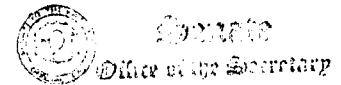


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )



20 MAR 23 P12:06

**SENATE**  
**S. No. 1417**

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Introduced by Senator **SONNY ANGARA**

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**AN ACT**  
**APPROPRIATING THE SUM OF ONE HUNDRED EIGHT BILLION PESOS**  
**(P108,000,000,000) FOR THE 2020 FISCAL STIMULUS PACKAGE TO**  
**ADDRESS THE ECONOMIC IMPACT OF COVID-19**

EXPLANATORY NOTE

On March 8, 2020, President Rodrigo Duterte issued Proclamation No. 922 declaring a state of public health emergency throughout the Philippines after the Secretary of Health confirmed local transmission of the new coronavirus (COVID-19). As of March 16, 2020, there have been 140 confirmed cases and 12 deaths recorded.

To contain the spread of COVID-19, the Philippines has implemented a travel ban covering foreign nationals coming from China, Hong Kong, Macau, the South Korean province of Northern Gyeongsang and all countries which have localized transmission of the viral disease.<sup>1</sup> Further, the government has enforced stringent social distancing measures in the National Capital Region for a period of thirty (30) days starting at 00:00 A.M. of March 15, 2020 until 00:00 A.M. of April 14, 2020. Per guidelines issued by the Office of the President, among measures undertaken is the imposition of a community quarantine which: (a) limits the movement of people to accessing basic necessities and work; and (b) mandating the presence of uniformed personnel and quarantine officers at border points.

As to the economic impact of COVID-19, the Department of Finance estimates that should COVID-19 linger until midyear, revenues for 2020 may decline by P91 billion, potentially causing a budget deficit of 3.6 percent of gross domestic product

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<sup>1</sup> <https://www.cnnphilippines.com/news/2020/3/12/Philippines-expands-travel-ban-to-all-countries-with-local-COVID-19-transmission.html>

(GDP) which is higher than the government's cap of 3.2 percent of GDP. Also, the National Economic and Development Authority (NEDA) said that, for the same period, the COVID-19 outbreak could shave off 0.5 to one percentage point from the GDP growth in 2020. Further, the Bangko Sentral ng Pilipinas (BSP) noted that the widening outbreak of COVID-19 could pose a downside risk to inflation and may also cause a 0.2 to 0.8 percentage point reduction in remittances growth this year.<sup>2</sup> In nominal terms, one percentage point of GDP is equivalent to

Negative effects in various sectors have also been recorded. For travel and tourism, NEDA projects a loss of up to P22.7 billion per month<sup>3</sup> due to 1.42 million reduction in tourist arrivals.<sup>4</sup> For trade, the Department of Trade and Industry has reported supply chain disruptions for the industries of aerospace, airlines, auto parts, bananas, footwear, garments, and iron and steel, as raw materials for factories were either delayed or subjected to quarantine.<sup>5</sup>

There is now an urgent need to provide assistance, necessary safety nets, and to cushion the adverse effects of COVID-19 to the different sectors of our economy.

This bill, which was originally filed by Representative Stella Luz A. Quimbo in the House of Representatives, seeks to create a fiscal stimulus package, to aid the government in addressing the ill-effects of the current public health emergency. Assuming a multiplier of about 1.7, a 108-billion Peso stimulus to the economy will compensate for the expected losses from COVID-19 and keep the economy on track.

In view of the foregoing, the passage of this bill is earnestly sought.

