

**PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE**  
**News and Information Bureau**

**PUBLIC BRIEFING #LagingHandaPH**  
**HOSTED BY PCOO UNDERSECRETARY ROCKY IGNACIO**  
**FEATURING “TATAK NG PAGBABAGO 2020: THE PRE-SONA FORUM”**  
**JULY 8, 2020**

**USEC. IGNACIO:** Magandang araw po sa lahat ng ating mga kababayan na nakatutok ngayon sa ating programa. Mula po sa Presidential Communications Operations Office, ako po si Undersecretary Rocky Ignacio, kasama ninyong mag-uulat ng pinakasariwang impormasyon sa mga hakbang ng pamahalaan laban sa COVID-19. Basta't laging handa at sama-sama, kaya natin ito, kaya naman samahan ninyo kami rito sa Public Briefing #LagingHandaPH.

Magsisimula po ngayong araw ang Tatak ng Pagbabago 2020: The Pre-SONA Forum. Ang Pre-SONA po ay nahahati sa mga cluster. Ngayong July 8 po ay ang unang araw, tampok po ang Economic and Infrastructure Cluster Forum na may temang “Regaining Momentum, Accelerating Recovery in a Post COVID-19 World”. Kasalukuyan pong nagaganap ang Pre-SONA sa Philippine Information Agency Auditorium at naka-live stream po ito via Facebook pages ng PCOO pati na rin po sa mga attached agencies nito.

Inaasahan po na mamaya ay magbibigay rin ng mensahe ang ating mahal na Pangulo na si President Rodrigo Roa Duterte at ilan sa kaniyang mga katuwang na sina Executive Secretary Salvador Medialdea, Secretary Carlos Dominguez ng Department of Finance, Governor Benjamin E. Diokno ng Bangko Sentral ng Pilipinas, ang Secretary po ng DPWH - Secretary Mark Villar, pati na rin po si Cabinet Secretary Karlo Nograles.

Samantala, puntahan na po natin ang mga kaganapan sa Philippine Information Agency kung saan po ay nandoon si Secretary Martin Andanar.

[PHILIPPINE NATIONAL ANTHEM]

**SEC. ANDANAR:** Good morning Luzon, Visayas and Mindanao. Welcome to Tatak ng Pagbabago 2020: The Pre-SONA Forum, ahead of the 5<sup>th</sup> State of the Nation Address of President Rodrigo Roa Duterte. We, in the Presidential Communications Operations Office bring you the Cabinet clusters tasked to discuss the policies and programs of the administration as it leads the nation forward amidst the COVID-19 pandemic.

Today, you will hear stories of ‘pagkalinga’ as the government heeds the needs of the people and resolves and to realize the President’s promise of change. Today, we begin the first of the three-part Pre-SONA stories with the Economic Development Cluster and the Infrastructure Cluster. This is ‘Tatak ng Pagbabago 2020, Patunay na Pagkalinga’.

[VTR]

Sa pagbubukas ng taong 2020, kinaharap ng Pilipinas ang mga napakabigat na suliranin. Pinakamatindi na rito ang pandemya ng COVID-19 na nagbigay-banta sa kalusugan at kaligtasan ng sambayanang Pilipino. Sa harap ng pagsubok, tayo ay nagkapit-bisig at nagbayanihan para sa ikagagaling ng lahat.

Sa pangunguna ni Pangulong Rodrigo Roa Duterte, puspusan ang paghahatid ng tulong at serbisyo ng pamahalaan sa mga mamamayan sa gitna ng dinaranas na public health emergency. Ang maagap at masigasig na pagtugon sa mga pangangailangan ng taumbayan ay patunay ng pagkalinga at pagmamalasakit ng administrasyong Duterte sa bawat Pilipino sa loob at labas man ng bansa.

Bilang paghahanda para sa State of the Nation Address ni Pangulong Duterte, muling inihahandog ng Cabinet clusters ang Tatak ng Pagbabago 2020: The Pre-SONA Forum. Sa pagkakataong ito, haharap sa sambayanan ang anim na Cabinet clusters upang ihatid ang mga tamang impormasyon at iulat ang katotohanan tungkol sa kalagayan ng ating bansa. Bitbit ang temang “Patunay ng Pagkalinga,” layunin nitong sugpuin ang paglaganap ng fake news at disinformation.

