digital banking facilities such as the suspension of fees relative to applications for providing electronic payment and financial services, and waiver of fees on interbank transactions made through the BSP. A good number of Philippine banks and non-banks have already waived fees for the use of various digital banking facilities and procedures to allow citizens to do more transactions online and avoid the need to leave their homes. Examples of relief measures for individuals include those provided by the Monetary Authority of Singapore, the Association of Banks in Singapore, and the Finance Houses Association of Singapore. The package included relief on loan commitments on mortgages and unsecured revolving credit facilities, deferred payments schemes on renovation and student loans, motor vehicle loans, and other types of loans, refinancing schemes for investment property loans, and waiver of fees for individuals that cannot meet the required average daily or monthly balances on retail bank accounts. The institutions also provided for an opt-in package wherein individuals shall balance their accumulated interest costs against the temporary relief measure.

Focus on SMEs. Measures meant to directly assist SMEs have likewise been established. The Philippine Government has allotted Php 1B through the DTI for its *Pondo sa Pagbabago at Pag-Asenso* (P3) microfinancing package for MSMEs. The Indonesian Government, on the other hand, subsidized interest for MSMEs and micro lenders while the Government of Hong Kong earmarked subsidies for registered owners of goods vehicles and operators of mini-buses. The Government of Canada also announced that rent for small businesses shall be lowered by 75% for a certain period. The US Government likewise signed into law the Paycheck Protection Program and Health Care Enhancement Act to provide additional funding for workers and small businesses. Forbearance measures were also provided through banks such as those in Malaysia that imposed a temporary moratorium on SME installment payments, and in China for loan payments and other credit facilities for SMEs, higher tolerance for non-performing loans by epidemic-hit sectors and SMEs, and a support bond issued by financial institutions for SME lending.

Focus on Corporates. In addition to the aforementioned relief measures, stimulus packages in other jurisdictions also cover assistance for business interruption (in the form of guarantee facilities, commercial paper facilities, and wage support credit) and rescue packages for severely-hit industries. These forms of assistance require proactive action from the corporates, such as the development and presentation of a recovery plan, highlighting the retention of workers and/or minimizing reduction in pay, and no dividends until full recovery.

To be able to prepare for discussions with authorities and banks around current and potential future stimulus schemes, corporates should compile, analyze and share the following portfolio of information:

- Historical financial track record (3-year income statement and balance sheet)
- Credit rating opinions pre-COVID
- Legal entity structure, shareholder base, and existing liability structure (seniority)
- Cash burn and any asset encumbrance
- Purpose and values statement
- Number of employees within the last three years and number of Employees retained post-ECQ
- Estimate of the total number of employees and participating enterprises within its broader supply chain, include classification into large, medium, small and micro enterprises
- Total tax contribution (VAT and corporation income tax)
- Key suppliers – list of top 10
- Key customers – list of top 10
- Examples of recent innovations and support for R&D
- Examples of contributions to Government objectives pre-COVID (Build, Build, Build), during ECQ (donations) and towards the new normal economy covering rebooting (e.g. building of hospitals to increase the country's ICU bed capacity) and reconfiguration (e.g., agricultural production and industrialization)

The policy rationale for rescue packages is predicated on the mitigation of socio-economic damage, and this was the underlying principle for the Economic Stabilization Fund under the US Cares Act.

The stimulus measures that have been approved and announced will not end there, as there will be rounds of further effects after the relief and restarting of the economy begins. The exceptional health, socioeconomic and financial costs requiring our responses and evolving actions may be considered similar to WARTIME EFFORTS, which will eventually cover economic rebooting and reconfiguration of structural responses.

After several months of battling the COVID pandemic, Governments, citizens and businesses are starting to see more clearly the real changes in the environment. For the business community for instance, these potentially include:

1. An increased focus on domestic production and less on the global value chain to provide more security of supply;
2. A more off-site rather than on-site business model as physical distancing becomes a norm; and,
3. Different economic developments across industries, following the VULIW scenario planning approach, showing industry-by-industry impact signatures, its evolving yet coherent mitigating actions and stimulus responses, and systems-thinking level of changes.

While forbearance and subsidy measures are vital, all economic sectors – households, corporates, and the Government – should already begin to re-frame their thinking on how to adapt to the new environment. As such, companies need to immediate address liquidity and operational requirements and simultaneously, re-strategize approaches to align with the new type of environment that the world is already facing as "business as usual" may no longer be on the horizon.

While there will be some dislocation in economic base, growth and employment, a sound and clear plan that will significantly contribute to the country's economic security will be heard, or at least be found interesting, to the Government. The Government is always the largest financer and customer. It is a silent customer during the pandemic and will probably become the most important and primary customer during the recovery and reconfiguration phases of the new economy.

4th and 5th *Bayanihan* Reports of the Office of the President

The government continues its battle against the impact of COVID-19 in the country on its 4th and 5th weeks following the declaration of state of national emergency.

