Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6815


AN ACT
ESTABLISHING AN ECONOMIC STIMULUS STRATEGY FOR THE COUNTRY’S GROWTH AND DEVELOPMENT IN THE AFTERMATH OF COVID-19, PROVIDING FUNDS THEREFOR

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

CHAPTER I: General Provisions

SECTION 1. Short Title. - This Act shall be known as the “Accelerated Recovery and Investments Stimulus for the Economy of the Philippines” or ARISE Philippines Act.

SEC. 2. Declaration of Policy. - It shall be the policy of the State to protect Filipino families and jobs, assist workers and business entities facing hardship due to the 2019 Novel Coronavirus disease, hereinafter referred to as COVID-19, and preserve the country’s trajectory to economic prosperity. These resources shall also support the whole-of-nation transition toward a low emissions and climate-resilient future.

Towards these ends, the State shall set aside resources for programs and policies that support the country’s emergence from an economy adversely affected by COVID-19 towards one of continued growth and sustainable development, taking into consideration other emerging threats and our environment and resource base.

SEC. 3. Definition of Terms. – As used in this Act,
a. **Business entity** refers to sole proprietorship duly registered with the Department of Trade and Industry (DTI), a partnership duly registered with the Securities and Exchange Commission (SEC), a corporation duly organized and existing under Philippine laws, a branch of a foreign corporation duly licensed to do business in the Philippines, electric cooperatives registered under the National Electrification Administration, or cooperatives governed by Republic Act No. 9520 otherwise known as the Cooperative Code of the Philippines, as amended; or Microfinance Nongovernmental Organizations as governed by Republic Act No. 10693, otherwise known as the “Microfinance NGOS Act”;

b. **Community Quarantine** (CQ) refers to the enhanced community quarantine imposed in the entire Luzon area under Presidential Proclamation No. 929 dated 16 March 2020, as may be extended or modified pursuant to such other laws, presidential proclamations or executive orders that may be subsequently issued or promulgated for the purpose of containing the spread of COVID-19;

c. **Critically impacted businesses** refer to non-essential businesses that have been directly and adversely impacted by the COVID-19 outbreak such that (i) their liabilities have become more than their assets, or (ii) they have experienced at least a fifty percent (50%) decline in gross receipts for at least one calendar quarter, and in either instance, are generally unable to pay or perform their obligations as they fall due in the ordinary course of business, as a result of the COVID-19 outbreak. For purposes of this Act, critically impacted business shall include the transport industry, tourism industry, and globally-oriented manufacturing and services firms that sell to the export market, local market, or both, but shall exclude banks and other financial institutions under the supervision of the **Bangko Sentral ng Pilipinas** (BSP);

d. **Fiscal stimulus** refers to any increase in government spending undertaken to support economic growth, including temporary tax revenue losses arising from regulatory forbearance adopted by the government;
e. **Freelancer** refers to a worker who is self-employed and is not necessarily committed to, or does not exclusively work for, a particular employer for a specific period;

f. **Mass testing** refers to testing of all individuals by methods registered with and authorized by the Food and Drug Administration (FDA) who are at high risk of contracting COVID-19 infection, more particularly, but not limited to (1) suspect cases, (2) individuals with relevant history of travel or exposure or contact, whether symptomatic or asymptomatic; (3) healthcare workers with possible exposure, whether symptomatic or asymptomatic; (4) workers who are returning to work or to their place of employment; and (5) individuals with co-morbidities like old age, diabetes, hypertension and cancer; and (6) other high-risk population group;

g. **Micro, small, and medium-scale enterprise** (MSME+) refers to any business activity or enterprise engaged in industry, agribusiness, and/or services, excluding banks and other financial institutions under the supervision of the BSP, whether self-employed professional, sole proprietorship, cooperative, microfinance nongovernmental organizations, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land in which the particular business entity's office, plant, and equipment are situated, must have a value falling under the following categories:

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Provided, That, for purposes of this Act, a Startup shall be considered an MSME+:
Provided, further, That in case information on value of assets is not available, then enterprise size will be determined by the number of employees, as follows:
Micro  1 to 9 employees
Small  10 to 99 employees
Medium 100 to 199 employees.

Negosyo Centers refer to one-stop shop centers established in provinces, cities, and municipalities that are mandated to promote ease of doing business and access to services for MSMEs, among others, pursuant to Republic Act No. 10644 or the “Go Negosyo Act”;

Non-essential businesses (NEB) refer to business entities engaged in businesses which are not allowed to operate during the CQ under applicable laws, presidential proclamations, or executive orders issued or promulgated for the purpose of containing the spread of COVID-19. The term excludes business entities allowed to operate during CQ such as those related to: (i) the production and sale of goods, or provision of services related to food, medicine, health supplies, such as public markets, supermarkets, groceries, convenience stores, hospitals, medical clinics, pharmacies, and drug stores, (ii) food preparation and delivery services, water refilling stations, manufacturing and processing plants of basic food products and medicines, (iii) banks and financial institutions under the supervision of the BSP, and (iv) utility services involving power, energy, water and telecommunications;

Overseas Filipino Worker refers to a person who is engaged or has been engaged in a remunerated activity in a state where the person is not a citizen, or on board a vessel navigating the foreign seas other than a government ship used for military or noncommercial purposes, or on an installation located offshore or on the high seas;

Self-Employed refers to workers who render services or sell goods as a means of livelihood outside of an employer-employee relationship or as a career;

Startup refers to any person or registered entity in the Philippines which aims to develop an innovative product, process, or business model, as defined under Republic Act No. 11337, otherwise known as “Innovative Startup Act”;

6
m. *Tourism enterprises* refer to facilities, services and attractions involved in tourism, such as, but not limited to: travel and tour services; tourist transport services, whether for land, sea or air transportation; tour guides; adventure sports services involving such sports as mountaineering, spelunking, scuba diving, and similar sports activities of significant tourism potential; organizers of conventions and other similar live events subject to accreditation of the Department of Tourism; accommodation establishments, including, but not limited to, hotels, resorts, apartelles, tourist inns, motels, pension houses, and home stay operators; tourism estate management services, restaurants, shops and department stores, sports and recreational centers, spas, museums and galleries, theme parks, convention centers and zoos; and

n. *Transportation Industry* refers to the business sector engaged in transporting paying passengers and freight by air, land and sea, and includes the domestic airline companies registered with the Civil Aeronautics Board (CAB), and such business entities engaged in the business of trucking, shipping, and railroad.

SEC. 4. General Principles of Economic Interventions. - The economic interventions provided for in this Act shall provide immediate relief to critically impacted businesses and non-essential businesses. The economic interventions aim to reduce permanent damage to the economy, maintain employment levels and have a demonstrable capacity to support economic output and preserve the country's productive capacity.

These interventions shall be guided by the following principles:

a. Continuity: Relief to non-essential businesses shall be for purposes of preventing business closure, restoring business confidence, and reinstating operations of business entities to similar levels prior to CQ;

b. Compensatory: non-essential businesses shall be reasonably and comparably recompensed for business expenses incurred, including wages and salaries, which would have been otherwise borne by the government during the CQ;

c. Capacity-building: Assistance to business entities, local government units (LGUs), and the workforce which includes the freelancers and members of the
informal sectors, shall be for the purpose of building the capacity of these entities to adjust to post CQ business environment and achieving national resilience to future economic shocks or recession; and

d. Proportionality: The individual and aggregate amounts of the economic stimulus shall be proportionate to the corresponding industry economic objectives and the national economic target.

SEC. 5. Types of Economic Interventions. - The economic interventions shall be classified as follows:

a. Transitional: Transitional interventions are economic relief that shall be implemented to mitigate the permanent damage by the Covid-19 crisis to the economy and maintain employment levels of the corresponding sector or industry. Transitional interventions shall be immediate and limited to a specific period.

b. Financial: Financial interventions are economic relief that are intended to accelerate recovery and improve economic performance of business entities by broadening and increasing financial and credit access. Such intervention may be in the form of loans and loan guarantees.

c. Sectoral: Sectoral interventions are economic relief intended for specific sectors or industries, such as MSME+, tourism, agriculture and any other critically impacted businesses. Such interventions may or may not be limited to a specific period.

d. Structural: Structural interventions are measures designed to accommodate, close gaps in, or improve any sector or industry through an institutionalized mechanism or entity. A structural intervention aims to reinforce resilience of the economy as well as the business entities in the event of future crisis or recession. Structural interventions shall not be limited to any specific period, unless otherwise provided in this Act.

CHAPTER II: General Intervention

SEC. 6. Mass COVID-19 Testing. - To facilitate faster economic recovery and ensure safe working environment, mass testing for COVID-19 shall be conducted
immediately in areas in the country where higher possibility of transmission of COVID-19 may occur or have occurred.

The Department of Labor and Employment (DOLE), in joint coordination with the Department of Trade and Industry (DTI), shall prescribe a COVID-19 disease surveillance protocol that shall define minimum health standards for workplaces and business activities which shall include COVID-19 testing and contact tracing. Such disease surveillance protocol shall consider, and be consistent with, the protocols and guidelines prescribed by the Department of Health (DOH). The Department of the Interior and Local Government (DILG) shall procure and distribute the test kits for COVID-19, including facilities, equipment and the necessary supplies, and shall hire the required medical personnel for the proper implementation of the disease surveillance protocols in testing centers and areas. For this purpose, procurement by the DILG shall be done in the most expeditious manner and shall be exempted from the provisions of Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act”, and other relevant laws. Distribution of the test kits, facilities, equipment, and the necessary supplies shall be supervised and monitored by the Economic Stimulus Board.