Sa unang bahagi ng Pre-SONA Forum, nariyan ang Economic Development Cluster na nagsusulong sa pambansang hangarin na muling umangat, bumangon at mabuo ang ekonomiya sa pagkakalugmok sa sanga-sangang krisis na dinulot ng COVID-19. Kasama rin ang Infrastructure Cluster na pinapausbong ang imprastruktura sa bawat sulok ng bansa upang mapaunlad at mapabuti ang kalagayan ng mamamayang Pilipino.

Sa ikalawang bahagi, nariyan ang Human Development and Poverty Reduction Cluster na nangangalaga sa interes ng mga maralitang Pilipino at umaagapay sa mga pangangailangan ng taumbayan sa usapin ng kalusugan, kabuhayan, edukasyon at iba pang mga serbisyo. Kasama rin ang Participatory Governance Cluster na itinataguyod ang isang transparent, responsive at people-centric na gobyerno para sa mas mabilis at epektibong paghahatid ng serbisyo sa mga tao.

Sa pangatlo at pinakahuling bahagi naman, nariyan ang Security, Justice and Peace Cluster na prayoridad ang pagpapanatili ng kaayusan, seguridad at kapayapaan sa mga komunidad. Kasama rin ang Climate Change Adaptation, Mitigation and Disaster Risk Reduction Cluster na pinapahusay ang kahandaan at katatagan ng mga komunidad laban sa mga kalamidad at sakuna habang pinapaigting ang pagpapatupad ng mga polisiyang po-protékta sa kalikasan.

Sa apat na taong pagsisikap ng administrasyong Duterte na maisulong ang tunay na pagbabago, marami na tayong nakamit na mga tagumpay. Sinusubok man ng krisis ang ating bansa sa panahong ito, itutuloy natin ang maganda na nating nasimulan. Patuloy ang paghahatid ng mapagkalingang serbisyo sa mga mamamayang Pilipino: Sama-sama, iaangat natin ang bansa; Sabay-sabay, haharapin natin ang mas magandang umaga.

**EXECUTIVE SECRETARY MEDIALDEA:** From the day of his election up to the present, President Rodrigo Roa Duterte has remained firm with his commitment to bring government closer to the Filipino people. Consistent with this vision, we have organized these Pre-SONA events featuring the President's Cabinet Secretaries to share the accomplishments of their respective clusters over the past year as well as their plans for the coming period.

The presentations include the programs and activities for our whole-of-government response to the COVID-19 pandemic. We are carefully aware that our country and our people will continue to face immense challenges for the rest of the year and beyond, until a vaccine becomes widely available. The COVID-19 pandemic will continue to adversely affect people all around the world.

President Duterte's priority is clear: To save lives and protect communities. In the early days of this pandemic, he has made the imposition of strong quarantine guidelines to prevent the spread of the virus. While we proceeded to enhance and establish health facilities throughout the country, President Duterte also rolled out the largest economic protection program in our history, giving special attention to small business workers and informal sector families.

Even as we speak, the government is spending as much as it can to support our less privileged countrymen. Iyan po ang pagkalinga ng inyong pamahalaan...

The emergency measures the President adopted to fight this crisis saved thousands of lives, but this life-saving measures had the inevitable result of constraining economic activity, thus affecting livelihoods. Having vastly improved our health system capacity, we are on the road towards reopening our economy. This is evidenced by the less restrictive quarantine classifications now prevailing in most parts of the country.

Nonetheless, as we help our citizens return to work, each and every Filipino needs to remain vigilant. We should all continue observing social distancing and other public health measures such as wearing of mask and frequent washing of hands to protect each other's health and well-being. We must act responsibly. Sabi nga nila, mapa-ECQ o MGCQ, huwag matigas ang ulo, may virus pa rin.

As we transition, as we transition to the new normal, your government's pagkalinga will take the form of a strong economic rebound. We shall save and restore as many livelihoods as we can.

The presentations you will be seeing shortly will provide our people a full picture of what has been done and what plans have been laid up for our nation's economic recovery. The whole of government is working round the clock to minimize the socio-economic impact of this pandemic, and to ensure our sustainable recovery. We have been relentless in mobilizing every resource and seeking every opportunity to attain better days for our nation.

We are confident that in spite of the continuation of this health crisis, our economy can resume its growth trajectory and that our economic and infrastructure development will generate jobs for Filipino workers enabling them to provide a more comfortable lives for their families.

Maraming, maraming salamat po.