Notably, on the 5th week of the implementation of the *Bayanihan* to Heal as One Act and, due to the steady climb of COVID-19 cases in the country, the President heeded the recommendation of the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF-EID) to extend the Enhance Community Quarantine (ECQ) in high-risk areas until 15 May 2020. These include Metro Manila, Calabarzon, Central Luzon, Cebu, and Davao, among others. The selective ECQ are put in place in areas where the number of COVID-19 cases continue to hike and, according to a research study, likely to experience an outbreak based on local transmissions, population density and age-group distribution in such areas.

Under the selective ECQ, the mobility of people will continue to be strictly regulated and stringent social distancing will still be enforced. This will be further reviewed to check if the ECQ can be relaxed after 15 May.

Meanwhile, moderate-risk areas and low-risk areas will be under General Community Quarantine (GCQ) starting 1 May, subject to further evaluation. The GCQ in low-risk areas may be relaxed and lead to normalization starting 16 May if there is no increase in new cases. Under the GCQ, there will be resumption of work in phases, for priority and essential construction projects subject to minimum health standards, for public transportation at reduced capacity, and for airports and seaports for movement of goods. Curfews for non-workers and opening of malls with restrictions will also be implemented.

Agriculture, manufacturing/processing plants, hospitals/clinics, retail establishments, banks and capital markets, power, energy, water, IT and telecommunications providers and facilities, export companies, business process outsourcing companies, logistics service providers, among other sectors, will be allowed to resume operations under both the ECQ and the GCQ.

Mall and commercial centers, other manufacturing industries, construction, real estate activities, legal and accounting, government office-frontliners, among others, will be allowed to resume operations in areas under GCQ only.

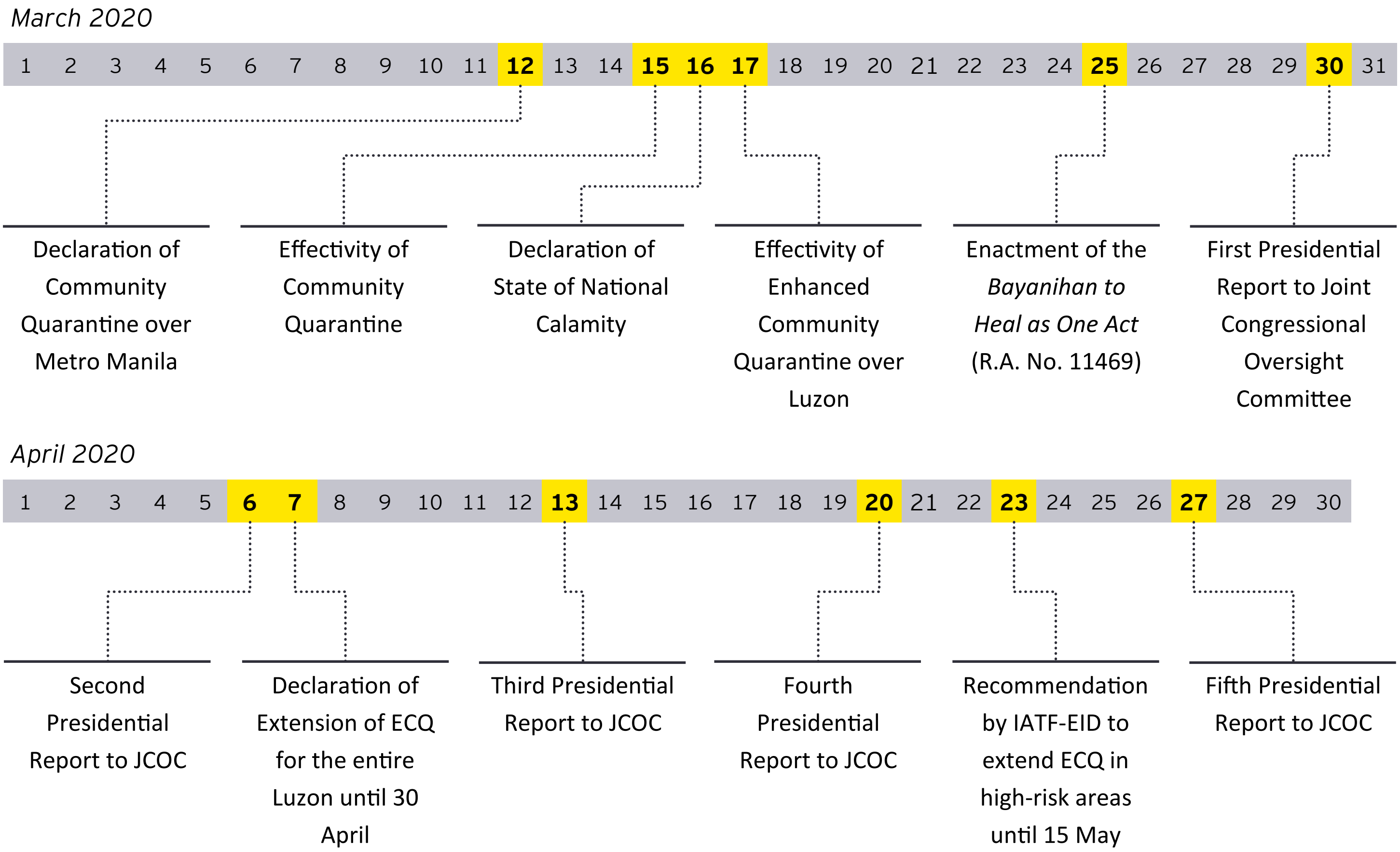
Meanwhile, mass gatherings, which are entertainment-related, business-related, politically-related and sports-related, travel-related agencies, activities of membership organizations, among others, will not be allowed under both the ECQ and the GCQ.

