



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 8628

**Introduced by Representatives Lord Allan Jay Q. Velasco
and Stella Luz A. Quimbo**

**AN ACT PROVIDING FOR ADDITIONAL MECHANISMS TO ACCELERATE
THE RECOVERY AND BOLSTER THE RESILIENCY OF THE PHILIPPINE
ECONOMY, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

On March 24, 2020, soon after the President declared a state of emergency due to COVID-19 and imposed the first community quarantine measures, the Bayanihan to Heal as One Act (Bayanihan I) was enacted. It granted the President emergency powers to better equip the government in addressing the pandemic and in providing aid to our countrymen. Bayanihan I helped build the capacity of the health care sector and provided immediate relief to those whose livelihoods had been disrupted by the lockdown, particularly through social amelioration and cash-for-work programs. This law expired in June with the adjournment of Congress' first regular session.

As the COVID-19 pandemic continues and with no end in sight, we have seen its increasingly negative impact on our economy and on people's livelihoods. In June, the Philippine Statistics Authority (PSA) reported a record-high in unemployment at 7.3 million Filipinos (17.7 percent) as of April 2020. With the need for government to turn its attention towards supporting businesses and restoring jobs, Congress enacted the Bayanihan to Recover as One Act (Bayanihan II), which allocates a total of 165 billion pesos towards the country's COVID-19 health and economic response.

Similar to its predecessor, Bayanihan II granted emergency powers to the Executive to help combat the pandemic and included measures for health care and social

amelioration. Moreover, Bayanihan II placed more emphasis on economic response and recovery through unemployment assistance, capital infusion to government financial institutions for low-interest loans and credit guarantees, regulatory relief for loans, rent, and utilities, and assistance to businesses in impacted sectors, among others.

While these pieces of legislation increased government's initial capacity to respond to the demands of the ongoing crisis, they were not sufficient for the genuine economic recovery of the country. On January 28, 2021, the PSA reported that the Philippine economy contracted by 9.5 percent overall in 2020, the worst performance in our post-war history. This contraction is significantly deeper than the predicted contraction of 4.5 to 6.6 percent, which was the DBCC's basis for the 2021 national expenditure program. Given that actual economic output in 2020 was far below what was assumed for budget purposes, and further losses may still be incurred as the COVID-19 pandemic is expected to prevail well into the current fiscal year, an additional economic stimulus package is needed to help the government meet its recovery targets for the year.

As part of our country's response to the COVID-19 pandemic, this bill proposes to allocate 108 billion pesos for additional social amelioration to impacted households, 100 billion pesos for capacity building to impacted sectors, 52 billion pesos for wage subsidies, 70 billion pesos for capacity building for agricultural producers, 30 billion pesos for internet allowances to students and teachers, 30 billion pesos for assistance to displaced workers, 25 billion pesos for COVID-19 treatment and vaccines, and 5 billion pesos for the rehabilitation of areas impacted by recent floods and typhoons.

Uncertainty is the primary effect this pandemic has on every aspect of our lives. Faced with continued risk and uncertainty, household consumption has significantly declined, contributing as much as 5.7 percent to the total 9.5 percent annual reduction in output in 2020. Government must therefore take the lead to promote business and consumer confidence and social welfare. Increased, well-targeted spending is a vital step to achieving these goals.

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


LORD ALLAN JAY Q. VELASCO


STELLA LUZ A. QUIMBO, PhD



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

SEC. 1. Short Title. - This Act shall be known and cited as "Bayanihan to Arise As
One Act".

SEC. 2. Declaration of Policy. - It is hereby declared the policy of the State to promote
a just and dynamic social order that will ensure the prosperity and independence of
the nation and free the people from poverty through policies that provide adequate
social services, promote full employment, a rising standard of living, and an improved
quality of life for all. Towards this end, and in cognizance of the adverse impact of the
2019 Coronavirus Disease (COVID-19) pandemic to the Philippine economy and
society, the State shall introduce additional mechanisms to achieve the following
objectives:

- (a) Mitigate the economic cost and losses stemming from the COVID-19
pandemic;
- (b) Restore public trust and confidence on social and economic institutions; and
- (c) Accelerate the recovery and bolster the resilience of the Philippine economy
through measures grounded on economic inclusivity and collective growth.

