

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



SENATE

P. S. Res. No. 405

Introduced by Senator Aquilino “Koko” Pimentel III

RESOLUTION
DIRECTING THE COMMITTEE ON TRADE, COMMERCE, AND
ENTREPRENEURSHIP AND OTHER APPROPRIATE
COMMITTEES TO CONDUCT A HEARING, IN AID OF
LEGISLATION, ON THE EFFECTS OF COVID-19 ON PHILIPPINE
TRADE, COMMERCE, AND ENTREPRENEURSHIP, AND THE
POSSIBLE WAYS TO “RESTART” THE ECONOMY DURING AND
AFTER THE “COVID-19 ERA”

WHEREAS, Section 9, Article II of the 1987 Constitution affirms 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, Section 20, Article II of the 1987 Constitution also provides that “The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments.”;

WHEREAS, Section 13, Article XII of the 1987 Constitution further declares that “The State shall pursue a trade policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity.”;

WHEREAS, in December 2019, an outbreak of COVID-19, a mild to severe respiratory illness was reported in Wuhan, China, which has since spread throughout the world, causing a worldwide pandemic;

WHEREAS, at various points in time, different areas in the Philippines have been, and still are, under some form of “community quarantine”, like Modified Enhanced Community Quarantine (MECQ), Enhanced Community Quarantine (ECQ), and General Community Quarantine;

WHEREAS, while a community quarantine is a way to reduce the transmission of the COVID-19 virus, it also adversely affects trade and commerce, as it restricts the movement of people and prohibits so-called “non-essential” businesses and activities;

WHEREAS, during the past quarantine periods, we have seen sharp declines in domestic demand, lower tourism and business travel, trade and production linkages, and other supply disruptions;¹

WHEREAS, according to the National Economic Development Authority (NEDA), with the community quarantines (especially the ECQ), the Philippine economy could sustain P1.1 trillion in losses which is equivalent to 5.3% of the country’s GDP;²

WHEREAS, according to the March 2020 report of NEDA, although food and health related supply chains are sustained, most business sectors such as retail trade and manufacturing services will continue to bear losses;³

WHEREAS, the ECQ immensely caused delays in the supply chain management thereby burying importers and other businesses in unwanted fees and surcharges;⁴

WHEREAS, despite DTI’s support to micro and small businesses through the COVID-19 Pondo sa Pagbabago at Pag-assenso Enterprise

¹ Retrieved from <https://www.adb.org/news/covid-19-outbreak-have-significant-economic-impact-developing-asia> on May 7, 2020.

² Retrieved from <https://news.abs-cbn.com/business/04/30/20/philippines-could-lose-up-to-p1.1-trillion-due-to-covid-19-neda-chief-says> on May 7, 2020.

³ “Addressing the Social and Economic Impact of the COVID-19 Pandemic” retrieved from http://www.neda.gov.ph/wp-content/uploads/2020/03/NEDA_Addressing-the-Social-and-Economic-Impact-of-the-COVID-19-Pandemic.pdf on May 7, 2020.

⁴ Retrieved from <https://www.portcalls.com/business-groups-seek-suspension-of-port-charges-to-cut-logistics-costs/>.

Rehabilitation Fund,⁵ and DOF's Small Business Wage Subsidy program,⁶ Micro, Small and Medium businesses continue to decline, with some businesses already closing down;⁷

WHEREAS, to address and cushion the impact of COVID-19 on all sectors of Philippine trade, commerce, and entrepreneurship, and to effectively "restart" the economy, during and after the "COVID-19 era", there is a need for the government to come up with innovative and supportive measures to help mitigate its economic and social effects;

NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved, as a matter of paramount public interest, to direct the Senate Committee on Trade, Commerce, and Entrepreneurship and other appropriate committees, to conduct a hearing, in aid of legislation, on the effects of COVID-19 on Philippine Trade, Commerce, and Entrepreneurship, and the possible ways to "restart" the economy during and after the "COVID-19 era".

Adopted,


AQUILINO "KOKO" PIMENTEL III

⁵ Retrieved from <https://www.dti.gov.ph/covid19/assistance/> on May 10, 2020.

⁶ Retrieved from <https://www.dof.gov.ph/dof-to-implement-wage-subsidy-program-for-3-4-m-workers-of-small-businesses/> on May 10, 2020.

⁷ Retrieved from <https://www.rappler.com/newsbreak/in-depth/257179-heavy-impact-coronavirus-lockdown-micro-small-medium-enterprises> on May 7, 2020.