To further curb the impact of the COVID-19 pandemic on the lives of Filipinos, the Government, through various executive departments, agencies and instrumentalities, carries on implementing and proposing measures consistent with its four (4) major objectives:

1. Provide emergency assistance to all affected sectors;
2. Secure facilities and resources for the health sector and other frontliners;
3. Establish sound fiscal and monetary actions responsive to all stakeholders; and
4. Formulate responsive and sustainable recovery plans.

Some of the newly-initiated and updated measures are discussed below.

Timeline of events



I. Provide Emergency Assistance to all Affected Sectors

1. Social amelioration programs

- Updates on SAPs implementation:

Agency	Program	Estimated Beneficiaries	Beneficiaries Served	Allotted Amount	Remarks
DSWD	AICS	18,046,093, which includes 4Ps, non-4Ps, TNVS and PUVs beneficiaries	6,266,522	Php100B	Total disbursed amount is Php96.8B, of which Php31.1B has been received by beneficiaries
DOLE	CAMP	349,354	344,805	Php1.746B	Total utilized amount is Php1.724B
DOLE	TUPAD	235,949	220,320	Php966M	Total utilized amount is Php575.2M
DA	FSRF	591,246 rice	53,881	Php3B	Total utilized amount is Php645M

- The DSWD has standby funds of Php450M and stockpiles of family food packs, other food and non-food items. It rolled out *Relief Agad*, a computer-based application to fast track distribution of the ESP.

- Small Business Wage Subsidy (SBWS) program worth Php51B to cover 3.4M employees in ECQ-affected small businesses. It ranges from Php5,000 to Php8,000 per eligible worker per month for up to 2 months, in proportion to the prevailing minimum wage rates. Eligibility and application portals are found at the BIR and SSS websites. It will replace the CAMP to avoid duplication of benefits.

- As of 22 April 2020, the BIR has notified 199,377 small business employers that they are pre-qualified under the SBWS program. Actual payouts are scheduled 01 to 15 May 2020 for the 1st tranche, and 16 to 31 May 2020 for the 2nd tranche.

- Government is also studying the proposal to Congress to amend the Tax Code to stretch the NOLCO period from three to five years to help small-sized enterprises cope with losses, and a credit back guarantee program to cover loans worth Php120B to grant easier access to bank financing.

2. Transportation, repatriation and mobility assistance

- Government, in partnership with other agencies and with the support of private sector, continues to provide transportation assistance to health workers, OFWs (e.g. *DOTr's Free Bus Ride Program, Malasakit Help Desks, Libreng Sakay Program, MMDA's Bicycle-Lending Program*); logistical assistance in the distribution of medical supplies and food relief; emergency response to vehicles, passengers and stranded seafarers; and repatriation services for the OFWs and foreigners.

I. Provide Emergency Assistance to all Affected Sectors
(continued)

3. Benefit packages for COVID-19 patients	▸ Philhealth published circulars providing benefits to inpatient care of probable and confirmed COVID-19 patients developing severe illness/outcomes, testing laboratories, and those who undergo community quarantine. It clarified the eligibility for full financial risk protection based on certain criteria.
4. Assistance to students, educators and educational institutions	▸ TESDA continues its TESDA Online Program (TOP) as an alternative learning system for scholars and interested persons.
5. Protection of consumers	▸ The DTI rolled out the *Diskwento Caravan*, a program which aims to provide consumers easier access to basic necessities and prime commodities at reduced prices by bringing them closer to manufacturers, distributors and local producers. ▸ The FDA continues to monitor the prices of essential health products and medical devices. Reports received on violations of the price freeze were processed and coordinated with DOH and LGUs for proper action. ▸ Various executive departments and agencies established guidelines on the seizure, forfeiture and disposition of goods held, hoarded, manipulated, sold or otherwise disposed of in violation of the Price Act (RA No. 7581) and Customs Modernization and Tariff Act (RA No. 10863).
6. Other assistance to MSMEs and productive sectors	▸ Updates on assistance from DA, as of 22 April 2020:

Program	Target Beneficiaries	Beneficiaries Served	Allotted Amount	Utilized Amount
MSFFs	40,000	777	Php1B	Php242.645M
Agri-based MSMEs	150	15	Php1.5B	Php114.5M credit fund approved

▸ The DOST approved the additional 3-month grace period in rental payments under the Small Enterprise Technology Upgrading Program (SETUP) to help MSMEs cope with their losses. It encourages MSMEs to adopt technological innovations and enables qualified MSMEs to have access to appropriate technology, equipment and technical assistance. Under the program, qualified beneficiaries pay back the DOST for the rental payment of the technological assistance.