SEC. 3. COVID-19 Response and Recovery Interventions. - The following shall be undertaken and implemented as COVID-19 response and recovery interventions:

- (a) The provision of wage subsidies and/or subsidies for other work-related expenses through assistance programs for small businesses, such as the Small Business Wage Subsidy program of the Department of Finance (DOF), Social Security System (SSS), and the Bureau of Internal Revenue (BIR);
- (b) The provision of assistance to businesses in sectors that have been critically impacted by the COVID-19 pandemic, as determined by the Department of Trade and Industry (DTI) and the National Economic and Development Authority (NEDA), through measures including, but not limited to, loans from the Small Business Corporation (SBC), grants, and other forms of capacity building assistance;
- (c) The provision of emergency subsidies to households impacted by the COVID-19 pandemic through programs of the Department of Social Welfare and Development (DSWD), such as, but not limited to, the Assistance for Individuals in Crisis Situation (AICS), the Sustainable Livelihood Program (SLP), the distribution of food and non-food items, livelihood assistance, and supplemental feeding programs;
- (d) The provision of assistance such as, but not limited to, subsidies, loans, grants, and capacity building assistance to farmers, livestock producers, and fisherfolk by the Department of Agriculture (DA) in order to improve agricultural productivity and ensure food security;
- (e) The provision of unemployment assistance or cash-for-work to workers displaced by the COVID-19 pandemic through programs such as, but not limited to, the Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD), COVID-19 Adjustment Measures Program (CAMP), and Abot Kamay ang Pagtulong (AKAP) programs under the Department of Labor and Employment (DOLE);
- (f) The provision of allowances to teachers and students in primary, secondary, and tertiary public and private schools for flexible learning by the Department of Education (DepEd) and Commission on Higher Education (CHED); and
- (g) The rehabilitation of typhoon-affected areas, including the repair, reconstruction, and/or construction of flood control works, roads, bridges, public buildings and other damaged public works.

SEC. 4. Procurement of COVID-19 Drugs and Vaccines. - Notwithstanding any law to the contrary, the requirement of Phase IV trials for COVID-19 medication and vaccine stipulated in the Universal Health Care Law is hereby waived to expedite the procurement of said medication and vaccine: *Provided*, That these are recommended and approved by the WHO and/or other internationally recognized health agencies: *Provided, further*, That the minimum standards for the distribution of the said medication and vaccine shall be determined by the FDA and HTAC, as may be applicable: *Provided, further*, That notwithstanding any laws to the contrary, advance payment not exceeding fifty percent (50%) of the contract amount, unless otherwise directed by the President, shall also be allowed for the procurement of COVID-19 drugs and vaccines: *Provided, further*, That nothing in this Act shall prohibit private entities from conducting research, developing, manufacturing, importing,

distributing or selling COVID-19 vaccine sourced from registered pharmaceutical companies, subject to the provisions of this Act and existing laws, rules and regulations: *Provided, finally*, That this section shall remain in effect until such time that the Department of Health has fully implemented its COVID-19 program notwithstanding the expiration of this law.

SEC. 5. Procurement of Goods and Services. - Notwithstanding any law to the contrary, goods and services required to address contingencies arising from natural or man-made calamities that shall accelerate the recovery and bolster the resiliency of the economy, including the goods and services needed to improve the digital infrastructure that supports all government functions, shall be procured in the most judicious, economical, and expeditious manner, as exemptions from the provisions on bidding processes required under Republic Act No. 9184 or the "Government Procurement Reform Act" and other relevant laws, *Provided*, That the following information and documents related to the procurement shall be published in the Government Procurement Policy Board (GPPB) online portal, the website of the procuring entity concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the procuring entity within five (5) working days from the date of acceptance of the award:

- (i) Project name;
- (ii) Approved budget for contract;
- (iii) Contract period;
- (iv) Name of winning supplier, distributor, manufacturer, contractor, or consultant;
- (v) Amount of contract as awarded;
- (vi) Notice of award;
- (vii) Date of award and acceptance;
- (viii) Contract or purchase order; and
- (ix) A certification stating that the procuring entity exerted all efforts to secure the most advantageous price to the government based on existing price data of the agency, the DTI, or other relevant agencies or preliminary market scanning done by the agency showing prevailing market prices and practices.

Provided, further, That notwithstanding any laws to the contrary, advance payment not exceeding fifty percent (50%) of the contract amount, unless otherwise directed by the President, shall also be allowed for the procurement of goods under this Section.

