

Comments on Senate Resolution No. 405, entitled, RESOLUTION DIRECTING THE COMMITTEE ON TRADE, COMMERCE, AND ENTREPRENEURSHIP AND OTHER APPROPRIATE COMMITTEES TO CONDUCT A HEARING, IN AID OF LEGISLATION, ON THE EFFECTS OF COVID-19 ON PHILIPPINE TRADE, COMMERCE, AND ENTREPRENEURSHIP, AND THE POSSIBLE WAYS TO ‘RESTART’ THE ECONOMY DURING AND AFTER THE ‘COVID-19 ERA’

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On January 2020, the Philippines reported its first COVID-19 case involving a 38-year old female Chinese national (Gregorio 2020). It was later revealed that her companion, a 44-year old male Chinese national also tested positive for COVID-19. He died on 1 February. Four days later, the Philippines’ third confirmed case was reported involving a 60-year old female Chinese national. All confirmed cases had travel history to Wuhan City (CNN Philippines 2020).

More than a month after the first reported case, the first local transmission was confirmed (ABS-CBN News 2020). It involved a husband and wife without recent travel history. The husband is a 62-year old male Filipino with known conditions of hypertension and diabetes mellitus. He experienced cough with phlegm in 25 February while his wife, at 59 years old, was admitted at the Research Institute for Tropical Medicine (RITM) on 5 March. The Department of Health (DOH) raised the COVID-19 alert system² to Code Red sublevel 1 to prepare for the possible increase in suspected and confirmed cases in the country and to facilitate the mobilization of resources, including the procurement of critical logistics and supplies.

On 11 March, the WHO declared the COVID-19 outbreak as a global pandemic, which means that there is a rapid increase in the number of cases outside China, specifically a 13-fold increase in the span of two weeks (BBC 2020). To stop the further spread of the disease, the Philippine government raised the COVID-19 alert system to the maximum Code Red Sublevel 2 in 12 March, as recommended by the Inter-Agency Task Force on the Emerging Infectious Diseases (IATF-EID) (Philippine Information Agency 2020). This declaration effectively imposed stringent social distancing measures in the National Capital Region (NCR) for 30 days including the suspension of classes until 12 April, public offices, and mass gatherings, as well as the adoption of flexible work arrangements in the private sector and community quarantine protocols in selected affected areas. Domestic air, land, and sea travel to and from NCR were suspended 48 hours after the issuance of the declaration although public transport systems remained operational. On 16 March, the Philippine government declared an ‘enhanced’ community quarantine, which extended the scope of the initial declaration from NCR to the entirety of Luzon Island (Luna 2020) until 12 April although this was extended further to until the end of April (CNN Philippines 2020b).

The COVID-19 pandemic has sent shockwaves throughout the world. The World Economic Forum (WEF) recognized that the public is coping with not one but two pandemics: the first being viral and the other being financial anxiety resulting from economies having been forced to a standstill (Lacina 2020). The Asian Development Bank (ADB 2020a) reported that global losses could possibly range from US\$ 2.0 trillion to US\$ 4.1 trillion or roughly 2.3-4.8 percent of global Gross Domestic Product (GDP) because of the COVID-19 pandemic. Several organizations also suggested that progress in the fight against poverty could be reversed. According to a study of the United Nations University’s World Institute for Development Economics, half a billion people in developing countries pushed into extreme poverty (i.e., having income less than USD 1.9 per person per day in 2011 purchasing power parity prices)

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² DOH uses the following alert system: Alert level 1 (white), Alert Levels 2 and 3 (blue), and Alert Level 4 (red). For a brief explainer about this system, see: <https://www.gmanetwork.com/news/news/nation/728790/explainer-what-is-the-philippine-government-s-code-alert-system-for-covid-19/story/>

setting back the clock of progress by up to 30 years (UNU-WIDER 2020). According to the ILO (2020), there will be between 9 and 35 million new working poor (at the higher World Bank poverty line of US\$3.20 per day) in developing countries in 2020. Most will live in middle-income developing countries. A paper from IFPRI by Vos *et al.* (2020) estimates that a global gross domestic product (GDP) slowdown of 1 percentage point would increase poverty (at the lower World Bank poverty line of US\$1.90 per day) by between 14 million (1.6 percent) to 22 million people (3.0 percent).

