



The Duterte administration's 4-pillar socioeconomic strategy against COVID-19

As of 9 April 2020, for regular updating

PILLAR 1
**Emergency Support
for Vulnerable Groups**



PILLAR 2
**Resources to
Fight COVID-19**



PILLAR 3
**Fiscal and
Monetary Actions**



PILLAR 4
**An Economic
Recovery Plan**



1



Emergency support for vulnerable groups and individuals (initial estimate of P305 billion)

- P205-billion emergency subsidy program for 18 million low-income families in the informal sector.
- P35-billion wage subsidy for employees of small businesses that closed during the enhanced community quarantine (ECQ).
- P30 billion top up for local governments to support vulnerable constituents.
- P16.5 billion for rice programs of the Department of Agriculture (DA) and Department of Trade and Industry (DTI) to increase productivity and boost the buffer stock.
- P10 billion Land Bank of the Philippines emergency loan program for LGUs.
- P2.8 billion additional funding for DA's Survival and Recovery Assistance Program (SURE Aid) for zero-interest loans of up to P25,000 for affected farmers and fishers.
- P2 billion for Department of Labor and Employment (DOLE) cash assistance program for displaced workers and P1.5 billion for Overseas Filipino Workers (OFWs).
- P1-billion for DTI loan program for micro, small, and medium enterprises (MSMEs) and P203 million for enterprise development training and livelihood kits.
- P1.2 billion for Social Security System unemployment benefits.
- P3 billion for Technical Education and Skills Development Authority online upskilling courses for workers.
- Up to P15 million loan assistance from the DA for micro and small enterprises engaged in agriculture and fisheries production.
- Tax benefits, such as exemptions and full deductibility of COVID-19-related donations of medical supplies and relief goods.
- 30-day grace period on commercial rents and moratorium on loan payments of MSMEs falling due within the ECQ period, without additional interest, penalties, or fees.



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2



Marshalling resources to fight COVID-19

(health insurance coverage for all COVID-19 patients; special risk allowance, hazard pay, and personal protective equipment (PPE) for frontline health workers; increased testing capacity; etc.)

- P8 billion, including P2.9 billion from PAGCOR and PCSO and a P150 million (USD 3 million) grant from the Asian Development Bank (ADB); and access to a P5 billion (USD 100 million) World Bank fast-track loan facility for purchasing medical supplies and testing kits.
- P1.8 billion for 1 million personal protective equipment (PPE) sets procured by the Department of Health.
- P420.6 million transferred by PCSO to PhilHealth for medical coverage of all COVID-19 patients.
- 100% medical coverage through PhilHealth for all health frontliners who may contract COVID-19, special risk allowance of 25% of salary plus hazard pay; P100,000 compensation for severe COVID-19 infection; and a P1,000,000 death benefit.
- DTI tasked to ensure unhampered movement of all cargoes to, from, and within the entirety of Luzon and take proactive measures against hoarding, panic buying, and profiteering.
- Allocation of P53.2 million by the Department of Science and Technology for production of test kits developed by the University of the Philippines - National Institute of Health.
- Expedited clearance as well as tax and duty-exempt importation of PPE and medical goods.
- Suspension of statutory requirements to ensure export-oriented manufacturing enterprises of medical equipment and supplies can provide 80% of their daily production to government institutions and hospitals.
- Tax benefits, such as exemptions and full deductibility of donations of cash, critical healthcare equipment, and the use of property for the purpose of fighting COVID-19.
- P511.8-million compensation for private facilities used for the purpose of fighting COVID-19.



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3



Fiscal and monetary actions to finance emergency initiatives and keep the economy afloat (P610 billion of available financing and P220 billion of liquidity infusion)

4



An economic recovery plan to create jobs and sustain growth.