I. Provide Emergency Assistance to all Affected Sectors
(continued)

7. Access to agri-fishery products and ensuring an uninterrupted supply chain	▸ The DA's *Kadiwa ni Ani at Kita* project seeking to provide communities a convenient access to agri-fishery products, has served 63 barangays, 13 subdivisions within NCR and 31 provinces. ▸ The DA provided assorted vegetable seeds, starter kits and livestock to individuals and communities for promotion of local backyard gardening worth Php248M. The BFAR has provided fingerlings, seedstock and seaweeds propagules to fish farmers worth Php14.71M. ▸ The IATF has approved the prototype of Supply Chain Analysis dashboard application to address supply and distribution bottlenecks. This is being polished by the NEDA, the UP and the DICT. ▸ The DTI called on shipping lines to extend the demurrage/detention free time for another five (5) days, immediately observe a mandatory grace period on the posting of container deposits for importers/consignees in good standing or without overdue and unpaid accounts, and suspending the imposition of port congestion charges. ▸ Resumption of utility relocation works and specified limited works across rail projects to prepare rail network for possible use in the movement of cargoes and goods.
8. Ensuring water and energy supply	▸ As of 16 April 2020 at 6:00 am, the water in the Angat reservoir is at 192.83 meters which is 12.83 meters above the minimum operating water level of 180 meters. ▸ Electricity consumers and vital establishments such as hospitals and quarantine facilities are provided with continuous and adequate electricity supply. ▸ As of 15 April 2020, the country has 59.3 days of inventory of refined petroleum products and crude oil which is 2.9 days higher than the inventory last 06 April 2020. ▸ As of 15 April 2020, the actual peak demand for electricity in Luzon is 7,526 MW with available capacity of 12, 089 MW and reserve capacity of 4,563 MW.
9. Information dissemination	▸ The DOH launched a revamped COVID-19 tracker website at www.doh.gov.ph/covid19tracker which gives access to detailed data about COVID-19 cases and hospital capacities, and allows data scientists and other interested stakeholders to download a dataset for their own analyses. ▸ The DOH also introduced https://covid19healthypilipinas.ph/ which consolidates and fact checks reference materials and relevant information for families, LGUs, and media. ▸ The *Laging Handa* website at http://www.covid19.gov.ph/ collates various COVID-19 information (e.g., response measures, hotlines, Do's and Don'ts, Frequently Asked Question, and *Bayanihan* report tracker). ▸ Upon the Senate's recommendation, the Government is looking at setting up a one-stop shop website or a Unified COVID-19 website containing government's response to concerns under segments for health, food production, social assistance, mobility and transport, and business/labor force.

II. Secure Facilities and Resources for the Health Sector and Other Frontliners

1. Human resources for health	‣ Approval of the request of the DOH to engage an additional 15,757 healthcare professionals for a period of 3 months with a total budget of Php2.7B. ‣ LGUs are empowered to employ emergency or casual employees or laborers in the implementation of programs, activities, or projects as part of local responses to COVID-19 pandemic, the compensation may be charged against its general funds instead of their respective allocations from the *Bayanihan* Grant.
2. Referral hospitals and equipment by the numbers	‣ Designation of 1,101 COVID-referral hospitals across the country, with every region having at least 1 hospital.
3. COVID-19 bed capacity and quarantine facilities	‣ Continuation on the preparation of evacuation centers to be utilized as health/ quarantine facilities, emergency operation centers, food hubs, and quarters for health workers. ‣ 10 evacuation centers were added from the 46 evacuation centers as of 13 April 2020. ‣ Facilities converted or for conversion into quarantine centers:

	Implementing Agency	Site	Estimated / Target Capacity	Date of Completion / Persons Served
1	DPWH and BCDA/AFP	Ninoy Aquino Stadium	100 to 116	06 April 2020; 24 persons
2	DPWH and BCDA/PNP	PICC-Forum	294	08 April 2020
3	DPWH and BCDA/AFP	World Trade Center	502	09 April 2020
4	DPWH and BCDA/PNP	Rizal Memorial Coliseum	97 to 150	09 April 2020
5	DPWH, BCDA and CDC	ASEAN Convention Center	150	12 April 2020; Pending DOH evaluation prior to operation
6	DPWH, BCDA, CDC	New Clark City-National Government Administrative Center	668	12 April 2020; Pending DOH evaluation prior to operation
7	DPWH and BCDA	Philippine Sports	132	18 April 2020
8	DOTr	Floating Quarantine	546	335 OFWs as of 24
9	CIAC, CDC and BCDA	Asean Convention Center and National Government Administrative Center Building	1,000	Reported as complete as of 16 April 2020

II. Secure Facilities and Resources for the Health Sector and Other Frontliners

(continued)

3. COVID-19 bed capacity and quarantine facilities *(continued)*

- Facilities converted or for conversion into quarantine centers:

	Implementing Agency	Site	Estimated / Target Capacity	Date of Completion / Persons Served
10	DOTr, PPA and PCG	South Harbor Passenger Terminal Building	211	Reported complete as of 23 April 2020
11	DPWH	Philippines Arena	288 to 300	-
12	AFP	*BRP Ang Pangulo*	28	-
13	PSALM	Property in Bagac, Bataan	20 patients at any given time	15 active patients 14 discharged
14	BCDA	New Clark City-Athlete's Village	520	Since February 2020
15	-	Las Piñas Rehabilitation Center	50	-
16	DOH	Quezon Institute	100	65% occupancy rate
17	DOTr	*Nayong Pilipino*	-	Being considered
18	DPWH	Filinvest Tent	-	Being considered
19	DOH	Ultra Stadium	112	21.43% occupancy rate

- The DepEd approved 167 LGU requests to use DepEd facilities. Currently, 660 schools in various locations were approved to be used as isolation areas, quarantine areas, and other authorized purpose.