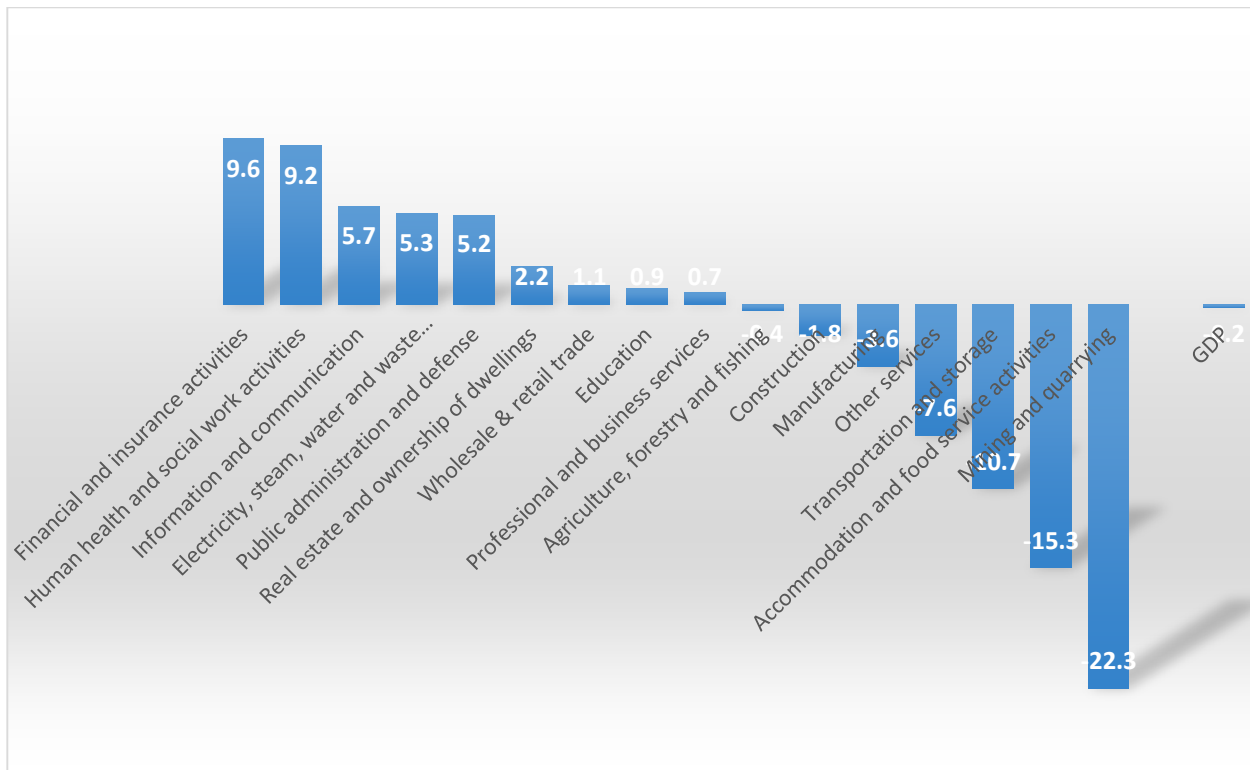
The Philippines is expected to be negatively affected by the COVID-19 pandemic. Estimates by the Asian Development Bank projects the Philippine economy to grow at 2.0% in 2020 (ADB 2020), while the International Monetary Fund's growth forecast for the country is at 0.6% (IMF 2020). The World Bank, on the other hand, projects Philippines GDP growth to be between -0.5% to 3.0% percent for the whole year (WB 2020). Our colleagues at the Philippine Institute for Development Studies projects that the COVID-19 pandemic may cost the Philippines between 1.4% to 12.9% of GDP (Abrigo, *et. al.* 2020), or an overall growth of about -6.0% to 4.0% for 2020. The National Economic Development Authority forecasts are more optimistic although it has slashed its GDP growth projections to -0.6% to 4.3% for 2020. Preliminary estimates by our colleagues at PIDS suggests that the COVID-19 pandemic in the Philippines may push an additional 1.5 million Filipinos into poverty despite the additional social protection, such as the social amelioration program and the small business wage support, that was established (Albert, *et. al.* 2020).