The DILG shall identify and prioritize the areas and business activities critically impacted and severely affected by the COVID-19 and with high probability of COVID-19 transmission, and coordinate with the relevant LGUs and government agencies for the implementation of the COVID-19 surveillance protocol. Testing kits shall be made available to LGUs and government agencies for distribution to public and private institutions and enterprises. The LGUs and other government agencies, under the guidance and supervision of the DTI, DOLE, and the DILG, shall adopt the disease surveillance protocol, conduct area-based and workplace testing, and monitor compliance with the minimum health standards prescribed to protect the continued health of the general public, and ensure that there will be safe resumption of work in the private and government sectors, delivery of government functions and services, and economic activity in all the industries in the country.
Mass Covid-19 testing shall be conducted no later than thirty (30) days from the effectivity of this Act.

The amount of Ten billion pesos (Php10,000,000,000.00) is hereby appropriated for this Section for Fiscal Year 2020 and another Ten billion pesos (Php10,000,000,000.00) for Fiscal Year 2021.

The DILG, in consultation with the DOLE and DTI, shall issue the implementing rules and regulations for this Section, within (ten) 10 days after the effectivity of this Act.

CHAPTER III: Transitional Interventions

SEC. 7. Wage subsidies. - Wage subsidies shall be provided to non-essential businesses, free-lancers, the self-employed, and repatriated OFWs.

a. The DOLE shall offer wage subsidies amounting to at least fifty percent (50%) but not more than seventy-five percent (75%) of the basic salary costs of a non-essential business subject to the following conditions:

i. The wage subsidy shall cover the basic salary or compensation of the rank and file personnel regardless of employment status and shall exclude the senior and executive officers of the relevant business entities;

ii. In determining the basic salary cost of a non-essential business, the maximum monthly salary of an employee shall not exceed Fifteen thousand pesos (PhP15,000);

iii. The wage subsidy shall be based on the number of rank and file employees at the time of the imposition of the CQ;

iv. The wage subsidy shall only be provided for a period of two (2) months;

v. For the duration of the wage subsidy, a non-essential business entity must retain such number of employees or workers in proportion to the percentage of wage subsidy to basic salary cost as offered under this Section, excluding those employees whose employment are terminated for just causes provided under Presidential Decree No. 442, as amended, otherwise known as the “Labor Code of the Philippines”, and those employees who voluntarily terminated their employment and taking into
account the limitations on work arrangements prescribed under the
COVID-19 health and social distancing standards.

The maximum wage subsidy shall be offered to critically impacted businesses
and those that support priority government undertakings such as the Build, Build,
Build program.

b. The DOLE shall provide wage amelioration directly to freelancers,
professionals, domestic seafarers, and the self-employed through an open-
application window system: Provided, That the amount of wage amelioration
shall not be more than seventy-five percent (75%) of the applicable minimum
wage and only for a maximum period of two (2) months.

c. The Overseas Workers Welfare Administration (OWWA) is mandated to use
its available funds to extend livelihood support to repatriated and displaced
OFWS.

d. The DOLE shall provide unemployment benefits to OFWs who were
repatriated, whether voluntarily or mandatorily, including those whose
deployment to other countries were prevented, as a result of COVID-19, to aid such
OFWs in job search: Provided, That the maximum amount for such OFW
unemployment benefits shall be equivalent to Fifteen thousand pesos
(Php15,000.00) every month until the recipient OFW finds gainful employment but
only for a period not exceeding two (2) months.

The Social Security System (SSS), Bureau of Internal Revenue (BIR), and the
DOLE shall establish a central database to avoid duplication of application for and
to track distribution of wage subsidies, and for other purposes.

The amount of One hundred ten billion pesos (Php 110,000,000,000.00) is
appropriated for this purpose.

The DOLE shall issue the implementing rules and regulations for this
Section, within (ten) 10 days after the effectivity of this Act.

SEC. 8. Assistance to Displaced Workers, Technical and Vocational Learners -
To provide temporary employment to displaced workers, the DOLE shall expand the
Tulong Panghanapbuhay sa Ating Displaced/Disadvantaged Workers (TUPAD), its
community-based disinfection and sanitation program, by including workers from
the informal sector who have lost their livelihood or whose earnings were affected
due to the CQ. Under the enhanced TUPAD, displaced workers shall be required to
work as may be prescribed under the guidelines of TUPAD, and may likewise
include work of disinfecting and sanitizing their houses, the immediate vicinity, and
the common areas in their communities and any other COVID-19 related work.
Such workers shall be paid wages equivalent to the prevailing minimum wage in
the region. The amount of Twenty-five billion pesos (Php 25,000,000,000.00) is
appropriated for the implementation of the TUPAD program.

The technical and vocational learners shall also be provided assistance. The
amount of Five billion pesos (Php 5,000,000,000.00) is appropriated for the
Technical Education and Skills Development Authority (TESDA) for the program.

SEC. 9. Educational Subsidy to Students. – The following subsidies shall be
granted to students who are currently not grantees and recipients of existing
government subsidies under various laws, but are nonetheless facing financial
difficulties due to work stoppage or closure of establishments:

A. Emergency Subsidy to COVID-19-impacted Tertiary Students in Private
Higher Education Institutions. -

Pursuant to the policy of the State to protect and promote the right of all
students to quality tertiary education, the Tertiary Education Subsidy (TES)
provided under Section 7 of Republic Act No. 10931, otherwise known as “Universal
Access to Quality Tertiary Education Act”, shall be expanded to cover students
whose families are not listed in the Listahanan of the Department of Social Welfare
and Development, but which are now facing financial difficulties brought about by
work stoppage and closure of establishments due to the CQ: Provided, That,
priority shall be granted to children of displaced OFWs: Provided, further, That the
Commission on Higher Education (CHED) shall suspend the geographic
prioritization in areas where there are no state universities and colleges to enable
all students of higher education institutions (HEIs) to become qualified recipients of
TES. The HEIs are mandated to comply with the guidelines of the CHED on
inclusive flexible learning and alternative modalities of instruction and ensure that students are not disadvantaged, marginalized, or discriminated against due to lack of access to online modalities.

For the purpose of COVID-19 response, a maximum of Seven thousand five hundred pesos (Php7,500.00) subsidy per student in payment of second semester tuition and other fees shall be paid directly to schools which shall be primarily utilized by such schools for the salaries of teachers and non-teaching staff, based on CHED determination: Provided, That HEIs shall ensure the use of flexible learning platforms that are inclusive and that no student shall be marginalized or discriminated upon due to lack of internet capabilities.

For this purpose, the amount of Eighteen billion pesos (P18,000,000,000.00) under RA No. 11465, otherwise known as the “General Appropriations Act”, for FY 2020 and the amount of Nine billion pesos (P9,000,000,000) under Republic Act No. 11260, otherwise known as the “General Appropriations Act” for FY 2019 allocated for TES and other subsidies to students in private HEIs under Republic Act No. 10931 shall be immediately released by the Department of Budget and Management (DBM).

B. Expansion of government subsidies to students in basic education under Republic Act No. 8545 otherwise known as the “Government Assistance to Students and Teachers in Private Education” or GASTPE Act, and Republic Act No. 10533, otherwise known as “K to 12 Law”.

Students in private elementary and junior high schools who are currently not recipients of Education Service Contracting (ESC) under Republic Act No. 8545; and students in private Senior High Schools who are currently not recipients of the Senior High School Voucher Program (SHS VP) under Republic Act No. 10533, shall receive a tuition subsidy in the amount of Four thousand pesos (Php 4,000.00) each.

The subsidies shall be released directly to private higher education institutions and private basic education schools, respectively, for the purpose of applying the subsidy for unpaid tuition in SY 2019-2020: Provided, That the subsidy shall be released prior to the opening of school year 2020-2021 or within a
reasonable period after school opening but before September 1, 2020: Provided, further, That in order to expedite the processing and disbursement of the subsidy, the CHED and the Department of Education shall engage the services of the Private Education Assistance Committee (PEAC) for the disbursement and co-management of the expanded TES; and the expanded subsidies under Republic Act No. 8545 and Republic Act No. 10931, respectively.

The amount of Fifteen billion pesos (Php 15,000,000,000.00) is appropriated for the implementation this Sub-Section.

SEC. 10. Economic Relief to Overseas Filipino Workers. - Pursuant to Section 4 (z) of the Republic Act No. 11469, otherwise known as the “Bayanihan to Heal as One Act”, and to provide relief to OFWs who are uniquely burdened by the impacts of Covid-19 on the global economy, OFWs shall be charged by the Philippine Health Insurance Corporation (PHIC) no more than three hundred pesos (P300.00) per month for premium contributions in 2020, no more than three hundred and seventy-five pesos (P375.00) per month in 2021, and no more than four hundred fifty pesos (P450.00) in 2022: Provided, That, unpaid premium contributions due from March 15 to December 31, 2020 shall not be charged interest and penalties.

For this purpose, Section 10, on premium contributions, of the Republic Act No. 11223, otherwise known as the “Universal Health Care Act”, is hereby amended accordingly.

SEC. 11. Extension of Principal Loan Payments. – Banks, other non-bank financial institutions (NBFIs) under the supervision of the BSP, and lending and financing companies under the supervision of the SEC, including government financial institutions, except microfinance nongovernmental organizations, are encouraged to extend the term of or agree to the restructuring of existing (i) consumer loans of employees of non-essential businesses, and (ii) commercial loans of or for non-essential businesses, or to fund activities or investments therein, and (iii) local government loans under any or all of the following conditions:
a. The payment dates of the consumer loans, commercial loans and LGU loans referred herein, or any part thereof, are due anytime between March 16, 2020 and December 31, 2020;
b. The loan term may be extended for a period of up to one (1) year, and may be further extended for a maximum period of another one (1) year; and
c. Only the principal payments may be suspended in case of a moratorium.

The banks and other NBFIs that agree to loan term extension or restructuring pursuant to this Section shall be entitled to regulatory reliefs, as may be determined by the BSP, which may include, but not limited to, (i) non-inclusion in the bank's or NBFI's reporting on non-performing loans, (ii) staggered booking of allowances credit losses, (iii) exemption, when applicable, from the limits on real estate loans, and (iv) exemption from related party transaction restrictions.

