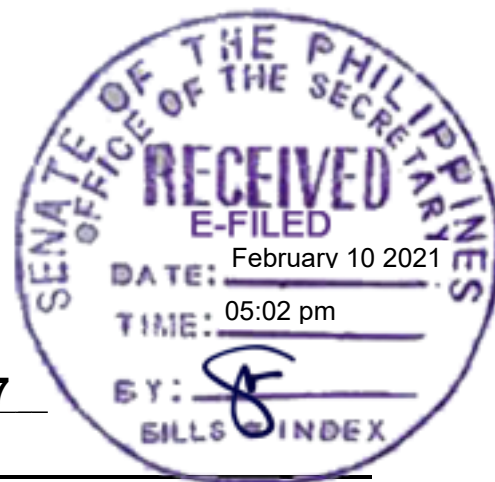


SENATE

Proposed Senate Resolution No. 647



Introduced by Senator FRANCIS N. PANGILINAN

RESOLUTION

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE RELEASE AND UTILIZATION OF APPROPRIATIONS UNDER REPUBLIC ACT NO. 11494, OTHERWISE KNOWN AS THE BAYANIHAN TO RECOVER AS ONE ACT, IN ORDER TO ADDRESS THE CRITICAL GAPS IN THE COUNTRY'S COVID-19 RESPONSE MEASURES**

*WHEREAS*, the deadly COVID-19 pandemic has plunged the country to its worst contraction since World War II, with gross domestic product (GDP) falling by 9.5 percent in 2020, the sharpest drop ever in history.<sup>1</sup> About 4.5 million Filipinos have lost their jobs in 2020 with the unemployment rate at 10.4 percent - the highest in 15 years - due to the pandemic and lockdown measures affecting thousands of businesses;<sup>2</sup>

*WHEREAS*, in terms of economic recovery, the Philippines was ranked at 11<sup>th</sup> place among 14 Asia-Pacific countries behind Hong Kong, Indonesia, and India, and its GDP is expected to be slightly lower next year compared to pre-pandemic levels.<sup>3</sup> According to the International Monetary Fund (IMF), the Philippines could suffer the worst growth decline in the world in the next five years, while the British medical journal The Lancet placed the Philippines in the bottom third of surveyed nations in terms of its COVID-19 management;<sup>4</sup>

*WHEREAS*, various interventions were launched by the government under Republic Act No. 11469 or the "Bayanihan Heal As One Act" (Bayanihan I) and Republic Act No. 11494 or the "Bayanihan to Recover As One Act" (Bayanihan II) to mitigate the transmission of COVID-19 and prevent further loss of lives, as well as reduce the adverse impact of the pandemic on the socio-economic well-being of all Filipinos through the provision of assistance, subsidies, and other forms of socioeconomic relief;

*WHEREAS*, the country's COVID-19 management was perceived as insufficient to address the worst public health and economic crisis in Philippine history. In a study conducted by the Australian think-tank Lowy Institute, released on 28 January 2021, the Philippines ranked 79<sup>th</sup> among 98 nations in the containment of the pandemic;<sup>5</sup>

<sup>1</sup> <https://www.rappler.com/business/gross-domestic-product-philippines-q4-2020>

<sup>2</sup> <https://newsinfo.inquirer.net/1367928/4-5m-pinoys-jobless-in-2020>

<sup>3</sup> <https://business.inquirer.net/307674/delay-seen-in-economic-recovery-from-covid-19>

<sup>4</sup> <https://asia.nikkei.com/Opinion/Duterte-s-COVID-blunders-will-set-the-Philippines-back-generations>

<sup>5</sup> <https://newsinfo.inquirer.net/1389529/ph-ranks-79th-in-covid-19-response-among-98-countries-aussie-think-tank>

**WHEREAS**, the country's COVID-19 vaccine procurement has so far been the slowest in the Asia-Pacific, with London-based Capital Economics noting that the country's "failure to contain the virus and lackluster fiscal support means it will experience once of the slowest recoveries" in the region;<sup>6</sup>

**WHEREAS**, according to the Department of Budget and Management (DBM), a total of P386,142,521,093.00 was released under Bayanihan I,<sup>7</sup> while of the P140 billion authorized allocation under Bayanihan II, P103,237,978,654.00 or 73.74 percent has been released as of 29 December 2020. An additional P5,919,869,985.00 was released from regular funds under the FY 2020 General Appropriations Act (GAA) for a total of P109,157,848,639.00 releases since the enactment of Bayanihan II;<sup>8</sup>

**WHEREAS**, after the expiration of Bayanihan I and before the enactment of Bayanihan II, the DBM released a total of P6,589,293,400.00 from regular agency budgets and Special Purpose Funds under the FY 2020 GAA. An additional P3,282,396,460.00 from regular FY 2020 funds was released since the initial expiration of Bayanihan II. By end of 2020, the DBM has released a total of P505,172,059,592.00 to various government agencies for the country's COVID-19 response measures;<sup>9</sup>

**WHEREAS**, while the releases have been reported by the DBM, there are no updated reports from the implementing agencies on fund utilization rates and program implementation, as well as beneficiaries;