As the Philippines begins to restart the economy in a time when minimum health standards still need to be followed, this note presents some guiding principles which may be of use to policymakers as they deliberate on bills aimed at supporting the recovery from the pandemic.

1. Some sectors are more negatively affected than others

Recent data from the PSA shows the performance of the major sectors during the first quarter of 2020. Contributing to the decline in GDP are Mining and quarrying, Accommodation and Food service activities, transportation and storage, other services, Manufacturing and construction. The following sectors were able to post positive growth rates: Financial and insurance activities, human health and social work activities, information and communication, electricity, steam water and waste treatment, real estate and ownership of dwellings, wholesale and retail trade. Figure 1 tells us that there are sectors that may be more resilient or adaptive while there are those that would need more time to adjust to the new normal.

Figure 1. Growth rate of Philippine industries for Q1



Source: PSA, National Accounts of the Philippines

A more detailed analysis would show that the industries that contracted the most are the following: Other non-metallic mineral products, Textiles, Air transport, Basic metals, Machinery and equipment except electrical, Mining of nickel ores, Accommodation, Tobacco products, Extraction of crude petroleum and natural gas, Mining of gold and other precious metal ores, Coke and refined petroleum products and Mining of copper ores (See Appendix 1). It is important that consultations with business groups from these sectors be conducted in order to understand their specific needs.

2. Different sectors have different exposure risks and economic contributions

Some sectors have greater economic contribution potentials, as measured by its ability to generate more employment, more household income, or more government revenues from these incomes, per additional peso of economic activity than others. Within each of these sectors, different occupations have different exposure risks of contracting or infecting others due to proximity with other workers. A good comparison may be education and logistics. While both have high exposure risk scores (>60%), logistics has higher potential to induce greater economic activity with its GVA multiplier of 60% compared to education's 32%. This does not mean that education is not important or that it is inferior to logistics. Instead, it underscores intrinsic differences among sectors and occupations within sectors that need to be taken into consideration when deciding on programs to buoy or even jumpstart the economy.

3. Going digital is critical for SMEs to adapt

Studies have documented how industries and even individuals have resorted to e-commerce to adapt to the community quarantine. E-commerce allows businesses to sell goods and services even without physical stores. Data on Philippine industries however show that e-commerce has not been widely practiced among Philippine establishments (Table 1). Data on ASPBI shows that only the following industries have e-commerce sales: AFF, Manufacturing, Wholesale & Retail Trade, Transportation and Storage, Accommodation and Food Services

Activities, Information and Communication, Administrative and Support Service Activities, Education, Arts and Education. E-commerce transactions is less than one percent (0.77 percent) of total income of establishments.

Table 1. E-commerce sales by industry, 2016-2017

Industry Description	Sales from E-commerce Transactions	
	2017	2016
Philippines	137,753,532	41,256,051
Agriculture, Forestry and Fishing	56,652	-
Mining and Quarrying	-	-
Manufacturing	82,586,576	1,301,827
Electricity, Gas, Steam and Air Conditioning Supply	-	-
Water Supply; Sewerage, Waste Management and Remediation Activities	-	-
Construction	-	-
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	5,679,892	2,030,548
Transportation and Storage	40,258,086	28,745,545
Accommodation and Food Service Activities	5,849,192	5,623,319
Information and Communication	605,439	540,069
Financial and Insurance Activities	-	-
Real Estate Activities	-	-
Professional, Scientific and Technical Activities	-	-
Administrative and Support Service Activities	42,893	603,641
Education	117,427	-
Human Health and Social Work Activities	-	-
Arts, Entertainment and Recreation	2,557,375	2,411,102
Other Service Activities	-	-

Source: ASPBI 2017

Initiatives to support e-commerce sales such as online market places, local online e-commerce directories have been successful during the pandemic. Data from xxx that the Philippines has increased online sales during the period of the ECQ. Despite this growth, however, It is important to treat the e-commerce initiatives of establishments as investments which may need to be nurtured before subjected to tax. Once the marketplace is vibrant can we engage in taxing these establishments. In fact, countries in APEC have even provided subsidies to establishments to adopt digital-marketing instruments, and programmes for the adoption of e-invoicing³.