SEC. 12. Regulatory Relief for Business Entities. - The Anti-Red Tape Authority (ARTA), together with the DTI, DILG, and specialized regulatory agencies, shall prepare a list of non-tax and non-duty fees and charges imposed on enterprises that may be waived: Provided, That the waiver of non-tax and non-duty fees and charges shall only extend to critically impacted businesses.

The President of the Philippines shall have the power, through the issuance of an executive order, to suspend, reduce or waive the imposition of fees and charges in the said list for a period of one (1) year. The DTI and the ARTA may recommend the extension of such executive order to a period not more than one (1) year.

The BIR, Bureau of Customs (BOC), Department of Transportation (DOTR), SEC, Philippine Competition Commission (PCC), and other relevant regulatory agencies shall suspend deadlines for all the filings and payments due during the CQ period and extend the due dates accordingly without interests, fines, or penalties.

The BIR, PCC, SEC and other relevant regulatory agencies are likewise directed to desist from imposing fines and other monetary penalties for non-filing, late filing, failure to comply with compulsory notification and other reportorial
requirements relating to business activities and transactions that promote continuity and capacity-building in all sectors of the economy.

For a period of six (6) months from the lifting of the CQ, the PCC, SEC and other relevant regulatory agencies shall review all pending matters before them or those subject of any ongoing review, fact-finding or preliminary inquiry or investigation, in order that business activities and transactions that promote continuity and capacity-building in all sectors of the economy shall be promptly resolved or otherwise allowed to proceed unimpeded.

The PCC, during the same period which may be extended for an additional period of six (6) months thereafter, shall desist from requiring any submission by parties to any proceedings before it, including fact-finding or preliminary inquiries, and from issuing any show cause order, cease and desist order, subpoena, statement of concern or similar statement and other similar issuances: Provided, That nothing herein shall prohibit the PCC from issuing decisions approving any transaction or transactions, confirmation of non-coverage, commitment decisions and similar orders relating to business activities and transactions that it shall have determined to promote continuity and capacity-building as well as orders and decisions relating to the enforcement of Chapter III of the Philippine Competition Act (PCA): Provided, further, That all mergers and acquisitions involving enterprises engaged in essential businesses entered into thirty (30) days prior to or during the CQ and for a period of one year thereafter shall be deemed to promote continuity and capacity-building, and are hereby declared exempt from the compulsory notification and related requirements under the PCA.

Government agencies, including LGUs, shall simplify, shorten and rationalize new business registration, closure, licensing, and permitting processes, as well as renewal thereof after the approval of this Act. One (1) year after the implementation thereof, upon recommendation of the DTI and ARTA, the new business registration, licensing and permitting processes may be permanently implemented by the corresponding government agency and LGU. Approval of the
applications for permit, license, clearance, certification, resolution or authorization, whether it is a first-time application, renewal or extension shall be released expeditiously. In case of simple transactions, within the inextendible period of five (5) working days from receipt of the application; in case of complex transactions, within the inextendible period of fifteen (15) working days from receipt of the application: Provided, That, for complex transactions, if public consultations, public hearings or publications are required before the government agency or LGU could act on the application, the conduct of a hearing or public consultation, or publication of at least once in a newspaper of general circulation, shall be deemed sufficient compliance: Provided, further, That if sessions, meetings or hearings are required to be held among the members of the board or committee of the concerned government agency, or Sanggunian of the LGU, such sessions, meetings or hearings shall be completed within the herein prescribed period: Provided, finally, That if a government agency or LGU fails to act within the period herein provided, the application shall be deemed approved and the government agency or LGU concerned shall issue the permit, license, clearance, certification, resolution or authorization applied for, whichever is applicable, within two (2) working days counted from the last day when it should have rendered its action or decision on the application.

In addition, the BIR shall permanently simplify requirements during the life cycle of a business beginning with registration until the closure of such business. This includes, but is not limited to, allowing and recognizing electronic receipts as proof of payment and removing the limitation to filing and payment of taxes in specific revenue district offices or venue.

Furthermore, the Commissioners of the BIR and BOC, in coordination with the ARTA, shall install an ARTA Taxpayer's Advocate Offices within the premises of the Bureaus, who shall be in charge of safeguarding taxpayer rights.

Finally, LGUs shall be encouraged to reduce the number of fees, charges, and taxes charged where the actual revenues generated are greater than the cost of compliance and administration of these fees, charges, and taxes.
Sec. 13. **Regularization of MSME+**. - To ensure that MSME+ are able to avail of programs, and to broaden the tax base and encourage business practices that are compliant with the law, the Commissioner of the BIR shall waive registration and other related fees of MSME+ for a period of not more than eighteen (18) months and if necessary, provide accommodation for the registration process and compliance of MSME+.

The Secretary of Trade and Industry shall issue the necessary rules and regulations to provide special accommodation for the registration and compliance with regulatory requirements of MSME+, including those registered under the SEC.

LGUs shall be encouraged by the DILG and the Department of Finance-Bureau of Local Government Finance (DOF-BLGF) to waive similar local registration and processing fees.

The **Negosyo Centers** shall coordinate with national and local government agencies and LGUs to ensure the widest dissemination of information and benefits under this program, as well as programs offered by sectors, donor agencies, and bilateral partners.

**CHAPTER IV: Financial Interventions**

SEC. 14. **General Requirements and Provisions.** -

a. For purposes of availing the financial relief provided under Sections 15 to 18 of this Act, the borrower entity must have maintained, at the time of its loan application, such number of employees equivalent to seventy-five percent (75%) of its total employees on the date of the effectivity of this Act, and shall continue to maintain such number of employees for a period of one (1) year from the loan approval date. Failure to maintain the minimum number of employees required herein shall result in the imposition of penalty, shortening of the loan term, or withdrawal of the relief, at the discretion of the bank, financial institution, or agency providing the relief.

b. For the effective and immediate implementation of the financial and economic intervention provided in Sections 16 to 18 of this Act, the relevant government financial institution or government agency providing the relief may
allot a maximum of five percent (5%) of the appropriated funds for the program being implemented under its Maintenance and Other Operating Expenses (MOOE) and Personnel Services (PS).

c. LGUs shall adopt measures that will facilitate dissemination of information and assist and enable their respective constituents to avail of the relief provided under this Act. Implementing agencies may enter into partnerships or agreements with public and private entities to ensure the timely and efficient delivery of services and fulfillment of duties under this Act, including but not limited to, (1) private lending institutions participating as conduits for government financial institutions tasked to implement programs under this Act, and (2) financial technology firms to ensure and improve access and delivery of interventions to the recipients, especially MSME+, freelancers, self-employed and those in the informal sector.

d. The government, as procuring entity, shall give preference to products, materials and supplies, made or manufactured in the Philippines offered by a domestic bidder vis-à-vis foreign bidders. Towards this end, the award shall be made to the lowest domestic bidder provided his bid is not more than twenty percent (20%) in excess of the lowest foreign bid; Provided, That, the lowest domestic bidder secures a certification from the DTI stating that the articles, products, materials, or supplies are grown, produced, made or manufactured in the Philippines: Provided, further, That, in case of infrastructure projects as defined in Section 5 (K) of Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act”, the procuring entity shall require bidders to determine the location and availability of construction aggregates and other materials and source them locally with due consideration to the structural integrity of the entire project. For this purpose, the bidder shall secure a certification from the DTI that the construction materials, or supplies are produced, made or manufactured in the Philippines.

SEC. 15. Credit Mediation and Restructuring Service. - To ensure that MSME+ are able to fulfill obligations under more favorable terms of credit,
strengthen liquidity and financial position thereof, and to expedite the country's
economic recovery, there shall be created a Credit Mediation and Restructuring
Service (CMRS), through the Negosyo Centers or any other business assistance
office of the LGU, to act as credit advisers and mediators between MSME+ and the
banks and lending institutions, and assist MSME+ in obtaining favorable credit
and loan terms from the banks and lending institutions.

The CMRS shall: (i) ensure that an MSME+ is given sound financial advice
on, among others, the proposed borrowing, the risks involved, and the financial
position and operation of the relevant MSME+; (ii) assist in evaluation of the
financing options; (iii) oversee the negotiation process until terms of financing are
agreed upon; and (iv) ensure that an MSME+ is given better access to financing
and to a fair and transparent borrowing and appeals process.

The Negosyo Centers shall coordinate with LGUs, financial institutions and
government agencies to ensure the widest dissemination of information and
benefits under this program.

The Secretary of Trade and Industry, together with the head of private sector
associations representing MSME+ and financial institutions, shall jointly issue the
implementing rules and regulations of this Section within ten (10) days from the
effectivity of this Act.

SEC. 16. Loans to MSME+. - The Small Business Corporation (SBCorp) shall
expand its existing loan programs for MSME+ by any or a combination of the
following:

(a) Increasing the availability of loanable funds;
(b) Reducing eligibility requirements such as waiver of collateral;
(c) Increasing the maximum loan amounts per borrower;
(d) Reducing the interest rates;
(e) Extending the loan terms;
(f) Utilizing financial technologies to expand reach and increase access;
and
(g) Committing a faster turnaround time of loan processing.
In addition to the allowable uses of loans under the regular loan programs of SBCorp, the proceeds of any loan granted under this Section may be used for the following:

i. Payroll costs;

ii. Materials and supplies;

iii. Mortgage payments;

iv. Rent;

v. Utilities, including fuel and storage;

vi. Creation of new supportive businesses;

vii. Re-purposing of existing business capital;

viii. Acquisition of new technologies and systems to adjust business processes; or

ix. Any other business debt obligations incurred before the covered period.

SBCorp shall prioritize startups and micro and small enterprises, including those in the informal sector. SBCorp shall also prefer establishments that support the initiatives of the DOH towards ensuring an adequate and responsive supply of health care services.

For the implementation of this Section, the amount of Five billion pesos (PhP5,000,000,000.00) is appropriated as additional paid-up capital of SBCorp. The Special Program Fund of SBCorp for its COVID-19 loan programs is hereby established with an initial appropriated amount of Forty-five billion pesos (PhP45,000,000,000.00) for 2020 and another Twenty-five billion pesos (PhP25,000,000,000.00) for 2021.

