

Comments and Recommendations on PRRD's April 6 Report on the Implementation of the Bayanihan Act (RA 11469)

Senator Joel Villanueva

Here are our comments and recommendations on the current measures being implemented to address the COVID-19 pandemic and mitigate its impact:

- 1. According to the April 6 Bayanihan Act Report, the priorities¹ of the government are aligned with a national action plan. We request for the disclosure of the said plan, with detailed timelines, targets, and breakdown of financial requirements.**

While the Report cited provision of emergency assistance to affected sectors and securing facilities and resources for the health sector as among the key priorities, they do not contain a clear national response- and impact-mitigation plan to undertake COVID-19 response operations and social programs which is crucial for the systematic monitoring of the government's priorities and available resources during the State of Emergency.

- 2. We also hope to see a concrete plan to (i) encourage production or accreditation of test kits, (ii) undertake systematic contact tracing and mass testing, and (iii) expand the health sector's capability to conduct tests, to bring this COVID-19 outbreak under control.**

As of April 8, 2020 (4:00 PM), the Philippines has recorded a total of 3,870 confirmed COVID-19 cases. With an average of 7.64% daily growth rate of infections, the country clearly needs to trace and test more people.²

On Expedited Accreditation of Test Kits: The FDA reports that as of April 3, 2020, 276 (76%) of 363 applications for COVID-19 test kits certification are either disapproved or have pending requirements for compliance. The next report should include steps undertaken to encourage more applicants as well as support provided to those with pending requirements. Moreover, we also hope to see a clear figure on the target number of test kits needed.

On Contact Tracing and Mass Testing Strategy: With the field implementation of 26,000 tests by DOST and delivery of a total 100,000 test kits to 8 COVID-19 testing laboratories, a clear strategy to maximize the benefits of these test kits (e.g. contact tracing, mapping of population to cover in the mass testing) should be crafted.

For instance, a total of 19,315 individuals have been tested for COVID-19 as of April 3, 2020. However, the Report does not explain how these tests are distributed across the 186 cities and municipalities with recorded COVID-19 cases,³ nor state the target number of tests to be conducted in these locations.

¹ These priorities are to: (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

² <https://ncovtracker.doh.gov.ph/>; From <https://covid19stats.ph/>; Accessed April 9, 2020

³ Ibid

On Enhancing Capability to Conduct Tests: The DOH aims to increase the capacity for COVID-19 testing by 8 to 9 times its current performance: from 900 to 1,200 tests conducted at present to 8,000 to 10,000 tests a day by the end of April 2020.

However, no detailed plan to increase the availability and capacity of testing centers was presented in the Report. Specifically, the Report says that DOH has accredited 8 COVID-19 testing laboratories (4 in NCR, and 1 each in the cities of Baguio, Cebu, Davao, and Iloilo) while 63 more are under assessment or validation. We would like to emphasize the need to swiftly provide adequate testing centers or laboratories in other areas with the highest number of cases next to NCR, but do not have accredited testing laboratories yet: these are CALABARZON (215 cases), Central Luzon (75 cases), and Cagayan Valley (40 cases).⁴

Perhaps the DOH can explore other options such as partnering with State Universities and Colleges (SUCs) or other establishments for the use of their laboratories in testing COVID-19 samples from PUIs.

- 3. With the expanded testing, ensuring availability of isolation units and/or quarantine facilities for more Persons Under Investigation (PUIs) and Persons under Monitoring (PUMs) that would have had contact with the new confirmed cases, logically follows.**

According to the Report, as of April 2, 2020, 12,324 barangays have designated Barangay Isolation Units or Barangay Special Care Facilities that will house PUIs in their respective jurisdiction. This means that there are 29,721 remaining barangays that have not yet designated any isolation or special care facilities.⁵

Note, already 16 out of 17 regions have recorded confirmed COVID-19 cases and it is important that isolation units are widely available. We also want to see in the next report the assistance given to LGUs in identifying or establishing isolation units by relevant government agencies, including DOH, DILG and DPWH.