4. Build on the strengths of the Philippines

³In Singapore, the Enhanced SMEs Go Digital programme and adoption of e-invoicing aims to help SMEs build and deepen their digital capabilities to strengthen business continuity measures and build resilience. The programme offers to offset S\$200 for businesses that register on the nationwide e-invoicing network on or before 31 December 2020.

The robust sectors of the country would grow with low marginal cost to the government. These sectors would include the Financial and Insurance services and Information and Communication sectors as these grew despite the quarantine and limited economic activity (Figure 1). The relative robustness of these sectors may imply that the government can rely on these sectors to continue to grow once the community quarantine restrictions are lifted.

The Philippines also has a young population active in using the internet and social media⁴. However, Filipinos using the internet for e-commerce transactions is very low (only about 1 in 10 Filipinos have bought anything online while around 2 in 50 Filipinos have sold anything online⁵). There is a need to support the young Filipinos so that they can utilize the internet for entrepreneurial activities. Notable programs that can be explored include:

- The Go Negosyo through the **Mentor Me Online** offers free mentoring session on their official Facebook page joined by prominent Go Negosyo mentors and business experts to discuss business issues and concerns as well as provide technical and practical know-how on managing micro and small businesses.
- **CTRL + BIZ: Reboot Now!** Offers a series of FREE webinars that are targeted to entrepreneurs who need to transform their business digitally. Enablers across the entire E-Commerce ecosystem will provide their expertise and experiences on how to take advantage of the digital space.
- Technical Education and Skills Development Authority (TESDA) is offering free courses for all who would like to acquire new skills in the convenience of their own homes, mobile phones and computers through the **TESDA Online Program (TOP)**.

5. Two-pronged approach in supporting SMEs

Many APEC economies have followed a two-pronged approach in supporting MSMEs: immediate financial support for employees and provide liquidity to businesses (See Appendix 2). The first prong addresses the need to support employees of businesses without overburdening SMEs resources. The second stage supports the businesses upon their resumption of operations⁶. It is advisable that the Philippines follows such a practice within the constraints of its resources.

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⁴ The Philippines has the highest proportion of internet users who reported an increase in time spent on social media during the pandemic (<https://wearesocial.com/blog/2020/04/digital-around-the-world-in-april-2020>).

⁵ Study forthcoming

⁶ A PWC survey of startups found that 69 percent of the respondents can only sustain their startups by up to six months. In addition, less than 20 percent of the startups have enough cash and capacity to sustain their businesses for more than 12 months, relying on government's help to keep their businesses running.

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Appendix 1. Growth of GVA of Industries

Table 1. Growth of Gross Value Added, by Sector and Industry (2018=100)

Industry	2019- 2020 Q1
Public human health	33.3
Basic pharmaceutical products and pharmaceutical preparations	25.6
Banking institutions	16.7
Cacao	14.5
Printing and reproduction of recorded media	13.6
Fabricated metal products, except machinery and equipment	11.7
Forestry and logging	11.0
Activities auxiliary to financial services activities	10.9
Sugarcane	8.2
Public education	7.5
Communication	6.8
Support activities to agriculture, forestry and fishing	5.9
Electricity	5.6
Steam	5.6
Water supply	4.9
Chemical and chemical products	3.8
Poultry and egg production	3.5
Private human health	3.5
Ownership of dwellings	3.1
Non-Banks	2.9
Postal and courier activities	2.6
Other animal production	2.4
Wood, bamboo, cane, rattan articles and related products	2.4
Retail trade, except of motor vehicles and motorcycles	2.0
Livestock	1.5
Real estate	1.4
Wearing apparel	1.1
Food products	0.6
Wholesale trade, except of motor vehicles and motorcycles	0.6
Coffee	0.3
Cassava	0.0
Rubber	0.0
Other agricultural crops, n.e.c.	-0.5
Tobacco	-0.6
Mango	-1.2
Palay	-1.9