The SBCorp shall provide a loan-forgiveness program for borrowers who pay their installments on time. The maximum amount that SBCorp may waive through the loan-forgiveness program is fifteen percent (15%) of the loan amount.

Measures aimed at digitization of loan application, approval, and disbursement process shall be implemented. The SBCorp shall coordinate with the Department of Information and Communications Technology (DICT), the BSP, and the private sector to accomplish digitization.
The SBCorp shall issue the rules and regulations implementing this Section within fifteen (15) days after the effectivity of this Act.

Sec. 17. Interest Free Loans. - The Land Bank of the Philippines (LBP) and the Development Bank of the Philippines (DBP) shall introduce an interest-free loan program available to non-essential businesses to assist and encourage them to continue investing in their businesses. The interest-free loans may be granted in accordance with the following guidelines and such other conditions as may be imposed under the implementing rules and regulations issued by the DOF and the BSP:

a. The maximum loanable amount is equivalent to one hundred percent (100%) of the borrower’s direct labor costs for a period of three (3) months; and

b. The loan is payable within three (3) to five (5) years:

The LBP and the DBP shall prioritize agri-fishery businesses, and non-essential businesses that are small and medium enterprises, including startups. The LBP and DBP shall also prefer MSME+ that supports the initiatives of the DOH towards ensuring an adequate and responsive supply of health care services.

The LBP and the DBP may rediscount loans granted by BSP-supervised financial institutions and the SBCorp and provide other credit accommodations for non-essential businesses, particularly to MSME+. The LBP and DBP may undertake similar activities consistent with the objectives of this Act.

Notwithstanding the foregoing, the President of the Philippines shall have the power to: (i) declare moratorium on the payment of loans of MSME+; (ii) make available emergency loans to MSME+ in critically impacted businesses for additional capital outlay; and (iii) ease regulations to ensure that MSME+ have access to the loan facility provided herein.

The Special Interest-Free Fund for the implementation of this Section is hereby established with an appropriated amount of Fifty billion pesos (P50,000,000,000.00). The fund shall be allocated to LBP and DBP in proportion to the current loan portfolio of the said banks at the time of effectivity of this Act. The Secretary of Finance and the Governor of BSP shall jointly issue the rules and
regulations implementing this Section, within fifteen (15) days upon the effectivity of this Act.

SEC. 18. Loan Guarantee by Philippine Guarantee Corporation. - To ensure that non-essential businesses are able to fulfill their loan obligations, whether existing, outstanding or new loans, to banks, lending, or financing institutions, and to help strengthen the liquidity and financial position of these non-essential businesses towards expediting the country's economic recovery, the Philippine Guarantee Corporation (PGC) shall:

a. Issue an expanded government guarantee program for non-essential businesses by increasing the maximum loan guarantee coverage per borrower, decreasing the capital adequacy ratio from seven percent (7%) to five percent (5%), widening the coverage of guarantees to loans provided by non-bank financial institutions, lending and financing companies supervised by the SEC, reducing eligibility requirements and guarantee fees, waiving the right of excussion under the guarantee, relaxing the guidelines on claims by allowing lenders to call on the guarantee when there is an occurrence of payment default, and other measures necessary to give non-essential businesses and MSME+ access to better terms of credit.

b. Ease its current rules and regulations and give preference to critically impacted businesses and small and medium enterprises, including start-ups, in issuing government guarantees to help achieve the policy objectives of this Act.

c. Implement a loan portfolio guarantee scheme that guarantee a specified loan portfolio of partner financial institutions covering eligible loans of MSME+ loans, subject to the implementing rules and regulations, which includes the criteria for accrediting partner financial institutions.

d. Prefer business entities that support the initiatives of the DOH towards ensuring an adequate and responsive supply of health care services.

For the efficient and faster implementation of the Section, the PGC may require assistance, from other government financial institutions, including facilities and personnel resources. Measures aimed at digitization of guarantee application
and enrollment processes shall be implemented. The PGC shall coordinate with the
DICT, the BSP, and the private sector to accomplish digitization.

For purposes of this Section, the amount of Twenty billion pesos
(Php20,000,000,000.00) is appropriated as additional paid-up capital of PGC. The
Special Guarantee Fund is hereby created with an initial appropriated amount of
Twenty billion pesos (Php 20,000,000,000.00) for 2020 and another Twenty billion
pesos (Php 20,000,000,000.00) for 2021. The PGC shall set up a sinking fund as a
percentage of the total allocated amount to immediately cover losses from defaults.

Within fifteen (15) days from the effectivity of this Act, the Secretary of
Finance shall issue the rules and regulations implementing this Section, with the
end-in-view of achieving the policy objectives of this Act.

CHAPTER V: Sectoral Interventions

SEC. 19. Assistance to MSME+. - The DTI shall provide technical assistance
or offer grants for the education, training, and consultancy services for MSME+ on:

a. Innovation in business practices to include product research and
development, digital transformation of business management, production,
distribution, retail, and other business areas to ensure resilience to future
disruptions including managing the risk of cyber threats;

b. Upskilling and re-skilling of workers to adapt to the new nature of
work;

c. Market assistance in identifying new market trends to allow
enterprises to pivot to high-value and high-necessity products, including any
activity that supports the initiatives of the DOH towards ensuring an adequate and
responsive supply of health care services;

d. Utilizing online platforms to facilitate product distribution or delivery
channels, including application or website development, and the set-up of logistics
to support online sales platforms;

e. The management and practice of tele-work, online consultancy, tele-
consulting of professional services, and customer service, including managing the
risk of cyber threats; and
f. Other relevant business practices that may be introduced for purposes of mitigating the economic effects of COVID-19.

The DTI shall prefer MSME+ that supports the Balik Probinsya, Bagong Pag-asa Program under Executive Order No. 114, Series of 2020.

The amount of Ten billion pesos (Php10,000,000,000.00) is hereby appropriated for the implementation of this Section.

The DTI shall issue the implementing rules and regulations of this Section within fifteen (15) days from the effectivity of this Act.

SEC. 20. Assistance to the Tourism Industry. - The Department of Tourism (DOT) and its instrumentalities shall assist critically impacted businesses that are tourism enterprises, in any of the following programs:

a. Interest-free loans or issuance of loan guarantees with terms of up to five (5) years for maintenance and operating expenses;

b. Credit facilities for upgrading, rehabilitation, or modernization of current establishments or facilities to be compliant with new health and safety standards;

c. Marketing and product development promotions and programs;

d. Grants for education, training, and advising of tourism stakeholder for the new normal alternative livelihood programs;

e. Utilization of information technology for the improvement of tourism services, development of a tourist tracking system for emergency response, and establishment of spatial database to improve planning capacity; and

f. Any other relevant programs, including infrastructure, necessary to mitigate the economic effects of COVID-19 on the tourism industry.

For purposes of items (a) and (b) herein, government financial institutions such as the LBP and DBP shall administer the loans for DOT but subject to guidelines from the DOT that shall be prepared for these purposes: Provided, That the loan interventions implemented under this Section are exclusively for accredited tourism enterprises only.
Availment of grants, loans or loan guarantees through other provisions of this Act is not a disqualification for any tourism enterprise to avail of any economic relief measures in this Section.

The DOT shall prefer establishments that support the (1) *Balik Probinsya, Bagong Pag-asa* Program under Executive Order No. 114, Series of 2020, and (2) initiatives of the DOH towards ensuring an adequate and responsive supply of health care services.

The amount of Fifty-eight billion pesos (Php58,000,000,000.00) is hereby appropriated for the implementation of this Section.

The Secretary of Tourism shall issue the implementing rules and regulations of this Section within fifteen (15) days after the effectiveness of this Act.

SEC. 21. *Assistance to the Transportation Industry.* - The Department of Transportation (DOTr) and other authorized agencies or instrumentalities, shall extend the following assistance to critically impacted businesses in the transportation industry:

a. Grant emergency credit lines for purposes of funding operations;

b. Grant interest-free loans or long-term credit facility to allow the restructuring of existing debts and assist in rehabilitation;

c. Provide credit guarantee schemes to guarantee bank loans and credit lines;

d. Provide grants for applicable regulatory fees;

e. Allow substitution of refund option to travel vouchers;

f. Provide fuel subsidy to public utility vehicles (PUVs) for the period when prescribed social distancing measures are enforced such as the required fifty percent (50%) passenger capacity limit;

g. Provide grants for training, equipment, facilities, test kits and necessary personnel, to cope with any health risks arising from infectious diseases; and

h. Allow contracting of buses and other PUVs by national and local authorities to provide public transportation services in the National
Capital Region, Metro Cebu, Metro Davao, and in other cities in the Philippines subject to the approval of the DOTr.

Within fifteen (15) days from the effectivity of this Act, the DOTr or any of its instrumentalities shall prescribe the eligibility requirements and other terms and conditions for any of the above-mentioned assistance, subject to the guidelines issued under this Section.

For purposes of item (d) herein, the grants may include reductions in (i) rates through the removal of local taxes as may be applicable, and (ii) fees and charges imposed by any regulatory agency and LGU. Such grants are payable, respectively, to the relevant regulatory agencies and LGUs: Provided, That, the grant shall be chargeable against the fund created for the purpose of implementing this Section. Any critically impacted business may avail of the grant for a period of not more than six (6) months.

For purposes of items (b) and (c) herein, the DOTr or any of its instrumentalities may also utilize the loan and loan guarantee programs and other loan related measures provided under this Act, subject to the rules, regulations and guidelines issued under the corresponding intervention. However, the loan interventions implemented under this Section may only be used for critically impacted business in the transportation industry.

For purposes of item (f), the DOTr, with the assistance of the Department of Energy (DOE), shall prescribe the guidelines for the provision of fuel subsidy to PUVs.