- The BOQ has assigned 30 teams to 44 hotel-quarantine facilities and has deployed employees for purposes of overseeing the mandatory 14-day quarantine of Overseas Filipinos (OFs) as of 16 April 2020.

4. Update on test kits, testing centers, and expanded testing

- FDA continues to process and approve applications for test kits and other licenses in relation to COVID-19:

Total approved test kits as of 22 April 2020

Type of Test Kit	No. Approved
PCR Based Kits	32
Rapid Antibody Test Kits	22
Total	**54**

- Release to the DOH of Php1.9B for the procurement of SARS-Cov-2RT-PCR test kits, good for 918,000 tests, and subsequently transferred to the DBM for the conduct of procurement. The DOST allocated Php20M for the manufacturing, distribution, and installation of 32 units of specimen collection booths and for the conduct of testing and data gathering.

- As of 16 April 2020, 48,171 samples and 42,215 individuals have been tested for COVID-19; average of 1,164 to 3,408 test conducted daily; DOH aims to increase the capacity for COVID-19 testing to 8,000 daily.

II. Secure Facilities and Resources for the Health Sector and Other Frontliners
(continued)

5. Strengthening contract tracing measures	▸ As of 16 April 2020, the DOH traced a total of 7,251 contacts. The decrease from the prior period's count was due to data cleaning under OPLAN Complete Case Information. ▸ Deployment of the enhanced COVID-19 Information System which involves an application using smartphones and tablets for case and contact tracing. This is set to undergo pilot testing by 27 April 2020. ▸ Deployment of *FASSSTER*, a web-based disease surveillance, and *TanodCOVID*, a self-reporting application, which will enable LGUs to access report summaries, visualization, and mobile numbers and addresses of those with reported symptoms. ▸ Continuation of the review and system deployment of *StaySafe.ph*, a community-driven social distancing system that enables COVID-19 case mapping and monitoring, symptoms reporting, medical consultation, and contact tracing. ▸ Availability of DVT in POPCOM's website to guide the national and local agencies in planning and implementing effective pandemic responses at the local and community level. Drafting of JMC to operationalize the DVT.
6. Protection for health workers	▸ Issuance of Memorandum Circular (MC) No. 2020-072 by the DILG, which directs all LGU to provide temporary shelter and accommodation to health workers in provincial and city hospitals and other public health facilities accommodating COVID-19 patients. ▸ Implementation of the *Bayanihan Frontliners* Fund by GSIS, an enhanced group personal accident insurance coverage for frontliners who are exposed to the risk of contracting COVID-19 and other related hazards. Increase to Php500,000 of the life insurance coverage at no cost to the insured for period of 12 March 2020 to 31 December 2020.
7. Provision of healthcare resources, supplies and equipment	▸ Relative to the issuance of a license to operate, the FDA inspected the following manufacturing facilities: 44 for alcohol; 3 for hand sanitizers; 3 for PPEs and face masks; and 1 for test kits. ▸ Philhealth has released Php10.075B to 317 Philhealth-accredited Health Care Institutions. ▸ DENR-EMB continues to ensure the proper transport and disposal of healthcare wastes for further treatment.

II. Secure Facilities and Resources for the Health Sector and Other Frontliners

(continued)

7. Provision of healthcare resources, supplies and equipment *(continued)*	‣ NEDA-Investment Coordination Committee approved the proposed COVID-19 Emergency Response Project of DOH, with a total cost of Php5.090B to cover the following measures: 1. Establish testing and quarantine facilities at 6 major international airports in Luzon, Visayas, and Mindanao; 2. Build 21 first-line decontamination facilities at international airports in selected areas across the country; 3. Equip national laboratories and sub-national public health laboratories to handle COVID-19 cases across the country; 4. Refurbish and establish negative pressure isolation rooms in approximately 70 DOH and 85 provincial hospitals across the country; 5. Set up 450 isolation tents; 6. Provide PPEs, COVID-19 test kits, diagnostic and life support equipment (ventilators, oxygen machines, cardiac monitors, infusion pumps, portable x-ray machines, PCR equipment and dialysis machines); and 7. Provide ambulances. ‣ Implementation of JMC No. 2020-02 by DTI, DOF and BOC which: (i) provides incentives to enterprises engaged in the manufacture of critical medicines, medical supplies and equipment and exemptions from import duties, taxes and other fees; and (ii) suspends export requirements of exporters for these critical products and requires them to supply at least 80% of their daily production for local or domestic use. ‣ Facilitation of entry of donations and assistance from the United States and 4 other foreign countries; and assisted in securing flight clearances for personnel of the Philippine Red Cross in the pick-up of COVID-19 testing machines and equipment at the Changsha International Airport in China.