**SEC. ANDANAR:** Thank you very much for the welcome message Secretary Medialdea.

Now, this year's pre-SONA is different from that of what we had for the past three years. Nevertheless, our promise to give you timely and relevant updates on the administration's movements remains the same.

As I have mentioned, this is the first of the three pre-SONA forums we have scheduled for you leading to the State-of-the-Nation-Address of the President on the 27<sup>th</sup> of July. Today's show is spearheaded by the economic development cluster and the infrastructure cluster.

Before COVID-19 hit us, the Philippines was one of the fastest growing among the major economies of Asia and the world. But the past few months have been tough for all of us. How then will our economy regain our momentum and recover?

With us today is the head of the government's economic team, Secretary Carlos G. Dominguez of the Department of Finance.

We will just fix the audio of Secretary Sonny Dominguez. Apparently, the audio of the Secretary through his Zoom has been muted. But today is going to be a special day. We have several members of the economic and infrastructure cluster that will speak for the entire pre-SONA of this year. We have Secretary Dominguez. We will also BSP Governor Ben Diokno; and then, we shall have Secretary Mark Villar speak about all of the infrastructure projects of the Philippine government through the Build, Build, Build.

The question today would be, what has ... or should be not what the government has done for the past five years or four years but probably what will you expect from the government from this time on until the end of the years since we are the midst of the pandemic? This crisis that hit our country, hit the rest of the world and has caused the economy of the Philippines and the rest of the world to stumble.

So napakahalaga po nang magiging pre-SONA sa araw na ito dahil makikita natin kung ano ang plano ng ating economic cluster, ano ang plano ng ating infrastructure cluster sa mga darating na buwan dahil nga sa tanong na inuulit ko: Ano ang para sa akin, ano ang ini-expect ng bawat Pilipino matapos tumama ang coronavirus sa ating lahat dito po sa Pilipinas at sa buong mundo?

And we all know that for the past four years na napakadami na pong nagawa ng administrasyon ni Pangulong Rodrigo Roa Duterte, the promise to bring down the poverty incidence from 23% to the target of 14%, ito po ay nakamtan in less than three years kung saan ay nakamit natin iyong pagbaba ng 23% poverty incidence at ito naman ay bumaba ng 16%.

So kung titingnan mo talaga, base doon sa target po ng ating pamahalaan ay two percent na lamang ay tatama na tayo doon sa 14% na target. But of course, we have this pandemic that struck us – hindi naman natin inaasahan ito. So the government kailangan nang gumawa ng konting recalibration sa kaniyang plano.

So the question remains: Ano ang aasahan ng bawat Pilipino? May trabaho pa ba ako bukas? Papaano babalik iyong trabaho ko? Sa mga negosyante: Paano babalik ang aking negosyo? Para sa mga OFWs: Ako ba'y makakabalik pa sa abroad para magtrabaho? Ano ang mga opportunities? Papaano tayo babalik doon sa bilis ng pag-asenso ng ating ekonomiya sa gitna ng pandemya?

At para po bigyan tayo ng sneak peek or preview kung ano ang mga babangitin ni Pangulong Rodrigo Roa Duterte sa kaniyang State-of-the-Nation-Address in the coming weeks, nandito po ngayon si Secretary Sonny Dominguez who will be the first to speak on our pre-SONA for 2020. Secretary Dominguez?

**SEC. DOMINGUEZ:** Thank you. Can you hear me now?

**SEC. ANDANAR:** Yes, loud and clear.

**SEC. DOMINGUEZ:** Thank you very much.

Executive Secretary Salvador Medialdea; infrastructure cluster chairman and Secretary of Public Works and Highways Mark Villar; Bangko Sentral ng Pilipinas Governor Benjamin Diokno; Cabinet Secretary Karlo Nograles; members of the economic development and infrastructure clusters; fellow workers in government; members of the diplomatic corps; business and financial communities; academe, civil society, youth organizations, development partners, friends in media, good morning.

We live in difficult and uncertain times. In a county whose median age is below 25, the COVID-19 health emergency is perhaps the toughest economic crisis most of our people will live through. This pandemic is a Black Swan event that no one fully anticipated and was truly prepared to deal with. But we did not fold and run in the face of an unprecedented crisis. We quickly took stock of the situation and responded with everything we had.

President Duterte's early and decisive measures to combat the contagion saved thousands of lives. According to the epidemiological models by FASSSTER [*Feasibility Analysis of Syndromic Surveillance using Spatio-Temporal Epidemiological Modeler*] project in April and the University of the Philippines COVID-19 Pandemic Response Team as of June 27, government interventions such as the lockdown have prevented as much as 1.3 to 3.5 million infections.