Pineapple	-2.2
Paper and paper products	-2.2
Social work activities	-2.2
Corn	-2.5
Rubber and plastic products	-2.7
Other manufacturing	-3.4
Banana	-3.5
Insurance and pension funding, except compulsory sc	-4.8
Coconut, including copra	-4.9
Fishing and aquaculture	-5.2
Information and publishing	-5.5
Abaca	-5.9
Warehousing and storage, and support activities for transportation	-6.1
Arts, entertainment and recreation	-6.4
Computer, electronic and optical products	-7.5
Beverages	-8.2
Waste management	-8.9
Other service activities	-9.4
Private education	-9.8
Land transport	-10.6
Stone quarrying, and other mining and quarrying	-10.9
Transport equipment	-11.1
Food and beverage service activities	-11.1
Mining of coal	-11.9
Electrical equipment	-12.3
Furniture	-13.7
Water transport	-15.1
Leather and related products, including footwear	-15.2
Sale and repair of motor vehicles and motorcycles	-15.4
Other non-metallic mineral products	-16.1
Textiles	-17.6
Air transport	-18.4
Basic metals	-18.8
Machinery and equipment, except electrical	-19.7
Mining of nickel ores	-21.7
Accommodation	-22.6
Tobacco products	-28.0
Extraction of crude petroleum and natural gas	-28.1
Mining of gold and other precious metal ores	-34.0
Coke and refined petroleum products	-35.5
Mining of copper ores	-37.5

Appendix 2 Unemployment and Liquidity support for MSMEs

Economy	Unemployment support	Liquidity support
Australia	<p>Wage Subsidy⁷ – AU\$1500 fortnightly per worker payments to businesses that have experienced a 30 per cent fall in turnover. Program runs for a maximum of 6 months.</p> <p>Infrastructure spending⁸ – Australian State governments are fast-tracking infrastructure spending and maintenance. For example, the South Australian government has announced \$350 million to upgrade major roads and hospitals</p>	<p>Loan Guarantee⁹ – The Australian Government will provide up to a 50 per cent guarantee for new loans issued by lenders to SMEs. Government will guarantee up to AU\$40 billion in loans.</p>
Brunei Darussalam		<ol style="list-style-type: none"> I. Deferment of the principal payment of loans or financing to all business sectors; II. Restructuring and deferment of principal amount on personal loans and hire purchase facilities such as car loans for not more than 10 years; III. Deferment on the principal amount or financing of real estate; IV. Restructuring of outstanding credit card balances into a loan for a period of not more than three years. This is applicable to those in the private sector only, including those who are self-employed. However, this does

⁷ https://treasury.gov.au/sites/default/files/2020-04/Fact_sheet_Info_for_Employers.pdf

⁸ <https://www.premier.sa.gov.au/news/media-releases/news/unprecedented-response-and-economic-stimulus-to-drive-sa-jobs,-economy-in-wake-of-bushfires,-coronavirus2>

⁹ https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_temporary_relief_for_financially_distressed_businesses.pdf

		<p>not include increasing the amount of credit card limit during the three-year period.</p> <p>v. All bank fees and charges, except third party charges, will be waived.</p>
Chile	Workers with Labor Code contracts and affiliated to the Unemployment Insurance can access benefits and supplements charged to the Unemployment Fund subject to some conditions	Deferred payment of VAT; Income tax refund advance payment; Deferred payment of income tax, real estate contribution
Hong Kong, China	Employment Support scheme (ESS) which would include providing wage subsidy based on 50% monthly salary to eligible employers	<p>Support from the Banking Sector on SME Lending –</p> <p>(i) Banks will consider arrangements to automatically offer extensions of loan tenor or principal repayment holidays to qualified SMEs without requiring them to make an application; and</p> <p>(ii) Banks will allow SME customers in the import-export and manufacturing sectors facing cash-flow problem due to delays in shipments to further extend the repayment period of trade financing facilities. They will also consider allowing more customers to apply to convert trade financing lines into temporary overdraft facilities so that customers can manage their cash flow more flexibly.</p> <p>Proposed Enhancement to SME Financing Guarantee Scheme –</p> <p>(iii) Raising maximum loan amount per enterprise for the 80%, 90% and Special 100%</p>