III. Establish Sound Fiscal and Monetary Actions that are Responsive to all Stakeholders

1. Extension of deadlines

	Issuance No.	Date Issued	Description
SEC	Memorandum Circular No. 13 (s. 2020)	21 April 2020	Extends the deadline of submission of Sustainability Report by Publicly Listed Companies
Insurance Commission	Circular Letter No. 2020-43	16 April 2020	Provides extended deadlines in the filing of reportorial requirements
Insurance Commission	Circular Letter No. 2020-44	17 April 2020	Allows electronic filing of complaints, other pleading and motions cognizable by the IC Claims and Adjudication Division and Regulation, Enforcement and Prosecution Division
BIR	RMC No. 42-2020 to 44-2020	17 April 2020	Provides guidelines for: 1.) Filing and payment of 2019 Income Tax Returns; 2.) Acceptance of payment of taxes during ECQ; 3.) Issuance of temporary electronic copies of VAT Certificates and VAT identification cards
MARINA	Advisory No. 2020-25	09 April 2020	Extends the validity of statutory certificates of Philippines-registered ships in the international trade until 31 May 2020
OTS	Notification	01 April 2020	Extends the validity of Certification of Aviation Security and Maritime Security Staff/Personnel and Accreditation of Training Institution

- The DOF notes that 198 out of 1,715 LGUs have voluntary extended deadlines. The DOF and DILG are finalizing a JMC on adoption of temporary measures which includes moving of statutory deadlines.

2. Moratorium on payments

- The DBP granted a moratorium on the payment of salary loans. Under the RESPONSE Program, the DBP has granted a loan payment moratorium on 111 borrower accounts.

- The DA implemented a 1-year loan payment moratorium to MSFF-borrowers.

- The Presidential Agrarian Reform Council Executive Committee has approved the 1-year moratorium for the payment of land amortization of ARBs, and the 1-year extension of the Credit Assistance Program for Program Beneficiaries Development Window III.

- PhilHealth granted a moratorium on contribution payments for February to April 2020 and extended the premium payment period for said months until 31 May 2020, without interest for all direct contributors.

III. Establish Sound Fiscal and Monetary Actions that are Responsive to all Stakeholders
(continued)

2. Moratorium on payments *(continued)*	▸ The GSIS extended the grace period for payment of premiums of 171 covered agencies from 60 to 90 days on non-life insurance policies and premiums due for payment within the ECQ period until restoration of normal business operations. The GSIS adopted provisions on cover notes which allows the extension of expiring policies during the ECQ to prevent any gap on insurance coverage. As of 13 April 2020, 224 cover notes have been issued. The GSIS has granted a total of P400.30M emergency loans. ▸ The Local Water Utilities Administration approved the suspension of loan amortization for 16 water districts nationwide. ▸ The DOE allows electricity consumers and affected corporations a grace period to pay their obligations during the original and extended ECQ. ▸ The National Home Mortgage Finance Corporation deployed an online application system for moratoriums on housing loan payments; and has validated 1,054 online applications. ▸ The Philippine Guarantee Corporation reduced the guarantee fee to 0.5% and increased guarantee coverage to 90% to farmers. ▸ The GSIS granted Php20,000 emergency loans with 6% annual interest payable in 3 years to active members and old-age pensioners. ▸ The DOTr announced rental holidays and deferral of rental charges for airport concessionaires. ▸ The LBP extended a 30-day grace period to all its borrowers under the SPEED PUV Program.
3. Fiscal measures of the BSP	▸ Allows the acceptance of eligible credit instruments for rediscounting to the BSP until 19 May 2020 subject to further extension. ▸ Relaxes the maximum penalty on supervised institutions for reserve deficiencies. ▸ Waiver of transaction fees for participants of the Philippine Payment and Settlement System for 13 to 30 April 2020. ▸ Recognized loans granted to MSMEs as an alternative compliance with the reserve requirement imposed on banks, quasi-banks and trust departments.

III. Establish Sound Fiscal and Monetary Actions that are Responsive to all Stakeholders

(continued)

4. Budgetary measures to fund COVID-19 Effort	‣ The DOF has collected Php 128.72B in dividends, fees, returns of unutilized subsidies, and other remittances from various GOCCs. Of these, Php 90.67B has been remitted to the BTr. ‣ The BTr certified that the amount of Php 100.22B is available to fund additional requirements to address the COVID-19 emergency. ‣ The LBP remitted to the BTr cash balances amounting to Php8.8B. ‣ The DOE was able to transfer Php 159.3M from ER 1-94 Funds. ‣ The PSALM Corporation submitted to the DOF and the DOE its inventory of identified real properties which may be considered for programs and projects.