- 4. Relevant to items (2) and (3), we hope to see in the next Bayanihan Act implementation reports key COVID-19 statistics relevant to the health sector. Specifically, the next reports should present (i) the socio-demographic and geographical breakdown (by LGU, and by facility) of COVID-19 patients (including recovered and diseased), PUIs, and PUMs, (ii) the geographical distribution of tests (actual and target), and (iii) the distribution and total capacity of isolation units, quarantine facilities, and COVID-19 referral hospitals.**

⁴ <https://covid19stats.ph/stats/by-location>; Accessed April 7, 2020

⁵ https://dilg.gov.ph/PDF_File/factsfigures/dilg-facts-figures-2020127_343f8ae2b8.pdf

5. **In order to improve our COVID-19 case recovery rate (which is among the lowest in ASEAN) we need to (i) provide much-needed healthcare equipment, (ii) augment health human resources, and (iii) decongest hospitals by rolling out telehealth or telemedicine.**

According to the combined data of Johns Hopkins University (JHU) and the DOH⁶, the recovery rate of patients diagnosed with COVID-19 disease in the Philippines is only 2.48%. This is way lower compared to the world average of 22.2%, and even worse compared to the ASEAN average of 28.3%.⁷ Hence, there is a clear need to also provide direct support to hospitals, on top of reimbursing them of their PhilHealth claims.

On Needs for Mechanical Ventilators: The Report cites that the total number of mechanical ventilators in the inventory of Level 2 and Level 3 hospitals, both private and public, is 1,263. However, there is no indication as to whether or not this number is adequate, whether there are plans to augment this number, the timeline for their procurement and hospitals or areas where these additional ventilators will be channeled. This reminds us of a DOST project conceived last 2018, to develop rapidly produced ventilators developed by the DOST called Ginhawa (Reliefvent), to increase the supply of low-cost emergency ventilators for ICU patients.⁸ Its distribution is very much useful for the current emergency situation. We hope that the next report of the President includes a discussion on how our government has rolled-out the distribution or mass production of this DOST-supported mechanical ventilators.

According to a study, 10 percent of COVID-19 patients who develop shortness of breath require mechanical ventilation to supplement their breathing.⁹ In China, for instance, 25 percent of hospitalized COVID-19 patients needed beds in intensive care units fitted with ventilators.¹⁰ If we are not able to supply the need for more inexpensive, rapidly produced ventilators, then we may lose a significant amount of the infected population to Acute Respiratory Distress Syndrome caused by COVID-19.

On Expanding Health Human Resource: We hope to see in the next report the tally of number of health workers at risk of infection or death due to COVID-19. While the Report cites a total of 172,744 active Human Resource for Health, we would like to know what portion of these workers are deployed in the 55 COVID-referral hospitals, which have been designated for activation across the country, as well as any estimated shortage in health workers.

We would also like to know the current efforts of the government to augment the number of medical personnel, especially in the 55 COVID-19 referral hospitals.

⁶ <https://covid19stats.ph/stats>; Accessed April 9, 2020

⁷ Ibid

⁸ <http://www.pchrd.dost.gov.ph/index.php/news/6410-ginhawa-reliefvent>

⁹ <https://health.ebsco.com/blog/article/clinical-progression-and-recovery-of-patients-with-covid-19>

¹⁰ <https://spectrumnews1.com/ky/lexington/coronavirus/2020/03/27/coronavirus--the-fight-to-breathe>

On Telemedicine/ Telehealth: We commend the launch of the 24/7 telemedicine hotline available for medical consultations. We recommend, however, including options outside landline—such as a cellphone number or a viber line. Data from PSA shows that while there were only 3.8 million fixed line telephone subscribers, there were a total of 126.5 million mobile phone subscribers in the country in 2016.¹¹

We also hope to see in the next report more information on PhilHealth support. We hope to know the reason behind (i) PhilHealth covering full cost of COVID-19 treatment only until April 14 (even when the lockdown is in place for at least until April 30), and why (ii) only Php 2.5 billion out of the prepositioned Php 27 billion PhilHealth funds has been released to hospitals as of April 2.

6. The lockdown has been in place for over three (3) weeks and has inevitably resulted in the loss of livelihood for many. We call for a swifter and clearer distribution of the Emergency Subsidy Program (ESP) for 18 million Filipino households, and recommend providing wage subsidies to all workers in Micro, Small, and Medium Enterprises (MSMEs).

The Emergency Subsidy Program (ESP), which gives a subsidy of Php5,000 to Php8,000, in cash or in kind, for each month for two months to 18 million families,¹² is a component of the Bayanihan Act heavily expected by the public. With a Php200-billion budget, it is the largest direct financial assistance program granted by the government in Philippine history.

Profiling and Monitoring of Beneficiaries: According to the Joint Memorandum Circular No. 1, S. 2020, the subsidies under the ESP shall be distributed through numerous social programs¹³ of the government. However, it does not seem to adopt a clear mapping or economic or geographical profiling of the target 18 million Filipinos. There is also no clear mechanism to guarantee their coverage in at least one of the listed social amelioration program.