		<p>Guarantee Products under the Scheme;</p> <p>(iv) Providing interest subsidy to bring interest rate on par with Prime Rate minus 2.5%, subject to a subsidy cap of 3%, for loans under the 80% and 90% Guarantee Products for a one-year period; and</p> <p>(v) Raising the guarantee commitment for the Special 100% Guarantee Product from HK\$20 billion to HK\$50 billion (USD2.6 billion to USD 6.4 billion).</p> <p>Concessions and Provision of Subsidy on Government Fees</p> <p>–</p> <p>(vi) Reducing profits tax for 2019-20 by 100%, subject to a ceiling of HK\$20,000 (USD 2,564);</p> <p>(vii) Waiving rates for non-domestic properties for four quarters in 2020-21, subject to a ceiling of HK\$5,000 (USD 641) per quarter in the first two quarters and \$1,500 (USD 192) per quarter in the remaining two quarters;</p> <p>(viii) Waiving business registration fees for 2020-21;</p> <p>(ix) Waiving registration fees for all annual returns (except for late delivery) charged by the Companies Registry for two years;</p> <p>(x) Providing a subsidy to each eligible, non-domestic household account to cover 75% of their monthly billed electricity charges, subject to a monthly cap of HK\$5,000 (USD 641) per account; and</p> <p>(xi) Waiving 75% of water and sewage charges payable by</p>
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		non-domestic households.
Indonesia	<p>Unconditional Cash Transfer Program (Bantuan Langsung Tunai/BLT) for ultra micro and micro enterprises. Providing Unconditional Cash Transfer (BLT) as income substitute to ultra micro and micro enterprises affected by covid-19</p>	<p>Credit restructuring and interest subsidy for micro enterprises Providing credit restructuring options through banking and finance company to micro enterprises credit.</p>
Japan	<p>Special Measures for Employment Adjustment Subsidies If an employer who is forced to reduce its business activities for economic reasons temporarily takes a leave from work, provides training, or seconds the worker to another organization, subsidize a portion of the leave allowance.</p>	<p>Based on the situation that the income of many businesses is rapidly decreasing due to the influence of COVID-19, since February, deferred tax payment (one year) without collateral and late payment penalties will be allowed for any business whose sales have decreased (more than 20% compared to the same month of the previous year). This applies to basically all taxes, including corporate tax, consumption tax, property tax.</p>
Korea	<p>SME Employment Stabilization: Sectors which were affected seriously by COVID 19 such as travel/accommodation/transportation sectors were designated as special employment support sectors to actively respond to the job security of MSMEs. Employment maintenance supporting funds are provided to encourage businesses with paid leaves /holiday allowance.</p>	<p>Financial support: Measures were taken to mitigate the financial burdens of the affected MSMEs with the lowest interest rates compare to commercial interest rates; to further expand the size of guarantees/loans to the MSMEs; to extend their maturity. The measures also include full guarantee particularly for the affected micro-enterprises or self-employed.</p>
Malaysia	<p>The wage subsidy programme announced on 27 March will be expanded from RM5.9 billion to RM13.8 billion, an increase of RM7.9 billion. Under this additional initiative,</p>	<ul style="list-style-type: none"> • RM5 billion Special Relief Facility at an interest rate of 3.5% to SMEs offered by