SEC. 6. Regularization of MSMEs. - To ensure that MSMEs are able to avail of programs under this Act, the Commissioner of the Bureau of Internal Revenue shall waive registration and other related fees of MSMEs for the duration of the effectivity of this Act and if necessary, provide accommodation for the registration process and compliance of MSMEs.

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 MSMEs.

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 under the DTI shall coordinate with national and local government agencies and LGUs to ensure the widest dissemination of information and benefits under this program.

SEC. 7. Credit Mediation and Restructuring Services. - To ensure that MSMEs are able to fulfill obligations under more favorable terms of credit, to strengthen the 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 MSMEs and the banks and lending institutions, and assist MSMEs 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; (iii) oversee the negotiation process until terms of financing are agreed upon; and (iv) ensure that an MSME is given access 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.

SEC. 8. Long-term Plan for Economic Resilience. - The National Economic and Development Authority (NEDA) shall submit to Congress a long-term plan for building economic resilience, not later than six (6) months after the effectivity of this Act. The Economic Resilience Plan (ERP) shall include a strategy for measuring and monitoring economic resilience and identification of structural reforms needed to increase the ability of the economy to withstand and recover from shocks. 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 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. 9. Creation of the Bayanihan Council. – A joint executive and legislative council is hereby created in order to monitor disbursements under this Act. The Bayanihan Council (Council) shall be tasked with ensuring that interventions are well-targeted to intended beneficiaries and funds are disbursed properly and in a timely manner. The Council shall publicly publish monthly reports on all actions taken under this Act.

SEC. 10. Composition of the Council. – Members of the Council shall include the President of the Senate, the Speaker of the House of Representatives, seven (7) members of the Cabinet to be designated by the President, one (1) member of the Senate to be designated by the President of the Senate, and three (3) members of the House of Representatives to be designated by the Speaker of the House of Representatives, at least one of whom shall come from the dominant minority party.

SEC. 11. Appropriations. – The following amounts, or so much thereof as may be necessary, are hereby appropriated and shall be used to support operations and response measures to address the COVID-19 pandemic as provided under Section 3 of this Act and Section 4 of Republic Act No. 1149, and the impact of recent typhoons as provided in Section 4 of this Act:

- (a) Fifty-two Billion pesos (P 52,000,000,000.00) for subsidies to small business for wages and other worker-related expenses, as provided under Section 3(a) of this Act;
- (b) One Hundred Billion pesos (P 100,000,000,000.00) for the capacity building of businesses in critically impacted sectors, as provided under Section 3(b) of this Act;
- (c) One Hundred Eight Billion pesos (P 108,000,000,000.00) for the provision of emergency subsidies to households impacted by the COVID-19 pandemic through programs of the DSWD, as provided under Section 3(c) of this Act;
- (d) Seventy Billion pesos (P 70,000,000,000.00) for the provision of assistance and capacity building to farmers, livestock producers, and fishermen in line with Section 3(d) of this Act;
- (e) Thirty Billion pesos (30,000,000,000.00) for the implementation of unemployment assistance and cash-for-work programs under the DOLE, in line with Section 3(e) of this Act;
- (f) Twenty-eight Billion pesos (P 28,000,000,000.00) for allowances for primary, secondary, and tertiary students in public and private institutions, as provided under Section 3(f) of this Act;
- (g) Two Billion pesos (P 2,000,000,000.00) for allowances for primary, secondary, and tertiary teachers in public and private institutions, as provided under Section 3(f) of this Act;

- (h) Five Billion pesos (P 5,000,000,000.00) to the Department of Public Works and Highways for the rehabilitation of typhoon-affected areas, including the repair, reconstruction and/or construction of flood control works, roads, bridges, public buildings and other damaged public works, to be distributed proportionately among provinces and cities affected; and
- (i) Twenty-five Billion pesos (P 25,000,000,000.00) to the Department of Health for the procurement of COVID-19 medication and vaccines, and to finance logistics, information awareness campaigns, and other operational expenses related thereto.

SEC. 12. Implementing Rules and Regulations. - 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. 13. Separability Clause. - If any part, section or provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

SEC. 14. Repealing Clause. - All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 15. Effectivity. - This Act shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation, until adjournment of the Second Regular Session of the Eighteenth Congress on June 4, 2021.

Approved,