**WHEREAS**, based on DBM data, the national government spent only P3.022 trillion or 7.5 percent less than the programmed fund of P3.268 trillion from January to September 2020;<sup>10</sup>

**WHEREAS**, the delay in the release and distribution of Special Risk Allowance (SRA) and Active Hazard Duty Pay (AHDP) to healthcare workers (HCW) has been a persistent issue and a recurring complaint of HCWs. The release of sickness and death compensation to public and private health workers is also considerably slow with 2,110 remaining checks for issuance, and 6,765 claims still for evaluation as of 21 December 2020;<sup>11</sup>

**WHEREAS**, there were also delays in the release of salaries of contact tracers hired by the Department of Health (DOH) in May and June 2020, with contractual contact tracers remaining unpaid for months;<sup>12</sup>

**WHEREAS**, the lag in the disbursement by the Department of Social Welfare and Development (DSWD) of funds totaling to more than P83 billion, P6.7 billion of which were allocations from the Bayanihan I and Bayanihan II, was the subject of the Senate's Adopted Resolution No. 75;

**WHEREAS**, the Department of Agriculture (DA) and the Department of Transportation (DOTr) are also underspending their budget allocations under Bayanihan II and have been slow not only in terms of release of emergency cash assistance but also

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<sup>6</sup> <https://business.inquirer.net/316094/recovery-at-risk-due-to-slow-covid-vaccine-plan>

<sup>7</sup> <https://www.dbm.gov.ph/index.php/programs-projects/status-of-covid-19-releases#bayanihan-1>

<sup>8</sup> <https://www.dbm.gov.ph/index.php/programs-projects/status-of-covid-19-releases#bayanihan-2>

<sup>9</sup> <https://www.dbm.gov.ph/index.php/programs-projects/status-of-covid-19-releases#summary-of-covid-19-releases-by-agency-and-by-funding-source>

<sup>10</sup> <https://www.manilatimes.net/2021/01/01/public-square/swp-encourages-govt-to-address-underspending/820718/>

<sup>11</sup> President's 4<sup>th</sup> Report on the Bayanihan II Implementation

<sup>12</sup> <https://news.abs-cbn.com/news/09/15/20/contractual-contact-tracers-in-doh-covid-19-surveillance-unit-unpaid-for-months>

in the implementation of their respective COVID-19 related programs, activities, and projects;<sup>13</sup>

**WHEREAS**, the DA fell short of providing cash and food assistance to its targeted 890,794 farmers and fisherfolk registered in the Registry System for Basic Sectors in Agriculture (RSBSA). As of 15 December 2020, only 51,064 beneficiaries received cash assistance while only 44,479 beneficiaries received food assistance. Fund utilization rate of the program was only at 22 percent or equivalent to P1 billion out of the P4.5 billion allocation;<sup>14</sup>

**WHEREAS**, the DA has only utilized P17.5 million out of the P27.7 million total funding under its Urban Agriculture Program, by distributing starter kits to 42,242 beneficiaries out of the target 64,735 beneficiaries. Under its Rice Resiliency Project for Dry Season Program, only P1.37 million out of the P4.5 billion allotted funding has been utilized for the preparation, organization, and procurement of seeds and fertilizers for the project;<sup>15</sup>

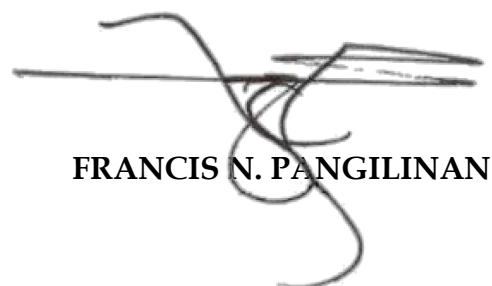
**WHEREAS**, the DOTr, through the Land Transportation and Franchise Regulatory Board (LTFRB), has disbursed cash subsidies of only P779,109,500.00, or 67.09 percent of the P1,161,214,210.00 total allotment for the program, to 119,863 qualified public utility vehicle units nationwide from 16 November 2020 to 21 December 2020;<sup>16</sup>

**WHEREAS**, due to the delays in the release and utilization of funds, as well as implementation of programs, and to give the government the opportunity to carry out its commitments under Bayanihan II, Congress extended the availability of appropriations under the said law until 30 June 2021, with the enactment of Republic Act No. 11519;

**WHEREAS**, as COVID-19 cases continue to rise in the country, which totaled 540,227 as of 09 February 2021, with 29,167 active cases, 499,764 recoveries, and 11,296 deaths, there is an urgent need to staunchly carry through the country's stimulus package and address the identified gaps or shortcomings to ensure the effective, efficient, and timely utilization of funds, as well as to expedite the delivery of programs;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, to direct the appropriate Senate committee to conduct an inquiry, in aid of legislation, on the release and utilization of appropriations under Republic Act No. 11494, otherwise known as the Bayanihan to Recover as One Act, in order to address the critical gaps in the country's COVID-19 response measures.

*Adopted,*



FRANCIS N. PANGILINAN

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<sup>13</sup> President's 4<sup>th</sup> Report on the Bayanihan II Implementation

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*