For purposes of item (h), the PUV operators contracted by the DOTr or LGUs to provide public transportation services shall be issued the relevant permits by the Land Transportation Franchising and Regulatory Board. The DOTr shall prescribe the minimum standards and level of service required to be complied with by the contracted PUV operators.

The contractual arrangements entered into by (i) the DOTr and DOE with the gasoline station owners under item (f), and (ii) the DOTr or the LGUs with the
PUV operators under item (h), shall be exempt from the provisions of Republic Act 9184 and its implementing rules and regulations.

Availment of any economic relief such as wage subsidy, loan, and loan guarantees and other relief under the other provisions of this Act, is not a disqualification for critically impacted businesses in the transportation industry to avail of the economic relief provided under this Section.

The DOTr shall prefer business entities that supports the Balik Probinsya, Bagong Pag-asa Program under Executive Order No. 114, Series of 2020.

The amount of Seventy billion pesos (Php 70,000,000,000.00) shall be appropriated for the implementation of this Section.

The Secretary of Transportation shall issue the rules and regulations implementing this Section within fifteen (15) days after the effectivity of this Act.

SEC. 22. Assistance to Industry and Service Sectors. - The DTI and its attached agencies, particularly the Board of Investments (BOI), shall offer grants and technical assistance to business entities engaged in the manufacture of products and supply of services, including the export thereof and their respective supply chains, to meet the needs of the domestic market and export commitments, restore or expand to new global markets and market spaces and enhance competitive advantage. The grants and technical assistance include:

(a) For the manufacture or supply of critical and essential goods and services for the control of COVID-19 transmission, grants and other investment support shall be provided, including subsidized or soft loans, subsidy for loan guaranty, equity investments through the National Emergency Investment Vehicle as provided under Section 25 of this Act, and preference for domestic sourcing as provided under this Act, for the following purposes:

i. Research and development, prototyping, testing and certification, and other necessary activities for developing local capability for the manufacture of COVID-19 critical and essential products and services; repurposing of manufacturing activities to produce the COVID-19 critical and essential products and services.
For this purpose, COVID-19 critical and essential products include medicines, medical equipment and devices, personal protective equipment (PPE), surgical equipment and supplies, laboratory equipment and its reagents, medical supplies, tools, and consumables such as alcohol, sanitizer, tissue, hand soap, detergent, sodium hydrochloride, cleaning materials, and povidone iodine, including the production or manufacture of raw materials, semi-finished or intermediate goods, and machinery and equipment used in the production or manufacture of the said products.

COVID-19 critical and essential services include crematoriums, health waste treatment and disposal, laboratories, test facilities, hospitals, and quarantine facilities.

The above notwithstanding, subject to the determination by the BOI, shall also cover programs and projects of National Government, any of its agencies or departments, or LGUs, including those concerning the adoption of low carbon technologies and circular economy in the manufacture and disposal of COVID-19 critical and essential products.

(b) For exporters of goods, the grants are for purposes of market retention, identification, and expansion such as:

i. Participation in trade fairs, international business matching missions, conferences and other promotion events, physically or through digital means, to restore or identify new global markets for exports, or identify new products and services to be bought or sold in global markets; and

ii. Research and development for purposes of introducing new products and services, improving existing products and services, or discovering any form of innovation in business processes, that may increase competitive advantage in existing or new export markets, consistent with low carbon development, circular economy, and ecological integrity.
(c) For foreign companies and their support industries, subsidies necessary to support and facilitate the relocation to the Philippines, such as option to diversify risks, vary the range of products or field of operation, keep supply chain integrity, and expand access to market opportunities.

(d) For BPOs, grants and other forms of assistance to set-up facilities and equipment for the services sector to mitigate the economic impact of the COVID-19 pandemic and for the workforce to continue to work from home and ensure their health and safety.

(e) For critically impacted manufacturing businesses, including those serving domestic and export markets, the following shall be provided:

i. Grant or subsidy;

ii. Education, training, and counseling; and

iii. Interest-free loans with terms of up to five (5) years through loan programs and other loan-related measures granted under this Act: Provided, That availment of grants and loans or loan guarantees under other provisions of this Act does not disqualify a business entity from availing of any other form of economic relief measures in this Section.

The support for education, training, and counseling shall include:

i. Improving business resiliency;

ii. Coping with global supply chain disruptions caused by COVID-19 and such other similar causes in the future, including changes in quantity and lead time, quality, and technology;

iii. Using online platforms as an alternative or supplementary means to facilitate product distribution channels and delivery of services;

iv. Establishing the management and practice of tele-work, online consultancy, online professional services, freelancers, and customer service, including risk management of cyber threats; and
v. Introducing relevant new business models and business practices introduced for purposes of mitigating the economic effects of COVID-19 on trade relations.

The grant or subsidy shall cover the following:

i. Innovation in business practices, such as product research and development anchored on low carbon technologies and circular economy and digital transformation of business management, production, distribution retail, and other business areas, to ensure resilience to future disruptions including managing the risk of cyber threats;

ii. Upskilling and reskilling of workers consistent with Republic Act No. 10771 or the “Philippine Green Jobs Act”; and

iii. Market assistance in identifying new market trends to allow enterprises to pivot to high-value and high-necessity products through the use of low carbon technologies, adhering to circular economy, and promoting ecological integrity, as applicable.

For the interventions provided herein, priority shall be granted to business entities requiring assistance for any activity, including new business investments and operations, that supports the initiatives of the DOH towards ensuring an adequate and responsive supply of health care products and services.

To ensure adequate and responsive supply of critical products and supplies, the government as the procuring entity shall purchase domestically-produced and manufactured goods, supplies and materials in the interest of availability, efficiency and timely delivery thereof, in as much as the specified or desired quality and standards are complied with.

Materials and supplies produced, made or manufactured in the Philippines offered by a domestic bidder as defined under Republic Act No. 9184 or the Government Procurement Reform Act shall be given preference over those offered by foreign bidders: Provided, however, That the specified or desired quality and standards are complied with.
The award shall be made to the lowest domestic bidder provided that the bid is not more than twenty percent (20%) in excess of the lowest foreign bid, provided further that it has secured from the DTI a certification that the articles, materials, or supplies are grown, produced, made or manufactured in the Philippines.

The procuring entity shall award the contract to the domestic bidder, The DTI shall prefer MSME+ that supports the *Balik Probinsya, Bagong Pag-asa* Program under Executive Order No.114, Series of 2020.

The amount of Forty-Four Billion Pesos (Php 44,000,000,000.00) is hereby appropriated for the implementation of this Section.

The Secretary of Trade and Industry, together with the Board of Governors of BOI, shall issue the implementing rules and regulations of this Section within fifteen (15) days from the effectivity of this Act.

SEC. 23. Assistance to the Agri-Fishery Sector

The Department of Agriculture (DA), its attached agencies, bureaus and corporations shall extend the following assistance to the agri-fishery sector:

a. Provision of additional budget to the National Food Authority to maintain rice buffer stocks through procurement of locally produced palay to be used for emergency situations and sustain the disaster relief programs of the government during natural or man-made calamities;

b. Establishment of additional market for small farmers and fisherfolks and provision of seed capital to barangay-based entrepreneurs and organizations for direct selling of basic necessities and prime commodities through the Upscaling of *KADIWA ni Ani* and *Kita* Program. The Food Logistics/Food Markets Project shall connect the regional and provincial trading post in rural areas to urban food terminals and large scale farm markets provided with automated warehouses, complete with modern cold storage facilities, inter-connected transport network and logistics support systems;

c. Provision of various technical and production and infrastructure support for the following projects: Rice Resiliency Project, Integrated Livestock and Corn
Resiliency Project, Enhanced Small Ruminants and Poultry Project, Enhanced White Corn Production for Food Resiliency, Coconut-based Diversification Project, Fisheries Resiliency Project, Urban Agriculture Project, Revitalized *Gulayan* Project, and Expanding Agri-extension support to the provincial LGUs;

d) Provision of insurance, loans, and cash assistance to farmers and fisherfolk through the implementation of the following projects: Expanded Agriculture Insurance Project, Expanded Survival and Recovery or SURE Aid Project, and Social Amelioration Program for Farmers and Fisherfolks;

e) Establishment of the following information and communications technology systems on agri-fishery market: Price monitoring and enforcement system, Multi-platform Communication and Information Exchange Support System, Agricultural and Fisheries Commodity Exchange System and Digital Agriculture System.

To contribute to the efforts of the *Balik Probinsya* Program, Fifteen billion pesos (Php 15,000,000,000.00) is earmarked for the Cash for Work (C4W) Program in Agriculture. This effort shall employ displaced workers affected by the COVID-19 pandemic for the construction, rehabilitation, and maintenance of irrigation canals, processing facilities, and other agricultural facilities, as well as the planting and production of long gestating crops.

Availment of grants, loans or loan guarantees through other provisions of this Act does not disqualify any agri-fishery enterprise from availing of any other form of economic relief measures in this Section.

The DA shall also give preference to establishments requiring assistance to any activity that supports the *Balik Probinsya, Bagong Pag-asa* Program under Executive Order No. 114 series of 2020.

The development and implementation of the foregoing programs and services of the DA shall, as far as practicable, be pursued consistent with climate-adaptive, ecologically-sound, and low-carbon value systems and technologies,
including post-harvest services to align with the objectives of sustainable
development and green economy.

The amount of Sixty-six billion pesos (Php66,000,000,000.00) shall be
appropriated for the implementation of this Section.

The DA shall work with the Department of Environment and Natural
Resources (DENR) to ensure that expanded agriculture production does not
compromise natural ecosystems and the services they provide and shall target idle
private lands for maximization and diversification of crop output prioritizing in the
selection of crops those that ensure food and water security as well as promote
health and well-being.

The DA shall issue the implementing rules and regulations for this Section
within fifteen (15) days after the effectivity of this Act.