Experiences on the ground show that the limited release of Social Amelioration Cards in the barangays due to the “quota system” in the ESP has caused the exclusion of some poor households identified by the LGUs as households needing assistance. DSWD must adopt a bottom-up approach and properly consult with the LGUs in identifying the beneficiaries. We note that in this crisis, coverage of support is crucial and time is of the essence. Hence, we suggest exploring distributing ESP on a one-time basis with a wider coverage. Another option is that instead of individual targeting of households, we target specific areas that will receive assistance and provide everyone in the area with assistance.

¹¹ <http://boi.gov.ph/wp-content/uploads/2018/02/Telecommunications-Infrastructure-January-2018.pdf>

¹² From the streamlined social programs of Department of Social Welfare and Development (DSWD), Department of Agriculture (DA), Department of Labor and Employment (DOLE), and LGUs

¹³ These are (i) Food and Non-Food Items (FNI) Distribution, (ii) Php 3,000 to Php 5,000 Assistance to Individuals in Crisis Situation (AICS), (iii) Livelihood Assistance Grants (LAG), (iv) Php 5,000 COVID-19 Adjustment Measures Program (CAMP), (v) Tulong Panghanapbuhay sa Ating Displaced/Disadvantaged Workers—Barangay Ko, Bahay Ko Disinfection/Sanitation Project (TUPAD-BKKB), (vi) COVID-19 P3-Emergency Relief Fund, (vii) Cash Assistance for Rice Farmers, (viii) Survival and Recovery (SURE) Assistance for Marginalized, Small Farmers, and Fishers, (ix) Recovery Package for Micro and Small Enterprises Engaged in Agriculture and Fisheries Food Production, and other Supply Chain Activities in Accordance with the Agripreneurship Development Fund/Program of the ACPC, (x) Expanded and Enhanced Pantawid Pamilyang Pilipino Program (4Ps), and Livelihood Seeding Program/ Negosyo Serbisyo sa Barangay.

We also recommend that the DSWD and other concerned agencies establish a mechanism to have a real time monitoring of the disbursements of funds for the Social Amelioration Programs, as well as real time data on the names and locations of the beneficiaries to promote transparency in the distribution of assistance to the beneficiaries.

On Implementation of CAMP and TUPAD Programs for Workers: Only 23% of 630,000 workers¹⁴ affected by temporary closures, flexible work arrangements (FWA) or ECQ, have benefitted from COVID-19 Adjustment Measures Program (CAMP) and Tulong Panghanapbuhay sa Ating Displaced/Disadvantaged Workers—Barangay Ko, Bahay Ko Disinfection or Sanitation Project (TUPAD-BKBK) as of March 31, 2020.¹⁵ According to the Report, the CAMP and TUPAD-BKBK Programs have benefitted 88,388 and 55,934 workers, respectively, or only 144,322 in total.

The guidelines for the CAMP and TUPAD BKBK have been issued since March 17 and March 18, 2020, respectively. Considering the target 1.24 Million¹⁶ beneficiaries of these programs, we want to know the roadblocks in their implementation, and DOLE's strategy in ensuring that all the intended beneficiaries are given assistance on time.

On Subsidizing Wages of Workers in MSMEs. On top of CAMP and TUPAD, we propose subsidizing the wages of the 5.7 million workers in the MSME sector, which is heavily affected by the ECQ. This way, the government can provide assistance both to MSMEs and their workers faster (through their payroll system). Our calculation shows that shouldering 30% of their minimum wage is going to cost Php15.9 billion. The amount of wage subsidy, which is a percentage of the applicable minimum wage, may be subject to increase, depending on the duration of the quarantine period.

¹⁴ 460,768 from the formal sector, and 169,232 from the informal sector;
<https://www.philstar.com/headlines/2020/04/02/2004922/workers-displaced-due-quarantine-hit-630000>

¹⁵ Ibid.

¹⁶ Briefer dated April 6, 2020 submitted by DOLE to the Office of Senator Villanueva.

7. Given the huge role LGUs play in rendering full assistance to the affected communities, we need to ensure their access to available financial resources and relax policies on movement of basic goods.

Financial Resources for LGUs: We fully support the release of "Bayanihan Grant to Cities and Municipalities," a funding assistance to cities and municipalities for their COVID-19 measures and relief efforts, equivalent to 1-month of their IRA or Php30.824 billion in total. We also hope to get updates on the number of provincial, city, and municipal governments who have received emergency funding under the Php10 billion-Help via Emergency Loan Assistance for LGUs (HEAL) Lending Program.