  
**SONNY ANGARA**

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<sup>2</sup> <https://www.philstar.com/headlines/2020/03/11/1999930/economic-team-warns-impact>

<sup>3</sup> <https://www.bworldonline.com/phl-tourism-to-lose-p23-billion-a-month-due-to-covid-19/>

<sup>4</sup> <https://www.gmanetwork.com/news/money/economy/728917/neda-tourist-arrivals-in-the-philippines-to-drop-by-1-42m-amid-covid-19-situation/story/>

<sup>5</sup> <https://business.inquirer.net/292231/outbreak-shuts-down-19-tourism-companies>

20 MAR 23 P12:07

SENATE  
S. No. 1417

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Introduced by Senator **SONNY ANGARA**

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**AN ACT**  
**APPROPRIATING THE SUM OF ONE HUNDRED EIGHT BILLION PESOS**  
**(P108,000,000,000) FOR THE 2020 FISCAL STIMULUS PACKAGE TO**  
**ADDRESS THE ECONOMIC IMPACT OF COVID-19**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

1 SECTION 1. *Short Title.* - This Act shall be known as the "Economic Rescue Plan  
2 for COVID-19."

3 SEC. 2. *Supplemental Appropriations.* - The sum of One Hundred and Eight  
4 Billion Pesos (P108,000,000,000.00) is hereby appropriated out of any funds in the  
5 National Treasury not otherwise appropriated, as additional funding and budgetary  
6 requirements for the Fiscal Year (FY) 2020 budget.

7 SEC. 3. *Establishment of an Inter-Agency Task Force.* - An Inter-Agency Task  
8 Force for the 2020 Fiscal Stimulus Package is hereby established to develop the fiscal  
9 stimulus package and manage the use of funds, to be headed by the National  
10 Development and Economic Authority (NEDA), with representatives from the  
11 Department of Tourism (DOT), Department of Labor and Employment (DOLE),  
12 Department of Trade and Industry (DTI), Department of Finance (DOF), and  
13 Department of Budget and Management (DBM).

14 SEC. 4. *Funding and Budgetary Requirements for the Fiscal Stimulus Package.*  
15 - The sum of One Hundred and Eight Billion Pesos shall be appropriated as a stimulus  
16 package for those affected by the 2019 novel coronavirus. It shall be allocated as  
17 follows:

18 (a) Forty-three Billion Pesos (P43,000,000,000.00) for assistance and promotion  
19 of the tourism sector

1 (b) Fifteen Billion Pesos (₱15,000,000,000.00) for assistance to displaced  
2 workers, including but not limited to emergency employment assistance and  
3 transportation vouchers

4 (c) Fifty Billion Pesos (₱50,000,000,000.00) for assistance to businesses,  
5 including but not limited to loan packages and subsidies

6 Upon recommendation of NEDA, the Inter-Agency Task Force may adjust the  
7 allocation of the fund. In event of any adjustment, a report to Congress must be made  
8 and the reallocation must be published.

9 *SEC. 5. Use and Release of Funds.* – The amount to be appropriated shall be  
10 released by the Department of Budget and Management to the relevant agencies of  
11 the Inter-Agency Task Force in accordance with budgeting, accounting and auditing  
12 laws, rules and regulations. The DBM and NEDA, in coordination with the Inter-Agency  
13 Task Force, shall issue the guidelines necessary for the proper expenditure of this  
14 budget.

15 *SEC. 6. Monitoring of Economic Impact.* – NEDA shall continue to estimate and  
16 monitor the impact of the 2019 novel coronavirus on the economy in order to ensure  
17 the proper use of funds, and submit a quarterly report to Congress.

18 *SEC. 7. Applicability of General and Special Provisions in the FY 2020 General*  
19 *Appropriations Act.* – The amount herein provided shall be used for the purpose  
20 indicated and subject to the relevant general and special provisions under Republic  
21 Act No. 11465 or the FY 2020 General Appropriations Act.

22 *SEC. 8. Availability of Appropriations.* – The appropriations authorized in this  
23 Act shall be available for release and obligation for the purpose specified from the  
24 date of the effectivity of this Act until fully spent.

25 *SEC. 9. Separability Clause.* – If any provision of this Act is declared  
26 unconstitutional or invalid, the remainder of the provisions thereof not affected shall  
27 remain in force and effect.

28 *SEC. 10. Effectivity Clause.* – This Act shall take effect immediately upon its  
29 publication.

*Approved,*