Imposing the Enhanced Community Quarantine not only slowed the virus spread when it could have grown exponentially faster. The lockdown gave us time to expand our testing capacity by multiples. From just around 300 actual tests per day in March, our capacity grew to 18,141

average daily tests at the start of this month. As an indicator for whether a country is doing enough test, the World Health Organization has set 10% positive rate as the benchmark. The Philippines meets this measure with only 7.4% of tests yielding positive result.

We were also able to protect our frontliners and healthcare workers better from procuring one million personal protective equipment sets by the end of April to six million by the end of June. This is a six-fold increase that was accelerated by the special powers under the Bayanihan Law that facilitated emergency procurement and measures by the Bureau of Customs to expedite the release from the piers.

We have improved the protection of healthcare workers. For all confirmed cases of COVID-19 at the end of April, 20% were health workers. This dramatically decreased to less than 8% as of July 5.

Hopefully this downtrend will continue as we strengthen infection prevention and control protocols. The lockdown likewise gave us time to expand our capacity to treat and isolate the infected. From around 33,000 beds in our quarantine facilities in mid-April, we were able to bring up isolation and treatment capacity to 68,000 beds as of July 6. 75% of these beds are vacant and available for use to be.

Only less than 1% of all COVID cases in the country are severe or critical, the rest are mild or asymptomatic cases and will not need intensive hospital care. Despite this, we will sustain our efforts to expand access to testing, hiring contact tracers and beef up of our treatment capacity.

For us to overcome this contagion, we must do our part as individuals. We all have a big responsibility to play. In our homes and places of work, as we travel day to day, we must adhere to the minimum health standards. In places we live, shop and work, we must wear mask, wash our hands frequently and practice social distancing. We knew that protecting the lives of our people would come at a dear price.

In the first quarter of this year, our economy shrunk by two-tenth of 1%. This is the first quarterly economic contraction in four decades. Our unemployment rate in April of this year spiked to 17.7%. Similarly, the shutdown of economic activities has taken its toll on business. The slowdown in economic activity and the extensions of tax filing and payment deadlines combined to bring down our revenues.

For the first half of this year, estimated tax collections from the Bureau of Internal Revenue and Bureau of Customs dipped to 1.2 trillion pesos, 16% behind last year's performance for the same period. Given the economic situation, we expect to collect significantly less taxes that we projected to raise at the start of the year.

Our debt deficit to GDP ratio will likely more than double as tax collections dropped. Even as the government spends more to beef up our health care system and to provide relief to families, workers and other sectors hardest hit by the pandemic.

None of the emergency spending was programmed. In addition, we need to fund our economic recovery plans especially for small businesses. We will bridge the gap with additional borrowings.

In previous years, emergencies spending and urgent borrowing might have been very difficult. The Duterte administration's royal approach to fiscal and economic management made us one of the strongest, most resilient and credit worthy economies in the region.

Signs of recovery are also emerging. Despite the effects of COVID-19 on the overall trading environment, the Bureau of Customs was able to surpass last month's collection target by 4.4%. This signals rising economic activity.

Recovery is also seen in the manufacturing sector as we have the economy reopens. As reported yesterday by the Philippine Statistic Authority in its monthly integrated survey of selected industries, the capacity utilization of factories as a whole increased to 73.4% in May compared to 71.3% in April. In addition, while the year-on-year volume of production index of manufacturing is downed by 14.3% in May, this is an improvement over April's 43.6% contraction.

The latest result of Purchasing Manager's Index also points to an improved manufacturing performance moving forward as it rolls from 40.1 in May to 49.7 in June.

Before COVID-19, all indicators showed economic strength. We were among the fastest growing economies in Asia with an average GDP growth of 6.6% from 2016 to 2019. We have managed to bring down our debt to GDP ratio to a historic low of 39.6%. Our revenues were robust after the passage of both tax reform measures.

In 2019, revenues were at 16.1% of GDP, our best performance in 22 years. This provided solid footing for our Build, Build, Build program. Despite the delay in the passing of the budget for 2019, we were able to catch up and accelerate our spending for infrastructure investments to 5.4% of GDP last year, double the average infrastructure spending to GDP for the past 50 years.