SEC. 24. Condonation of Loans of Agrarian Reform Beneficiaries for Land
Acquisition under Government Land Redistribution Programs. To provide agrarian
reform beneficiaries the opportunity to enhance access to credit facilities after the
disruption of the food supply chain by the Covid-19 pandemic, the payment of
unpaid principal, interests, penalties, and surcharges of loans used for land
acquisition to any and all government agencies and government- owned
corporations including the LBP shall be condoned: Provided, That the condonation
of unpaid principal, interests, penalties, and surcharges from these loans shall be in
conformity with the applicable general banking laws and regulations of the BSP:
Provided, further, That the LBP shall issue the appropriate certification to the
agrarian reform beneficiary, after the write-off of the principal, unpaid interest,
penalties and surcharges condoned to facilitate the immediate issuance of a
certificate of land title ownership to the concerned agrarian reform beneficiaries:
Provided, finally, that condonation as provided herein shall lift all liens and
encumbrances attached to the land acquired.
The Secretary of Finance and the Secretary of Agrarian Reform, in consultation with the President of the LBP, shall promulgate the rules and regulations to implement this Section.

SEC. 25. Creation of the National Emergency Investment Vehicle. – To enable faster recovery of certain critically impacted businesses vital to the economy but have been severely and adversely affected by the COVID-19, the National Emergency Investment Vehicle (NEIV) is hereby created. The NEIV Board shall be headed by the Secretary of Finance and shall be composed of eight (8) members, as follows:

a. The President of LBP;
b. The President of DBP;
c. A director to be appointed by the BSP;
d. Two (2) independent directors; and
e. Three (3) directors that shall be appointed by LBP, DBP, and the private equity investor, if any, in proportion to the voting shares held in the NEIV.

The NEIV is mandated to perform the following functions:

a. Identify critically impacted businesses which are vital to the economy, such as those belonging to the agriculture, infrastructure, service, transport, tourism, and manufacturing industries but excluding banks and financial institutions under the supervision of the BSP, that would otherwise have continued operations but are at risk of bankruptcy of insolvency due to COVID-19;
b. Extend loans and other forms of financial accommodation to, or make equity investments in such identified critically impacted businesses;
c. Assume, in exchange for equity of the same value, the financial obligations of such identified critically impacted businesses;
d. Invest in the form of limited equity participation by subscription or acquisition of shares, execution of convertible loans or purchase of convertible
bonds, and such other securities as may be issued by the investee
corporations;

e. Merge or consolidate the identified critically impacted businesses in
consultation with the relevant regulators;

f. Evaluate the performance and ensure good corporate governance in the
business entities where the NEIV invested;

g. Perform due diligence activities inherent in its nature as a capital allocation
firm of the Government and devise mechanisms to protect the government’s
investments by issuing a special class or series of shares or entering into
shareholders’ or voting share agreements;

h. Create subsidiaries as necessary, where equity participation may also be
offered to and held by private sector investors, including multilateral
companies and lending institutions’;

i. Establish and adopt accounting and auditing systems and standards in
accordance with the guidelines of the Commission on Audit (COA): Provided,
That, the audit of the NEIV by the COA shall not preclude the NEIV from
engaging the services of private auditing firms.

j. Perform such other functions as may be inherent or necessary to dispense of
its role as a capital allocation firm from whom reasonable returns are
expected; and

k. Exercise the foregoing functions and powers during national emergencies of
similar nature and magnitude like COVID-19.

The LBP and DBP are hereby authorized to invest in or enter into a joint
venture agreement with the NEIV and offer equal opportunity for equity
participation in the NEIV to all qualified private sector investors, including
multilateral and lending institutions.

When private shareholdings in the NEIV reaches fifty percent (50%) of the
total outstanding capital stock, the stockholders shall cause the adoption and
registration with the SEC of the amended articles of incorporation within three (3)
months from such transfer of ownership.
To implement this Section, the authorized capital stock of the NEIV is set at One hundred billion pesos (Php 100,000,000,000.00). The amount of Twenty-five billion pesos (Php 25,000,000,000.00) is hereby appropriated as equity of the National Government in NEIV. An additional equity of Twenty-five billion pesos (Php 25,000,000,000.00 shall be appropriated in the 2021 General Appropriations Act.

CHAPTER VI: Structural Interventions

SEC. 26. Enhanced "Build, Build, Build" Program – As enhancements to the programmed infrastructure spending, there shall be “Build, Build, Build” projects in universal health care, housing, education, agri-fishery, transportation, security and information communication technology. In addition to the portfolio of the Presidential Adviser for Flagship Projects, the following projects shall be integrated in the National Expenditure Programs in FY 2021, 2022, and 2023:

(a) The construction and development of modern health facilities that will complement the Universal Health Care Law and national preparedness for surges in demand for pandemics, as well as climate smart technologies and solutions such as circular economy and low carbon technologies in the design of facilities and procurement of supplies and materials, including adoption of solar-powered lighting system, ecologically sensitive disposal of health care wastes, installation of cooling system with low global warming potential, provision of water catchment and treatment facilities, establishment of wellness facilities promoting preventive care against diseases and illnesses, and capacity-building of personnel concerned to adopt, manage, and sustain the foregoing innovative interventions, among others.

(b) The construction and improvement of public school clinics and all other facilities, and provision of efficient internet connectivity to all public schools and state universities and colleges, with the aim of creating “Schools for the Future,” or schools geared towards competitiveness in the Fourth Industrial Revolution;

(c) The construction, improvement, and renovation of infrastructure supportive of creative industries;
(d) The construction, improvement, and renovation of infrastructure for the agri-fishery industry geared towards food security and agricultural resilience;

(e) The construction and upgrading of transportation passenger ports and terminals including related facilities, such as, but not limited to, airports, seaports, land transport terminals and railway stations, in accordance to with social distancing and health standards, for the accelerated recovery of tourism and travel activities;

(f) The construction, improvement and renovation of police stations and military barracks to provide more facilities, spaces, and amenities complying with social distancing and health standards;

(g) The construction, improvement and renovation of prison infrastructure to decongest existing jails and provide humane accommodations complying with social distancing and health standards for persons deprived of liberty (PDL);

(h) The construction, improvement and renovation of social housing projects and resettlement areas that adhere to climate change adaptation and disaster risk reduction standards to ensure human, environmental, and ecological safety and security, as well as access to basic social services, which include communal facility for solar-powered electricity, efficient potable water and drainage and waste management system and services, among others;

(i) The construction, improvement, and renovation of digital infrastructure to complement the national broadband plan, geared towards increasing internet access in unserved and underserved areas. For any public-private partnerships entered into for purposes of rolling out infrastructure under this Sub-Section, disbursement of payment shall be based on compliance with clear service targets, to be determined by the DICT;

(j) The construction, improvement and renovation of infrastructure supporting the objectives of Executive Order No. 226 series of 1987, otherwise known as “The Omnibus Investments Code of the Philippines”, as amended,
including the relocation of manufacturing and service facilities from other
countries to the Philippines; and

(k) The construction of climate-smart and resilient infrastructure, such as
but not limited to, flexible smart power grids that can accommodate renewable
energy sources, early warning systems for natural hazards, sustainable
transportation systems that enable public transit, walking, and biking as
primary modes of travel, greenscapes and safety promoting roadway designs
that integrate wastewater management when possible, rainwater harvesting
systems in all barangays as mandated under Republic Act No. 6716, otherwise
known as the "Rainwater Collector and Springs Development Act of 1989",
nature-based solutions to floods, droughts, and typhoons, and green
infrastructure in public parks and spaces such as greenways and community
food gardens.

For ongoing infrastructure contracts, the implementing agencies are authorized
to allow contract variation orders and time extensions, to cover the additional or
modified scope of work, methodology, and schedule, in order to comply with the
health and safety protocols under the COVID-19 situation, on top of the limit of
ordinary variation orders allowed under the provisions of Republic Act No. 9184,
otherwise known as the Government Procurement Act. For new infrastructure
contracts, the implementing agencies shall include the additional or modified
COVID-19 related requirements in the bidding and contract documents.

To expedite the execution of infrastructure projects, the implementing agencies
are hereby authorized to engage Independent Property Appraisers (IPAs), provided
that they are duly licensed by the appropriate regulatory agencies. Accreditation
by the BSP or a professional association recognized by BSP is no longer needed as
previously required under Republic Act No. 10752, or the "Right of Way Act".

In the appraisal of land to be acquired as right-of-way for the projects, when
there is a difference in the market value of the land as determined by the BIR, on
one hand, and the market value determined by the Government Financing
Institution/Independent Property Appraiser (GFI/ IPA), on the other, the
implementing agency concerned shall adopt whichever is higher of the two estimated market values – that is, (a) the market value as determined by GFI/IPA, and (b) the market value as reflected in the BIR Zonal Value – as the appropriate price offer to the land owner under the mode of negotiated sale.

Implementing Agencies, including LGUs, are hereby tasked to prioritize the provision of bicycle and walk lanes as part of their respective infrastructure development programs as a tool for facilitating social distancing measures and promoting exercise as means to strengthen the immunity of people.

For this purpose, the amount of Six Hundred and Fifty Billion Pesos (Php 650,000,000,000.00) shall be appropriated over three (3) years starting FY 2020, chargeable against funds sourced through any of the methods authorized under Chapter IX of this Act: Provided, That twenty percent (20%) shall be appropriated and released in 2020, forty percent (40%) in 2021, and forty percent (40%) in 2022: Provided, further, That the implementing agencies shall expedite settlement of accounts payables as of December 2019 and prioritize the payment for the outstanding progress billings/invoices of contractors with complete documentation or the partial release of payments to contractors based on submission of deliverables: Provided, furthermore, That the COA and DBM shall streamline documentary requirements for processing payment across government: Provided, finally, That the DOF shall establish a project finance relief facility for the government financial institutions to monetize future receivables of the contractors.