- P310 billion (USD 6.2 billion) additional financing from various multilateral and bilateral sources, such as the ADB and the World Bank.
 - P300 billion available from the *Bangko Sentral ng Pilipinas* (BSP, Central Bank) to purchase government securities.
 - Regulatory relief for BSP-supervised financial institutions (non-imposition of penalties for six months; lowering of interest rate by 50 basis points; 200-basis point reduction of reserve requirement ratio, an estimated additional liquidity of P220 billion into the economy).
 - Extension of tax-compliance and loan payment deadlines; Documentary Stamp Tax exemption of credit extensions or restructuring of loan payments due within the enhanced community quarantine (ECQ) period.
 - Increase of stock purchase volumes of state pension funds (SSS, GSIS) of at least P1 billion to support the Philippine Stock Exchange.
- Interagency task force designing bounce-back plan for post quarantine scenario.
 - Conducted a nationwide survey (with +44,000 respondents) to assess damage to industries, especially micro, small, and medium enterprises (MSMEs). Results used in crafting a bounce-back program with differentiated interventions for various groups (MSMEs vs. large businesses; manufacturing; hospitality; etc.).
 - Continued investment in social and infrastructure programs to help revive and sustain economic growth.



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Pillar	Item	In PHP millions	In USD millions	% of GDP
1 Emergency support to vulnerable groups and individuals (initial estimate of P305 billion)	Emergency subsidy program for 18 million low-income families	205,000.0	4,045.4	1.1
	Wage subsidy for employees of small businesses	35,000.0	690.7	0.2
	DTI loan program for MSMEs for enterprise development training and livelihood kits	1,203.0	23.7	0.0
	DA loan assistance for micro and small enterprises engaged in agriculture and fisheries production	15.0	0.3	0.0
	Additional LGU assistance to support vulnerable sectors	30,000.0	592.0	0.2
	DA and DTI rice programs to boost buffer stock	16,500.0	325.6	0.1
	LANDBANK loan program to LGUs to increase their emergency funding	10,000.0	197.3	0.1
	DA SURE Aid program additional funding for affected farmers and fishers	2,800.0	55.3	0.0
	DOLE assistance to support OFWs	1,500.0	29.6	0.0
	DOLE cash assistance programs to support displaced workers	2,000.0	39.5	0.0
	SSS assistance to cover unemployment benefits	1,200.0	23.7	0.0
	TESDA online programs to upskill workers	3,000.0	59.2	0.0
Subtotal		308,218.0	6,082.2	1.7
2 Marshalling resources to fight COVID-19, including health insurance coverage for all COVID-19 patients, special risk allowance, hazard pay, and personal protective equipment (PPE) for frontline health workers, and increased testing capacity	PAGCOR and PCSO assistance for purchase of medical equipment and supplies	2,900.0	57.2	0.0
	ADB grant to support health measures against COVID-19	150.0	3.0	0.0
	World Bank quick disbursing loan mechanism under the Fast Track COVID-19 Facility	5,000.0	98.7	0.0
	DOH procurement of 1 million pieces of PPE*	1,800.0	35.5	0.0
	PhilHealth medical expenses coverage for COVID-19 patients and assistance to health workers, which includes PhilHealth medical coverage, compensation for sever infection, and death benefit.*	22,185.6	437.8	0.1
	PCSO funding for COVID-19 medical coverage	420.6	8.3	0.0
	DOST and UP-NIH test kits production	53.2	1.0	0.0
	Expedited clearance and tax and duty-exempt importations of PPE and medical goods*	2,701.5	53.3	0.0
	Compensation for private facilities used for the purpose of fighting COVID-19	511.8	10.1	0.0
Subtotal		35,722.7	704.9	0.2
3 Fiscal and monetary actions to finance emergency initiatives and keep the economy afloat	Additional financing from ADB, WB, and various multilateral and bilateral sources	310,000.0	6,117.4	1.7
	BSP purchase of government bonds to fund COVID-19 response measures	300,000.0	5,920.1	1.6
	BSP liquidity infusion into the economy as a result of lowering of interest rates and reserve requirement ratio	220,000.0	4,341.4	1.2
	Extension of tax-compliance deadlines and the exemption from DST for credit extensions or restructuring of loan payments due within the ECQ period*	470.0	9.3	0.0
Subtotal		830,470.0	16,388.2	4.5
Grand total		1,174,410.7	23,175.3	6.3