Inflation also remains stable and under control averaging 3% from 2016 to 2019. For the month of June this year, inflation rate further slowed to 2.5%. Also, prices in June have only gone up by less than 1 quarter of 1 percent compared to the prices at the start of this year.

At the end of 2019, we have achieved the lowest recorded rates of unemployment at 4.5%, underemployment at 13% and poverty incidence at 16.7%. In other words, without this global economic crisis, we have realized better economic outcomes for our people. Our economy was ready to soar.

When the health crisis happened, we had already received a BBB+ credit rating, the highest in our country's history. And even at this pandemic, international credit rating agencies have affirmed our sovereign rating and have kept them at investment rate levels.

In fact, the Japanese Credit rating agency upgraded us from BBB+ to A- last month. This is a vote of confidence in a sea of a credit rating downgrades and negative outlook revisions worldwide. With our sturdy credit worthiness, the commercial markets and development partners continue to provide us financing at lower interest rates and longer repayment periods.

When the government can access debt at low cost, so will our private sector enterprises in need of liquidity assistance. That is so important in recovering from the ravages of the painful, but necessary lockdown. The ability to finance at lower cost will help us bounce back more quickly and more sustainably. This is what makes the credit ratings so crucial to restoring our economy's health.

To date, the Department of Finance has raised a total of 5.3 billion US dollars in concessional budgetary support from our development partners. On top of this, the Philippines secured a total of 126 million US dollars in grant and loan financing from our development partners for various COVID specific projects, these includes purchase of emergency medical supplies and equipment as well as food distribution program for the poorest households in Metro Manila.

In the commercial markets, we raised \$2.35 billion from our latest global bank offering that fetch the lower ever coupon in the US dollar market. All these are in clear vote of confidence in our future recovery and favorable appraisals of where our prospects stand compared to the rest of the world.

In terms of domestic sources, we have raised 1.2 trillion pesos in gross domestic borrowings from the beginning of the year to support our budget. As part of this, the Bangko Sentral ng Pilipinas entered into a repurchase agreement to the national government amounting to 300 billion pesos to help us fund our COVID-19 initiatives.

Moreover, we have received a total of 149 billion pesos in remittances from Government-Owned and Controlled Corporations since the start of the year.

The Department of Budget and Management has thus far released allotments totaling 375 billion pesos for the government's COVID-19 response program.

When the people's health and safety remain a priority, we cannot keep on retreating from the virus at the cost of our livelihoods. Metro Manila and CALABARZON account for 67% of the country's economy, it is vital that these regions reopen.

The reality is that this virus will not go away until a vaccine is found. In the meantime, we must get back to work while staying safe. We need to strike a reasonable balance between safeguarding public health and restarting our economy.



Health and livelihood are not a binary choice. We must protect lives in ways that do not prevent us from earning a living. This is a tough decision to make but we need to do this. Revving up the economy essentially means raising consumer and investor confidence which requires some functional level of interaction between groups and individuals.

We are asking all Filipinos to cultivate in themselves a renewed sense of confidence through continued vigilance not out of fear but with a knowledge that most factors of viral transmission are under our personal control. Pragmatism guides us as we put together an effective recovery program that we can afford and fully execute.

Components of this plan are already being rolled out. In addition to the P205 billion emergency cash grant and P51 billion Small Business Wage Subsidy designed for immediate relief measures, the government is implementing other initiatives to help struggling families and businesses.

The public can avail of several credit facilities and services extended by government financial institutions. Members of the Social Security System can now borrow calamity assistance loans for COVID-19. Since its online filing was launched on June 15, SSS has approved a total of 479,000 applications amounting to P7.5 billion. Today, it has released P1.7 billion to 102,500 borrowers.

Those laid off workers when the economy froze can seek unemployment insurance benefits equivalent to half their average monthly salary credit for two months. The SSS launched this program in August of 2019. Since the start of the lockdown, it has already approved 6,300 applications totaling P84.4 million. Today SSS has released 76.2 million worth of benefits to 5,740 applicants.

The Government Service Insurance System will also help members cope with the changes brought about by the pandemic. Next month, GSIS will introduce a new P30,000 computer loan program to its active members to help them purchase their laptop or desktop in light of the new normal of holding distance or online school [garbled] at 6% per annum interest rate.

In addition, the SSS will launch in September an educational loan program for its members to help pay tuition and other school fees for their nominated student beneficiaries. The maximum loan amount that can be taken out by a borrower for a given academic school year is P100,000. This will be payable up after five years for the initial loan take out.