SEC. 27. Coordination of Monetary and Fiscal Policies. - The BSP and the SEC are hereby encouraged to adopt measures, including the relaxation of regulatory and statutory restrictions and requirements for a period of not more than ten (10) years from their date of effectivity to encourage the banking industry and other financial institutions to extend loans and other forms of financial accommodation to help businesses recover from the economic effects of COVID-19 crisis and to enable the banking industry to manage appropriately risks and potential losses. The Monetary Board may exempt the PGC, DBP, LBP, and SBCorp from such ratios, ceilings and limitations, provided under Republic Act No.
8791, otherwise known as the General Banking Law of 2000 for a period of five (5) years from the effectivity of this Act, subject to extension of not more than five (5) years as may be determined by the Monetary Board.

The BSP and the SEC are hereby authorized to grant reporting relief to its supervised entities by allowing staggered booking of allowance for credit losses for all types of credit accommodations extended to individuals and business entities affected by COVID-19.

Until a similar law is enacted, Republic Act No. 9182, as amended, otherwise known as "The Special Purpose Vehicle (SPV) Act of 2002", is hereby revived for a period of ten (10) years from the effectivity of this Act, subject to such extension as may be determined by the BSP if it deems necessary to solve the non-performing assets problem of the banking industry that may result from defaults occasioned by the COVID-19 pandemic.

The SEC as the primary implementing agency for the SPV Act, upon request of, and with prior consultation with the BSP, shall issue amendatory or supplementary rules and regulations implementing the SPV Act, including modification, relaxation and suspension of restrictions and requirements covering periods, capitalization and other matters, excluding the tax incentives and fee privileges under the SPV Act, to achieve its objectives and as well as of this Act and which shall be effective for a period not exceeding ten (10) years from the effectivity of this Act or the effectivity of the new law, whichever comes first.

CHAPTER VII: Other Socio-Economic Policy Measures

SEC. 28. Socio-economic Policy Measures. Socio-economic policies that encourage the businesses, communities, and individuals to positively respond to the economic effects of COVID-19 shall be pursued. These shall include the following:

(a) **Balik Probinsya, Bagong Pag-asa Program**

All relevant agencies and departments are mandated to promote and implement programs and policies for the immediate and effective implementation of Executive Order No. 114 series of 2020, otherwise known as the **Balik Probinsya, Bagong Pag-asa Program**, in view of the objectives
thereof, including (a) empowerment of local industries, (b) food security and
agricultural productivity, (c) social welfare, health and employment, and (d)
development of infrastructure.

(b) Trade:

i. All sector regulators with a price and fee regulation mandate shall review
existing pricing and payment policies, including tariff rates, and issue
temporary suspensions or revisions as needed, including export
percentage requirements for purposes of aiding regulated businesses cope
with economic losses arising from the COVID-19 pandemic.

ii. The DTI, in consultation with the NEDA, Tariff Commission, and relevant
agencies, shall review existing tariff rates and recommend to the
President any necessary modification thereto. The President, at any time,
in the interest of national security, general welfare, and providing support
in the recovery of affected businesses and industries, may increase,
decrease, or modify tariff rates including necessary changes in tariff
classification.

iii. All relevant departments and agencies shall make it a policy to give
preference to all local suppliers and contractors for all Public-Private
Partnership projects, infrastructure projects, and all purchases for
relevant provisions and supplies from their respective MOOE.

iv. All relevant departments and agencies shall review and implement
policies and programs for logistics and supply chain management
involving the planning, transporting and handling of goods, services and
information from the point of origin to the point of consumption, most
especially for locally produced agri-fishery products.

(c) Technology

i. The Department of Science and Technology (DOST), the DICT, and DTI
shall encourage the culture of innovation, through research and
development, of business entities, especially in relation to the
development of information technology-based systems for the health
sector. The DTI, in coordination with DOST and DICT, shall review incentives and grants for business entities, educational institutions as well as individuals that develop COVID-19 or any pandemic-related information technology products or services.

ii. The DOST, the DICT, and DTI shall support and promote scientific research, the development of innovative technologies, and data analytics to improve production efficiency and to inform government decision-making. The DTI shall promote the commercialization of market-oriented research and translation of research ideas into products and services.

iii. The DOST, the DICT, and DTI shall facilitate and encourage investments for the development of ICT infrastructure to serve as backbone of digital learning, telecommuting and low-contact business transactions.

iv. The DICT shall issue rules and regulations that would facilitate the development of information and communication technology infrastructure and shall, among others, provide open access approach in the regulation of data transmission services sector, and mandate the interconnection among data transmission participants to ensure efficient connectivity and low cost to consumers. The DICT, in coordination with the National Telecommunications Commission (NTC), shall review the capacity of telecommunications and internet service providers and encourage improvement of digital and network infrastructure to ensure better access to, and affordability of, telecommunications and internet services.

(d) Health:

i. All departments and their respective attached agencies, in coordination with the DOH and in consultation with the private sector, shall formulate and implement protocols and guidelines to mitigate transmission of COVID-19 and any other infectious diseases in the industries and sectors they respectively regulate and supervise.

ii. All departments and their respective attached agencies shall formulate plans, programs and policies with the objective to endeavor national
self-sufficiency in the supply of health-related goods and services, especially COVID-19 and any other infectious disease related medical supplies and equipment.

(e) Agriculture:

i. The Department of Agriculture (DA) shall facilitate the systematic production and exchange of goods and services in agricultural supply chains through institutional support services and logistics-based solutions to strengthen market linkages and minimize transaction costs.

ii. The DA shall ensure the full implementation of its existing programs in agricultural modernization, including the enhancement of farm mechanization, adoption of new technologies to improve farm productivity, and the efficient and sustainable use of farm resources.

iii. The DA shall also expand its existing program on urban agriculture. The DA shall identify and develop idle government and private lands and open spaces, without prejudice to the rights of owners of private lands, for full or partial conversion to community gardens or vertical farms, utilizing geoponic, hydroponic, or aeroponic growing methods. The DA, in coordination with LGUs, shall establish barangay-level community food gardens.

iv. The DA shall provide the necessary technical assistance and support services, including, but not limited to, provision of seeds and seedlings, and gardening tools, access to loans from government financial institutions, and agricultural training, to ensure the full productivity of community gardens and vertical farms.

(f) Regulatory:

i. The DTI, in consultation with the ARTA and LGUs, shall review existing policies and recommend the removal or revision of rules and regulations that do not support the goal of business continuity post
COVID-19. Any measure adopted under this Section shall be evaluated every six (6) months after the effectivity of this Act.

ii. To enable LGUs to pump prime their respective local economies, provide job opportunity particularly to those displaced by the COVID-19 pandemic, and employ additional personnel to increase service capacity the following measures are hereby authorized: (1) LGUs may reprogram or realign unutilized funds under trust accounts, such as, but not limited to, the special education fund and the gender and development fund, to other priority programs included in their annual investment plan; (2) The adjusted share of LGUs from national taxes shall commence and shall be automatically released to them immediately upon the effectivity of this Act (3) The allowable debt service ceiling of LGUs is increased to thirty percent (30%) of their annual regular income including their share in national taxes; (4) LGUs may allocate not more than fifty percent (50%) of their share in national taxes for debt servicing; (5) LGUs with outstanding loans from government accredited banks and government financial institutions shall be granted loan payment moratorium up to December 31, 2021 and loan term extension of not more than ten (10) years from the original due date; and (6) LGUs may contract new loans from government-accredited banks and government financial institutions at preferential interest rate of not more than one and a half percent (1.5%) per annum. The loan proceeds shall be used exclusively for development projects designed to enhance the resiliency of LGUs to the effects of COVID-19.

iii. All relevant departments and agencies, including LGUs, shall implement programs and policies for the digitalization and automation of all transactions, including payments to and from the government. All relevant departments and agencies, including LGUs, shall promote financial inclusion of individuals and entities, especially beneficiaries
of government amelioration programs and beneficiaries of the
interventions in this Act. These shall include access to appropriate,
affordable and timely financial products and services, such as, but not
limited to, banking, loan, equity and insurance products.

CHAPTER VIII: Reporting and Monitoring

SEC. 29. Long-term Plan for Economic and Ecological Resilience. – The
NEDA shall submit to Congress a long-term plan for building economic and
ecological resilience, not later than six (6) months after the lifting of the CQ. The
Economic and ecological Resilience Plan (ERP) shall include a strategy for
measuring and monitoring economic and ecological resilience and identification of
structural reforms needed to increase the ability of the economy to withstand shocks
such as the COVID-19 pandemic. The plan shall include the institutionalization of
national measures that account for ecosystem services and natural capital
accounting and ensure that the totality of government medium term development
plans and projects are well within the capacities to produce materials or sinks as
may be determined by the EMB in coordination with NEDA. The ERP shall include
the following:

(a) The required investments in the health care sector in the next ten (10)
years to ensure its ability to respond to the health care needs of the population,
including emerging infectious diseases similar to COVID-19;

(b) The required investment in digital infrastructure to improve
connectivity and access to digital technology to enable Philippine businesses and
households to cope with crisis and shocks;

(c) The required database to ensure the responsiveness of social protection
programs of the government for vulnerable and displaced households during period
of external shocks such as the outbreak of COVID-19; and

(d) The required key climate change adaptation and mitigation
investments to operationalize a low emissions and climate-resilient development
pathway toward a green economy.
SEC. 30. Economic Stimulus Board – The Economic Stimulus Board (ESB) is hereby established to identify the components of the fiscal stimulus package, and determine the realistic and measurable targets, timelines, and performance indicators of the specific government programs of the implementing agency for the delivery of each intervention. The ESB shall have as its chairperson the NEDA Secretary and shall be composed of representatives from the DOF, DBM, DOLE, DILG, SSS, GSIS, LBP, DBP, DTI, SBCorp, PGC, BOI, DA, DOT, BSP, SEC, NEIV and the Department of Public Works and Highways. The Chairperson of the ESB may designate additional members as may be deemed necessary for the proper implementation of this Act. The President of the Philippines may appoint representatives from the private sector as members of the ESB.