	<p>all companies with local employees earning a monthly salary each of RM4,000 and below will receive wage subsidies</p>	<p>Central Bank of Malaysia through Participating Financial Institutions and Development Financial Institutions. To facilitate the SMEs, application can be made online through imSME Portal, Malaysia's online SME financing/loan referral platform managed by Credit Guarantee Corporation Malaysia Berhad (CGC), and is supported by Bank Negara Malaysia as well as participating banks.</p> <ul style="list-style-type: none"> • RM700 million microcredit scheme at 0% interest without collateral to affected businesses with at least six (6) months in operation. From these allocation, RM500 million offered under Bank Simpanan Nasional (BSN) and RM200 million offered under TEKUN Nasional; • Increase the size of the fund by RM1 billion to RM6.8 billion under the All Sector Facility Economy to improve access to financing for SMEs; • SMEs with business records of less than 4 years can leverage the BizMula-i and BizWanita-i schemes for financing up to RM300,000 under the Credit Guarantee Malaysia Berhad (CGC).
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		<ul style="list-style-type: none"> • Syarikat Jaminan Pembiayaan Perniagaan (SJPP) will provide RM5 billion worth of guarantees and increase the guarantee coverage from 70% to 80% for SMEs that face difficulties in obtaining loans. • Guarantee scheme up to 80% of the loan amount for the minimum loan size of RM20 million for the purpose of financing working capital requirements from 1 May to 31 December 2020 under Danajamin Nasional Berhad <p>Other Financing facility:</p> <ul style="list-style-type: none"> • RM1 billion AgroFood facility at 3.75% offered by Participating Financial Institutions and Development Financial Institutions • RM300 million SME Automation & Digitalisation Facility at 3.75% offered by Participating Financial Institutions and Development Financial Institutions <p>Other Measures:</p> <ul style="list-style-type: none"> • RM50 million allocation for short courses in digital skills and highly skilled courses by Human Resources Development Fund (HRDF)
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		<ul style="list-style-type: none"> • RM100 million matching grant by Human Resources Development Fund (HRDF) for additional 40,000 employees in tourism and other affected sectors • RM10 million grant to promote sale of products on e-commerce platforms (RM1,000/business) by Malaysia Digital Economy Corporation (MDEC) • Accelerated capital allowances over a 2 year period on expenses incurred on machinery & equipment including ICT by Malaysian Investment Development Authority (MIDA)
Philippines	<ul style="list-style-type: none"> • The Small Business Wage Subsidy Program (SBWS) of the Department of Finance (DOF) is a two-month wage subsidy amounting to PhP5000 to PhP8,000 (98 to 158 USD based on the regional minimum wage) per month for employees affected by the ECQ and its subsequent extension, thereby adding to the assistance received by employees from CAMP. 	<ul style="list-style-type: none"> • The government has allotted PhP1 Billion (19 Million USD) for expanding the microfinancing program called “Pondo sa Pag-babago at Pag-asenso” (P3) to include Enterprise Rehabilitation Financing facility (named as COVID 19 P3-ERF) that will provide low interest (i.e. 0.5% monthly), zero collateral, and relaxed payment terms (i.e. grace period on payments until the economic crisis has abated) for micro and small enterprises to cover, among others, loan amortizations for fixed assets, replacement of

		perishable inventory, replacement of working capital.
Russian Federation	<p>Granting a loan for paying salaries to employees at the rate of 0%. The loan guarantee is provided by the guarantee of “ВЭБ.РФ” corporation (up to 75%). Small and medium-sized companies in the distressed sectors will be provided with direct non-reimbursable financial support from the federal budget for paying salaries and accomplishing other urgent tasks.</p>	<p>1. Postponement of interest payment on loans by SMEs without imposing penalties as well as providing a postponement period for payments of loans for Sole Proprietorships with a decrease in profits by more than 30%.</p> <p>2. Granting a 6-month postponement period for the rent of state or municipal property.</p> <p>3. Granting a postponement period for the rent of commercial property.</p> <p>4. The program of preferential crediting was expanded, requirements to the borrower were simplified, and the possibility of refinancing loans was implemented. The program involves 99 banks that issue loans to entrepreneurs at a reduced rate of up to 8.5%. The guarantee commission of regional guarantee organizations is reduced to 0.5%.</p> <p>5. When borrowing microloans, no forfeit is accrued when a loan is delayed. Requirements for the borrower are simplified. The interest rate on microloans is reduced to 6%.</p>
Singapore	<p>1. Jobs Support Scheme - Help enterprises retain their employees during this period of economic uncertainty</p> <ul style="list-style-type: none"> Employers will receive 25% of monthly wages for every worker in 	<p>1. Deferment of income tax payments</p> <ul style="list-style-type: none"> All companies with Corporate Income Tax (CIT) payments due in the months of April, May, and June 2020 will