Private educational institutions can also seek help from the Land Bank of the Philippine's study now pay later lending program. Since the program's launch two months, over 80 educational institutions nationwide have expressed interest in accessing this credit facility. As of July 1, the bank has approved loan applications totaling P260 million.

The Philippine Guarantee Corporation meanwhile approved a credit guarantee program amounting to a total of P120 billion worth of loans for private banks for them to be able to extend financial assistance to small business owners during this crisis. Today, the corporation has already accredited 22 banks for a total facility of P37.5 billion. Businesses are expected to start availing of the program by the end of July once the banks completed their legal review of the guarantee agreements.

The Department of Labor and Employment for its part has extended financial aid totaling P6.4 billion to over 1.18 million displaced employees in the formal and informal sectors of the economy including our returning overseas Filipino workers.

The Technical Education and Skills Development Authority (TESDA) launched an online training program for displaced workers to up skill them. Since the start of the lockdown, 722,000 individuals availed of this program.

The government is working hard to provide job opportunities and eventually absorb our laid off workers into the economy in the shortest possible time.

Similarly, the Department of Tourism has been implementing online learning series workshops since April as part of its retooling program for the industry stakeholders. Today, 23 webinars have been conducted for about 7,200 participants. This agency is also working on its tourism response and recovery program focused on the protection of tourism workers, promotion of domestic destinations and development of institutional measures in support of the new normal among others.

Meanwhile, the Department of Agriculture rolled out cash subsidies to over a million affected farmers and fisherfolk amounting to P6 billion or around P5,000 each. Farmers and micro and small agricultural enterprises can also tap the survival and recovery aid program of the Agricultural Credit Policy Council for additional financial assistance.

Micro and small enterprises can also avail of the Department of Trade and Industry and Small Business Corporations P1 billion COVID-19 assistance to restart enterprises loans program. The loan amount that businesses can avail of ranges from P10,000 to P500,000 at zero interest rate payable in either 18 or 30 months.

Since the program's launch in April, the agencies have approved 2,000 applications with total loans amounting to P152.4 million. Today, a total of P14.2 million in loans has been released to 183 borrowers.

We have also embarked on a series of priority actions to revive the economy while protecting our citizens. This includes restarting and accelerating the Build Build Build Program subject of course to compliance with health and safety protocols.

We are helping businesses equip themselves to operate in the new normal. The Department of Science and Technology is offering its small enterprise technology upgrading program where businesses can access trainings to help them (garbled) transition online and contactless operation.

The Department of Information and Communications Technology for its part is providing online resources for businesses and workers under a work from home program.

To ensure that enterprises even in the remote communities are able to adapt to a new normal, the Department of Energy will be pursuing its total electrification program. This will be supported by the P2.46 billion access to sustainability energy program grant from the European Union. The program aims to provide access to basic electricity and energy services to hundreds of thousands of households nationwide with a focus on Mindanao.

We have thrown a wide safety net for our people and our economy. This government will support you as you protect yourselves, your family, your colleagues, and your workers from this invisible menace.

President Duterte's 8888 government complaints hotline is active, do not hesitate to use this to complain or make suggestions. We are all in this together.

We also ask you to bear in mind that while health measures are absolutely necessary for us to fight this pandemic, increasing economic activity in a responsible manner is a matter of national survival and priority.

We encourage you to keep on innovating wherever possible and efficient shift activity to digital spaces as many businesses have already done. Again, feel free to bring in our attention government services that you need digitalized.

We must keep making progress on this front. To be eligible for benefits, to duly registered enterprises, you have to of course register with the Bureau of Internal Revenue, the Department of Trade and Industry and your local governments. These agencies are working to make filings and payments digitally enable.

Bear in mind too that you can directly contribute to our COVID-19 war chest. Apart from paying the right taxes on time, you can invest in government securities. Investing in government securities is not only safe but is very helpful to economic recovery.

The Executive Branch is doing its utmost to help the economy recover at the earliest possible time. But for other vital measures to boost economic activity and fortify key sectors, we need Congress' action. We are working on four legislative imperatives to help the economy recover quickly in a sustainable and resilient manner. These measures will make more support available for businesses, workers and families, and will come online as soon as Congress is able to pass.

Elements of this recovery plan are in form, by results of extensive nationwide surveys, as well as continuous engagement with thousands of stakeholders through our Sulong Pilipinas Workshops with youth and business leaders.