IV. Responsive and Sustainable Recovery Plan

1. NEDA and PID initiatives	‣ The IATF is set to submit its report on 20 April 2020 the results of various surveys (e.g., Consumer Survey, Business Survey (Industry and Services), Agriculture and Fishery Survey and Definition of the "New Normal" survey), which shall include proposals to mitigate the impact of the ECQ on various sectors and to address and adapt to the post-pandemic "new normal" state. ‣ The IATF will submit its recommendation to the President on the post 30 April 2020 scenarios including the possibility of extension or modification of ECQ.
2. TWG Final Report	‣ The IATF outlined three (3) phases of the government's response against COVID-19 threat, namely: 1. Response – focuses on strengthening the health system by increasing the number of testing, contract tracing, quarantine facilities, hospital beds, and medical equipment 2. Mitigation – focuses on food security and reduction of financial losses; seeks to define the conditions that will allow the conduct of social and economic activities while observing rules that will limit COVID-19 transmission. 3. Transition to the new normal – responds to some of the Senators' comments to engage in whole-of-government approach in formulating programs under the new normal scenario, provide an Economic Risk Assessment Plan, and to study the possible resumption of high-value sectors with low risk of spreading the virus.
3. Whole-of-nation Approach	‣ Various government departments, agencies, offices, LGUs, and local development councils shall submit their priority programs/projects and identify their FY 2021 budget priorities in line with the three (3) strategies in the TWG Final Report.
4. Mitigation of economic impact	‣ The PSA shared data from its survey to assist the BOI in formulating measures to mitigate the adverse economic impact of the ECQ on investments. ‣ The PSA is also conducting its Labor Force Survey to provide policy-maker relevant information on the COVID-19 impact on employment and the number of working hours during the ECQ period. The survey also included questions for NEDA's Rapid Assessment Survey on the COVID-19 impact on consumers to allow policy-makers to adopt responsive measures to aid consumers and boost the economy.
5. Adapting to a "new normal"	‣ The TESDA espouses OPLAN TESDA Abot Lahat: TVET Towards a New Normal to provide skills, employment, and livelihood to Filipinos after the pandemic. ‣ The Operational Plan is anchored on the three (3) phases: Survival (during ECQ), Transition (modified community quarantine after the lifting of ECQ), and Structural (barangay community quarantine).

IV. Responsive and Sustainable Recovery Plan
(continued)

6. Education	▸ The CHED is discussing with SUCs and HEIS on flexible learning plans and arrangements for possible post-ECQ scenarios.
7. Post-rehabilitation plans	▸ The DILG is consolidating the COVID-19 directives and issuances and the mapping out of provisions for interventions to help LGUs address the effects of the pandemic. ▸ The Local Government Academy will discuss with DILG central and regional offices and Local Disaster Risk Reduction and Management Offices, guided by the UP Resilience Institute, to formulate proposed protocol for COVID-19 Rehabilitation and Recovery Framework.

Source:

Report to the Congressional Oversight Committee Pursuant to Section 5 of RA no. 11469, dated 20 April and 27 April 2020

Proposed Measures and/or News Articles

1. DOF mulls tweaks to CITIRA bill	▸ The DOF is looking to tweak the Corporate Income Tax and Incentives Rationalization Act (CITIRA) proposal and allow the government's incentive -giving body to provide "tailored" relief programs for firms hit by the coronavirus pandemic. https://www.bworldonline.com/dof-mulls-tweaks-to-citira-bill/ Published: 22 April 2020; Last visited: 28 April 2020
2. Allow makers of non-essential goods to open – industry group	▸ The Federation of Philippines Industries (FPI) has recommended a set of conditions for the reopening of non-essential manufacturing operations. The FPI Chairman in a letter to government officials on Monday said there will be a need to meet demand for products after the enhanced community quarantine is lifted, including materials for home and auto repair and maintenance. https://www.bworldonline.com/allow-makers-of-non-essential-goods-to-open-industry-group/ Published: 22 April 2020; Last visited: 28 April 2020
3. Extending NOLCO to 5 years for small businesses	▸ The DOF will propose to Congress an extended NOLCO of five years for net losses that will be incurred in 2020 for small businesses to allow these small business to "recoup" losses suffered. https://www.bworldonline.com/nolco-extension-for-small-firms-eyed Published: 28 April 2020; Last visited: 28 April 2020
4. COVID-19 response priority in proposed 2021 budget	▸ The Duterte administration's proposed 2021 budget will prioritize the country's response to the coronavirus disease (COVID-19) pandemic. https://www.pna.gov.ph/articles/1101041 (Published: 26 April 2020; Last visited: 27 April 2020)
5. DTI-7 opens loan facility for MSMEs affected by COVID-19	▸ Micro and small entrepreneurs in Central Visayas affected by the enhanced community quarantine can now borrow funds from the government to help their distressed businesses amid the coronavirus disease (COVID-19) pandemic. https://www.pna.gov.ph/articles/1100628 (Published: 22 April 2020; Last visited: 26 April 2020)

Proposed Measures and/or News Articles

(continued)