On Relaxing Movement of Basic Goods: To help LGUs, we suggest (i) establishing a fast lane for large vehicles transporting agricultural products that augment the relief operations of LGUs, and (ii) exempting such cargoes from toll fees. The DILG must also closely intensify its information dissemination regarding the unhampered movement of essential goods and cargoes and coordinate with all LGUs regarding this policy. We hope to see in the next Report that 100% of all LGUs have already complied with this policy (compared to the current 86% compliance rate of LGUs).

We must also relax the movement of logistics companies to facilitate the distribution or deliveries (e.g. Lazada and grocery deliveries) to operate with close monitoring of virus spread thru regular testing. Making the entry of cargoes more accessible can also help secure food supply in areas under quarantine. We recommend looking into how locators in export-processing zones can still conduct their manufacturing operations under close monitoring, to boost production of basic commodities.

On Filing of Charges to LGUs: While we understand the rationale for ensuring compliance to the national guidelines on Community Quarantine, we hope that investigation and filing of charges by the NBI against LGU officials are done in a prudent manner to ensure that LGUs continue to be sensitive and responsive to the needs of their constituents.

On Ensuring Peace and Safety: As the DILG has ordered law enforcement agencies to intensify efforts to ensure peace, public order, and safety, we hope to see clearer policy on peaceful dispersal of communities or groups who violate community quarantine guidelines. Specifically, we hope to see a report on the incident that happened last April 1, when urban poor individuals in Brgy. San Roque, Quezon City, were violently dispersed. Even the DOJ itself has said that, "during abnormal times like these, when people are prone to commit mistakes or violations of the law, the DOJ will temper the rigor of the law with human compassion."¹⁷ However, the arrested protesters were still made to pay Php17,500 each for their bail. We also hope to see a report on the actions taken by law enforcement agencies on the reported stoning of families infected by the COVID-19 virus and other similar incidents.¹⁸

¹⁷ interaksyon.com/politics-issues/2020/03/26/165133/is-compassion-for-everyone-doj-asked-over-inaction-on-pimentels-protocol-breach/

¹⁸ <https://news.mb.com.ph/2020/04/05/stoning-of-residence-of-family-being-ravaged-by-covid-19-condemned/>

8. We suggest that the roll out of loans or assistance to keep Micro, Small, and Medium Enterprises (MSMEs) afloat even before the end of Enhanced Community Quarantine (ECQ).

Data from the Department of Trade and Industry (DTI) shows that 633,886 or 99% of the total 637,277 business establishments in Luzon are categorized as Micro, Small, and Medium Enterprises (MSMEs). These constitute 63% of MSMEs in the country and employ a total of 3.8 million workers.

MSMEs are grappling with the impact of COVID-19 on their operations. The ECQ imposed in the entire region has caused not only lack of workforce but also loss of buyers and suppliers, and higher costs of logistics and materials. While the DTI has already issued a moratorium on payment of loans and commercial rents, temporarily relieving MSMEs of these payment obligations may not be adequate as a lifeline.

Hence, financing support such as DTI's Php1 billion - *Pondo Sa Pagbabago at Pag-asenso* Enterprise Rehabilitation Financing (P3-ERF), must be available even before the pandemic is over,¹⁹ on the condition that they keep their employees and continue to pay their salaries.

Under the P3-ERF Program, micro enterprises with asset size of not more than Php3.0 million may borrow Php10,000 up to Php200,000, while small enterprises with asset size of not more than Php10 million may borrow a higher loan amount but will not exceed Php500,000 at an interest rate of 0.5%.

Such effort to shield MSMEs by helping them sustain their operations (especially amidst potential extension of the ECQ) is also consistent with the recognition that MSMEs play a crucial role in fulfilling the government's Ten Point Socioeconomic Agenda and in the Philippines' growth resurgence.

9. We should take note of the early lessons from the global COVID-19 health emergency, and unlock data to improve public policy.

The experience shows that the delivery of targeted programs and services down to the barangays, while at the same time containing the spread of the virus, heavily depends on a reliable mapping and modeling of households at the barangay level. As the government plays a huge role in crisis management, we must take this as a lesson to improve our LGU- and barangay- profiling, for any other similar future event.

As said earlier, data management is also clearly crucial for the health sector. Epidemiologists, statisticians, economists, and other experts have been calculating their own projections and estimates (e.g. incidence of virus infection, cost of lockdown, etc.), whose accuracy also depend on granular data collected and disclosed by the government. We believe that increasing data transparency can help improve public policy.

¹⁹ According to the March 30 Report, the DTI is preparing for the implementation of its P3-ERF, which is expected to roll out only upon lifting of the quarantine restrictions.