The ESB shall create a registry of assisted businesses, a centralized database which all members of the ESB can access with ease, for purposes of monitoring the availment of various forms of assistance authorized by this Act, to ensure that the total amount of assistance received by any single business entity, is rational and proportionate to the scale of response required to retain its workforce and maintain its payroll costs.

The ESB shall also establish and facilitate a mechanism involving the implementing agencies of this Act, particularly the DICT, for the timely, accurate, comprehensive and centralized dissemination of information, including but not limited to the various implementing rules and regulations mandated in this Act, for the immediate knowledge and awareness of the public.

The ESB shall have the authority to coordinate and transact with, and avail of, the services of private entities that could provide technical assistance or digital infrastructure necessary for ESB to perform its functions and implement the economic relief granted under this Act.

SEC. 31. Functions of the ESB. - The ESB shall perform the following functions and powers:
a. Evaluate the costs and benefits of programs and projects provided for in this Act, and recommend their modification, if necessary;

b. Study and recommend programs and projects that the government may undertake to complement the implementation of programs and projects provided for in this Act;

c. Oversee and spearhead the preparation of reports mandated under this Act;

d. Recommend to Congress remedial legislation to expeditiously and efficiently implement the programs and projects allowed or provided for in this Act; and

e. Perform such other functions inherent in its role as the coordinating council for all programs and projects provided for in this Act and as may be delegated by the President of the Philippines.

SEC. 32. Monitoring of Implementation and Congressional Oversight. – A Joint Congressional Oversight Committee on Economic Stimulus Program is hereby created. The Oversight Committee shall be composed of four (4) members from the House of Representatives to be designated by the Speaker of the House of Representatives, and four (4) Members from the Senate to be designated by the Senate President. An additional member from the Majority and the Minority shall be respectively designated by the Senate President and the Speaker of the House of Representatives.

The Joint Congressional Oversight Committee on Economic Stimulus Program shall be tasked to monitor the implementation of the economic stimulus response package and recommend remedial legislation, if necessary.

The ESB shall continue to estimate and monitor the impact of COVID-19 on the economy. In order to ensure the proper use of funds, the ESB shall submit a monthly report to Congress of all acts performed pursuant to this Act.

The NEDA and the implementing departments shall submit, either in printed form or by way of electronic document, to the Oversight Committee, House Committee on Appropriations, the Senate Committee on Finance and the
Commission on Audit, the quarterly accountability reports on the utilization of funds. The NEDA shall be responsible for ensuring that the said quarterly reports are likewise posted on the official website of the NEDA and the implementing agencies.

Releases from the appropriations made herein shall be subject to the submission of a special budget pursuant to Section 35, Chapter 5, Book VI of Executive Order No. 292, series of 1987.

CHAPTER IX: FUNDING

SEC. 33. Special Power to Reallocate and Realign Appropriations. — Notwithstanding any law or provision thereof to the contrary, to finance the requirements of this Act, the President of the Philippines, with the concurrence of the Joint Congressional Oversight Committee, is hereby authorized to reallocate and realign any appropriation as follows:

1. From programs, projects, and activities which cannot be utilized effectively as a result of the COVID-19 outbreak under Republic Act No. 11260 or the General Appropriations Act of 2019 and Republic Act No. 11465 or the General Appropriations Act of 2020 except those which are allocated for infrastructure projects;

2. From programs and activities as identified by the DBM which cannot be utilized effectively as a result of the COVID 19 outbreak, including items such as discretionary travel, representation and training expenses, and declare allotments for such items as forced savings, except those which are allocated for infrastructure projects. The DBM shall make a detailed report to the President and Congress on forced savings arising from COVID-19, not later than two (2) weeks after the enactment of this Act;

3. From infrastructure projects suitable and/or viable for public-private partnership (PPP) projects in the Executive Department, including those implemented by the government-owned or -controlled corporations (GOCCs), as identified by the ESB for which funds had
been appropriated but remain unobligated under RA No. 11260 and RA No. 11465—and other special laws, and utilize any savings generated therefrom to fund or augment the allocation for any item mandated under this Act. These infrastructure projects can be implemented under Republic Act No. 6957, as amended, otherwise known as the “BOT Law” under the Public-Private Partnership (PPP) projects of the government.

Notwithstanding, infrastructure projects appropriated under RA No. 11260 and RA No. 11465 that are in the final stages of the procurement process, subject to award, shall be issued a corresponding Special Allotment Release Order by the DBM, and be excluded from the appropriated items to be reallocated or realigned for the purpose of this Act.

Subject to applicable constitutional restrictions, the President of the Philippines, upon recommendation of the ESB, is authorized to ease, modify or suspend restrictions, requirements and other matters under the BOT Law and such other laws governing PPP projects for a period of not more than ten (10) years from the date of their effectivity;

4. From cash, funds, and investments held by any GOCC or any national government agency.

Any law that reserves or earmarks any fund or collection by any national government agency or GOCC is hereby expressly superseded by the foregoing authorization, and the President of the Philippines, with the concurrence of the Joint Congressional Oversight Committee, shall have authority and discretion to reallocate and realign such fund or collection for whatever purpose the President may deem necessary, beneficial, or desirable in order to address the public health emergency as declared in Proclamation No. 929 series 2020.

This authority shall be valid for six (6) months: Provided, however, That the President shall submit a quarterly report on the reallocation to Congress.
SEC. 34. Standby Appropriations. In addition to the amounts to be generated from the realignment and reallocation of appropriations as provided in Section 33, there shall be a standby appropriations of Seven hundred eight billion pesos (Php 708,000,000,000) to implement the programs and projects under this Act for the current year. The amount authorized herein shall only be used when the proceeds from approved loans, bonds issuances and other indebtedness, for programs and projects as stated in Section 35 of this Act are realized. The funding requirements for FY 2021 shall be included in the FY 2021 General Appropriations Act.

SEC. 35. Financing. - The Secretary of Finance is authorized to direct the Treasurer of the Philippines to borrow, in the name and on behalf of the Republic of the Philippines, such amounts and in such form including bonds, loans, and other evidence of indebtedness to finance programs provided herein.

The borrowings shall be incurred in such amounts as will be needed at any one time, taking into account the following:

a) Rate at which said borrowings may be absorbed by the buying public;

b) The fund requirements of projects ready for execution, and

c) The balance between productive and non-productive projects to hold inflation at the minimum.

For domestic borrowings, the Secretary of Finance shall prescribe the form, the rate of interest, the denomination, maturity, negotiability, convertibility, call and redemption features, and all other terms and conditions governing the issuance, placement, sale, servicing, redemption, and payment of bonds issued under the authority of this Act: Provided, That consultation with the BSP will be made on the probable effects of the proposed operation on monetary aggregates, price level and balance of payments which shall be deemed in compliance with the requirement under Section 123 of Republic Act No. 7653, as amended by Republic Act No. 11211.

For foreign borrowings, the requirements under the Philippine Constitution and applicable laws shall be complied with.
Bonds issued pursuant to this section as well as equity and quasi-equity investments made, directly or indirectly, by banks in the agri-fishery enterprises shall be eligible for purposes of meeting banks' statutory reserve requirements as well as Agri-Agra Reform Credit Act (RA 10000) compliance for a period of ten (10) years.

The principal and interest of the bonds issued under the authority of this Section may be made payable in Philippine currency or any readily convertible foreign currency. The Secretary of Finance shall cause to be paid out of any moneys in the National Treasury not otherwise appropriated, or from any sinking funds provided for the purpose by law, any interest falling due, or accruing, on any portion of the public debt authorized by law. He shall also cause to be paid out of any such money, or from any such sinking funds the principal amount of any obligations which have matured, or which have been called for redemption or for which redemption has been demanded in accordance with terms prescribed by him prior to date of issue: Provided, however, That he may, if he so chooses and if the holder is willing, exchange any such obligation with any other direct or guaranteed obligation or obligations of the Philippine Government of equivalent value.

The Secretary of Finance is also authorized to access official development assistance and such other financing facilities with rates comparable to or more favorable than prevailing market rates, as may be necessary for programs, projects, and activities to address the pandemic.

Likewise, government financial institutions and other government-owned or controlled corporations are hereby authorized to issue bonds under such terms and conditions as they may determine in their sound discretion to enable them help finance the programs provided herein, and subject to approval by the Secretary of Finance.

The BSP is hereby authorized to make direct provisional advances to the National Government to finance the expenditures authorized in its annual appropriations in accordance with and subject to the provisions of its charter: Provided, That, for purposes of financing the programs under this Act and funding
the appropriations made to implement the same, any and all provisional advances shall not, in their aggregate, exceed 30% of the average income of the National Government for the last three (3) preceding fiscal years, amending Section 89 of Republic Act No. 7653, as amended by Republic Act No. 11211, otherwise known as the “New Central Bank Act”.

SEC. 36. Release of Funds. – The DBM shall release the funds directly to the appropriate implementing agency, subject to pertinent budgeting, accounting, and auditing laws, rules, and regulations.

SEC. 37. Availability of Appropriations. – The appropriations authorized in this Act sourced from new revenue sources and from the appropriations under Republic Act No. 11260 and Republic Act No. 11465 shall be available for release and disbursement for the purpose specified until December 31, 2021, unless otherwise stated.

SEC. 38. Penalty for Corrupt Practices. – Any public official or employee and any private individual in conspiracy with such official or employee who shall be found guilty by the proper court of corrupt practices in the utilization and/or disbursement of funds appropriated herein shall suffer the penalty of twelve (12) years imprisonment and a fine treble the amount of the funds defrauded, malversed and/or corrupted, and shall likewise be perpetually disqualified from holding public office, either by appointment or election.

CHAPTER X: Final Provisions

SEC. 39. Implementing Rules and Regulations. – Unless otherwise indicated, the implementing rules and regulations necessary for this Act shall be issued by the President of the Philippines within fifteen (15) days upon the effectivity of this Act.

SEC. 40. Separability Clause. – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.
SEC. 41. Repealing Clause. – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 42. Effectivity. – This Act shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,