6. ADB oKs USD1.5B financing to support PH COVID-19 response	▸ The Asian Development Bank (ADB) has approved a USD1.5-billion loan to help the Philippine government fund its coronavirus disease 2019 (COVID-19) response program and strengthen the country's health care system in its fight against the pandemic. https://www.pna.gov.ph/articles/1100956 (Published: 24 April 2020; Last visited: 26 April 2020)
7. Government affirms support for *'Balik-Probinsya'* program	▸ Government agencies have started to draw up measures in support of Sen. Bong Go's proposed "*Balik-Probinsya*" program that aims to redistribute people and growth to the countryside and ease congestion in Metro Manila. https://www.philstar.com/headlines/2020/04/27/2010066/government-affirms-support-balik-probinsya-program (Published: 27 April 2020; Last visited: 27 April 2020)
8. House eyes Php1.3 Trillion stimulus program	▸ The House of Representatives is preparing an economic stimulus measure that aims to inject trillions of pesos to help the country transition out of the adverse effects of the coronavirus disease 2019 (COVID-19) pandemic. https://www.manilatimes.net/2020/04/24/news/national/house-eyes-p1-3t-stimulus-program/717855/ (Published: 24 April 2020; Last visited: 27 April 2020)
9. Gov't crafting post-COVID-19 recovery plan	▸ The DOLE is developing programs that would help workers and stakeholders once the coronavirus disease 2019 (COVID-19) crisis is over. The DOLE will submit the proposal to the IATF-EID next month. https://www.pna.gov.ph/articles/1100277 (Published: 18 April 2020; Last visited: 20 April 2020)
10. Incentives to manufacturers of Covid-related products	▸ The BOI has opened the accreditation for companies manufacturing products that are related to the government's effort to fight the coronavirus disease 2019 (COVID-19) pandemic. https://www.pna.gov.ph/articles/1100116 (Published: 16 April 2020; Last visited: 20 April 2020)

Proposed Measures and/or News Articles
(continued)

11. LBP launches loan program for COVID-19-hit firms, coops	▸ The LBP is offering a new lending program to help small and medium enterprises (SMEs), microfinance institutions (MFIs), and cooperatives recover from the impact of the coronavirus disease (COVID-19) pandemic. https://www.pna.gov.ph/articles/1099970 (Published: 15 April 2020; Last visited: 20 April 2020)
12. House to fast-track stimulus bill to mitigate virus impact	▸ Fast-track the approval of a stimulus bill seeking to mitigate the impact of the coronavirus disease (COVID-19) pandemic to the Philippine economy. https://www.pna.gov.ph/articles/1100560 (Published: 21 April 2020; Last visited: April 27, 2020)

Acronyms

AFP	Armed Forces of the Philippines
AICS	Assistance to Individuals in Crisis
ALGU	Allocation to Local Government Unit
ARB	Agrarian reform beneficiaries
BCDA	Bases Conversion and Development Authority
BFAR	Bureau of Fisheries and Aquatic Resources
BIR	Bureau of Internal Revenue
BJMP	Bureau of Jail Management and Penology
BOC	Bureau of Customs
BOI	Board of Investments
BOQ	Bureau of Quarantine
BSP	*Bangko Sentral and Pilipinas*
BTr	Bureau of Treasury
CAMP	COVID-19 Adjustment Measures Program
CDC	Center for Disease Control
CHED	Commission on Higher Education
CIAC	Construction Industry Arbitration Commission
CMS	cubic meters per second
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DBP	Development Bank of the Philippines
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DICT	Department of Information and Communications Technology
DILG	Department of Interior and Local Government

DND	Department of National Defense
DOE	Department of Energy
DOF	Department of Finance
DOH	Department of Health
DOLE	Department of Labor and Employment
DOJ	Department of Justice
DOST	Department of Science and Technology
DOTr	Department of Transportation
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
DTI-PITC	Department of Trade - Philippine International Trading Corporation
DVT	Demographic Vulnerabilities Tool
EMB	Environmental Management Bureau
FDA	Food and Drug Administration
FP	Food Packs
FSRF	Financial Subsidy for Rice Farmers
GOCC	Government-owned and Controlled Corporation
GSIS	Government Service Insurance System
HEI	Higher Educational Institutions
IATF	Inter-Agency Task Force
JMC	Joint Memorandum Circular
LBP	Land Bank of the Philippines
LGU	Local Government Units
MARINA	Maritime Industry Authority
MIAA	Manila International Airport Authority
MMDA	Metropolitan Manila Development Authority

MSE	Micro and small enterprise
MSFF	Marginalized and small farmers and fisherfolks
MSME	Micro, small and medium enterprise
MW	MegaWatts
MWSS	Metro Manila Water Works and Sewerage System
NEDA	National Economic and Development Authority
NOLCO	Net operating loss carry over
NWRB	National Water Resources Board
OTS	Office for Transportation Security
PCG	Philippine Coast Guard
PCR	Polymerase Chain Reaction
PIDS	Philippine Institute for Development Studies
PNP	Philippine National Police
PPA	Philippine Ports Authority
PSA	Philippine Statistics Authority
PSALM	Power Sector Assets and Liabilities Management
PUI	Patients under Investigation
SAP	Social Amelioration Program
SARO	Special Allotment Release Order
SBWS	Small Business Wage Subsidy
SEC	Securities and Exchange Commission
SSS	Social Security System
SUC	States Universities and Colleges
TESDA	Technical Education and Skills Development Authority
TUPAD	Tulong Panghanapbuhay para sa Ating Disadvantage/Displaced Workers
TWG	Technical Working Group

SGV Values

Who we are:

At SGV, everything starts with our people:

- People who demonstrate integrity, respect and teaming.
- People with energy, enthusiasm and the courage to lead.
- People who build relationships based on doing the right thing.

Our Purpose:

In everything we do, we nurture leaders and enable businesses for a better Philippines.

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