We certainly hope that our honorable legislators will give due priority to enacting them in a timely manner and in a form that is fiscally responsible. First, we are seeking congressional approval to infusing additional capital to our government financial institutions for them to be able to act as wholesale bags and funds substantial portions of loans that other commercial banks will provide to micro, small and medium enterprises adversely affected by the pandemic. These private banks will then be able to lend even more money to businesses in need of liquidity.

Second, we seek to allow banks to dispose of the non-performing loans and assets through asset management companies similar to the special purpose vehicles that were established in the early 2000.

Third, we are still waiting for the Senate to pass the CREATE Bill or the Corporate Recovery and Tax Incentives for Enterprises Act that will reduce corporate income taxes for the majority of small and medium size businesses by five percentage points immediately. This will help enterprises to retain employees, invest more money and meet their operating cost.

The CREATE Bill will also modernize our incentive system and allow us to tailor-fit fiscal and non-fiscal incentives to the investors we want to invite here.

Finally, we seek to provide greater support to the agriculture sector by giving the [unclear] system the ability to support the whole value chain of agricultural enterprises.

As we enter 2021, we are going to plan for a healthier and more resilient Philippines while making sure that all the proposed policies are aligned with this new normal. We are maintaining our Build, Build, Build Program. Infrastructure projects will be the best way to revive the economy because of their high multiplier effect, stimulating demand and generating new jobs and businesses.

More projects are also being identified in the areas of health, education, housing and water and sanitation. We maintain our commitment to bold fiscal and economic reform measures such as the remaining packages of the Comprehensive Tax reform Program. The economic team also supports complementary bills that will open up our country to more foreign direct investments such as amendments to the Foreign Investments Act, the Retail Trade Liberation Act, and the Public Service Act.

We will never take the threat posed by the pandemic lightly. Be assured that the Duterte administration will protect our economic gains, support our recovery, strengthen our resilience and bring us back to the path of inclusive and shared prosperity.

This crisis will not diminish our willingness to exercise decisive leadership. By working together, we will beat this pandemic, and come out even stronger than ever.

Thank you.

**SEC. ANDANAR:** Thank you very much, Secretary Sonny Dominguez.

To discuss developments in the monetary, external and financial sectors, we also have Governor Benjamin Diokno of the Bangko Sentral ng Pilipinas.

**BSP GOV. DIOKNO:** [OFF MIC] esteemed Cabinet secretaries, fellow workers in government, ladies and gentlemen, good morning.

We are currently in the midst of a crisis that is unlike any that we have previously experienced, yet the Philippines entered the global pandemic with strong macro-economic fundamentals compared to its regional peers.

The robust growth, good fiscal performance and strong external and financial sector positions provided the country with relative stability amid the COVID-19 pandemic.

Allow me to share with you this morning the accomplishments, as well as the latest development in the country's monetary fiscal and external sectors.

I will also discuss some of the recent BSP policies and initiatives that we implemented, including measures to help the Philippine economy during these trying times.

In 2018, monetary and non-monetary measures were implemented to curb rising inflation due mostly to supply-side shocks. Consequently, inflation declined and settled at an average rate of 2.5% in 2019, down from 5.2% in 2018.

In the first six months of 2020, inflation averaged at 2.5%, which is within the national government's target of 2 to 4% for this year. Latest BSP baseline forecast indicate that inflation would settle at 2.3%, which is at the lower end of the national government target range of 2 to 4% for 2020 and 2021.

The stability of the Philippine banking system is another source of strength for the domestic economy. As of end December 2019, universal and commercial banks posted a capital adequacy ratio of 15.4% of solo-basis and 16% on consolidated basis; much better than the BSP's threshold of 10% in the Bank for International Settlements threshold of 8%.

The industry also has low exposure to bad debts with the non-performing loan ratio at a mere 1.9% as of end April 20, 2020. Meanwhile, the non-performing assets ratio of universal and commercial banks is at 1.6% as of end April 2020.

Another source of strength for the economy is our robust external payments position which provides adequate buffers against global risk and shocks. The country's balance of payments position recorded a surplus of 7.8 billion in 2019, a turnaround from the US 2.3 billion deficit registered in 2018.

For the first five months of 2020, the BOP position posted a surplus of 4.0 billion US dollars. The peso has been broadly stable supported by the Philippines' strong external payments position. While most regional currencies have depreciated against the US dollar, the peso has appreciated.