	<p>employment (wage capped at S\$4,600 per worker) until end-2020.</p> <ul style="list-style-type: none"> • Higher support of up to 75% for sectors more affected e.g. aviation, tourism and food services. <p>2. Enhanced Wage Credit Scheme – Support wage increases for Singaporean workers</p> <ul style="list-style-type: none"> • Co-funds 15% of wage increases for employees earning up to S\$5,000. 	<p>be granted an automatic three-month deferment of these payments.</p> <ul style="list-style-type: none"> • The CIT payments deferred from April, May, and June 2020 will instead be collected in July, August, and September 2020 respectively. <p>2. Corporate Income Tax (CIT) Rebate</p> <ul style="list-style-type: none"> • CIT Rebate of 25% tax payable, capped at S\$15,000, will be granted for Year of Assessment 2020 <p>3. Property Tax Rebate for 2020</p> <ul style="list-style-type: none"> • 100% Property Tax Rebate for qualifying commercial properties, such as hotels, serviced apartments, tourist attractions, shops and restaurants • 60% Property Tax Rebate for Integrated Resorts • 30% Property Tax Rebate for all other non-residential properties <p>4. Rental waivers for tenants in Government-owned / managed non-residential facilities –Alleviate costs for enterprises</p> <ul style="list-style-type: none"> • 3 months rental waiver for stallholders in hawker centres • 2 months rental waiver for eligible commercial tenants • 0.5 month rental waiver for eligible tenants of other non-residential premises <p>5. Enhanced Enterprise Financing Scheme – SME Working Capital Loan – Help</p>
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		<p>SMEs address their working capital needs during this period of uncertainty</p> <ul style="list-style-type: none"> • Maximum loan quantum of S\$1 million • SMEs may request for deferment of principal repayment for 1 year, subject to assessment by Participating Financial Institutions (PFIs).
Chinese Taipei	<ol style="list-style-type: none"> 1 Since January, SMEs that have the average revenue for two consecutive months 15% lower than the second half of 2019 or the same period of the previous year, may apply for working capital loan, obtained for salary and rent purposes only. 2 During the loan period, SMEs are not allowed to have pay cuts or layoff. <p>✓ Loan</p> <ol style="list-style-type: none"> 1 Amount: up to TWD\$5 million (around US\$167,000) working capital loan, subject to the total salary and rent for 6 months. 2 Term: 3 years, including 1-year grace period. 3 Interest Rate: Up to two-year time deposit floating rate of Post savings system +1% (currently 1.845%) 4 Guarantee Coverage: the government offers 100% guarantee. 	<p>SMEs that have the average revenue for two consecutive months 15% lower than the second half of 2019 or the same period of the previous year, may apply for interest subsidy and waiver of guarantee service fee.</p>
Thailand	<ul style="list-style-type: none"> • Compensatory benefits in the event of unemployment due to force majeure for Insured person <ul style="list-style-type: none"> ○ Employees will be entitled to receive compensation during 	<ul style="list-style-type: none"> • Loan support for businesses <ul style="list-style-type: none"> ○ THB10,000 million total credit supported by SME

	<p>the work cessation period at a rate of 62% of their daily wages contributions to the Social Security Office (90 days maximum).</p>	<p>Development Bank</p> <ul style="list-style-type: none"> ○ Providing loans up to THB3 million for SMEs at 3% interest rate in the first two years ○ Suspension of principal repayment for debtors affected by COVID-19 ○ Exemption of taxes and fee cuts for debt restructuring with non-financial institution creditor e.g. personal loan, hire purchase, and leasing from 1 January 2020 to 31 December 2021
<p>Vietnam</p>	<p>the social security of 62 trillion dong to support people losing their jobs and small businesses:</p> <ul style="list-style-type: none"> - Labors whose contracts are terminated are not eligible for unemployment benefits, self-employed workers who have lost their jobs, individual business households with a tax revenue of less than VND 100 million / year, must stop working Business is supported with 1 million / month; - Employees who are suspended from their contracts, take unpaid leave are entitled to 1.8 million VND / month; 	<ul style="list-style-type: none"> - 35 trillion dong for tax exemption, tax reduction, tax extension ... for businesses, and - 250 trillion dong for the banking system to reduce interest rates lower than 0.5-2.5% of the normal level. - Temporarily closing the pension and survivorship fund

	<p>- Enterprises whose laborers are stopped working for 3 months may borrow 0% interest rate.</p>	
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