As a consequence of the Asian financial crisis, the Philippines accumulated foreign reserves as a self-insurance against a currency crisis. As of end May 2020, the country's Gross International Reserves or GIR stood at an all-time high of 93.3 billion US dollars, the highest ever in Philippine history. This is enough to cover 8-months' worth of imports of goods and payments for services and primary income.

The country's favorable external debt profile likewise supports the external payments position. As of end March 2020 the Philippines' external debts stood at 81.4 billion lower by 2.2 billion than its recorded level in end December 2019.

It is worth noting that the Philippines external debt to GDP ratio has declined from 59.7 in 2005 to 22.2% in 2019 and further to 21.4% as of end March 2020. Our debt to GDP ratio remains one of the lowest among ASEAN member countries.

Over the years, BSP has implemented many measures to support economic growth. And let me cite some of those measures - the BSP continuously adjust its foreign exchange regulations to keep the country's foreign exchange regulatory framework attuned with prevailing market conditions and responsive to the needs of an expanding and dynamic economy.

As such, the BSP has implemented 11 waves of foreign exchange reforms since 2007 and one of the pillars of Central Banking is the safe and efficient payments and settlement system.

On 9 December 2016, the BSP launched the National Retail Payment System, a policy and regulatory framework for the carrying out of retail payment activities through the BSP's supervised financial institution. Through the NRPS, the BSP endeavors to create a safe, reliable, affordable, inter-operable and efficient retail payment systems in the country.

Under the NRPS, BSP encourages the use of electronic payments to enhance the speed, convenience and affordability of financial transactions.

As of 31 May 2020, PESONet has 58 participating institutions, while InstaPay has 45 and the number of participating institutions for both are expected to further increase in the coming years.

Our experience with COVID-19 highlighted the increasing importance of digital transactions. It was observed that the volume and value of the combined transactions of the PESONet and InstaPay during the lockdown surge, while the volume and value of check payments and ATM withdrawals declined. The volume of InstaPay transactions from April to May grew 57%, while the volume of PESONet surged significantly by 325%.

The BSP is also encouraging the wide adoption of the National QR code standard as well as the use of online payment facilities for all government transactions. The launching of EGov Pay Facility to digitize government collections and disbursements will lead to more efficient government collection, better audit, enhanced transparency and eventually plug revenue leaks.

The use of QR codes for payments has also been gaining traction as an alternative to the traditional debit and credit card payments. It is quicker, easier and safer means of payments through QR codes scan using a smart phone rather than having to bring a credit card.

The BSP continues to play a supportive role in the promotion of inclusive economic and social development objectives of the government through its advocacy program aimed at promoting financial inclusion. As of end 2019, there were 154 banks with micro finance operations serving more than 2.4 million micro entrepreneurs.

The total value of micro finance loans extended as of end 2019 amounted to 27.3 billion, 20.7% higher than its level in 2018 at 22.6 billion. The Credit Surety Fund or CSF program is a credit enhancing scheme that allows Micro Small and Medium Enterprises which are members of cooperatives to borrow from banks using the CSF surety cover as security for the loan in lieu of conventional collateral.

From its inception in 2008 until end 2019, a total of 55 Credit Surety Funds located in 34 provinces and 21 cities have been established nationwide. Correspondingly, cumulative approved loans for 17,424 MSME beneficiaries reached 5.7 billion pesos.

The economic and financial learning program of the BSP on the other hand aims to help the public acquire the knowledge and develop the skills needed to make well informed economic and financial choices and decisions.

In 2000, the BSP has conducted a total of 638 public information campaigns and other economic information learning sessions that were attended by a total of 43,943 participants from different sectors of society and from all the regions of the country.

In 2019, several landmark legislations have been passed to further strengthen the BSP's capacity to perform its mandates. These include the following:

- The New Central Bank Act – this is a culmination of more than 20 years of legislative work to amend the BSP charter. It embodies the package of reforms that further align

BSP operations with the practices to improve its corporate viability, to enhance its capacity for crafting proactive policies, to further foster price and financial stability.

- Next is Republic Act #11256 which exempts from excise and income tax the sale to BSP of gold sourced from small scale mining activities. This measure has helped BSP increase its purchase of gold from small miners which in turn help strengthen our international reserves.
- Third is the Islamic Banking Law which mandates na BSP to exercise regulatory powers and supervision over the operations of Islamic banks and to issue the implementing rules and regulations on Islamic banking. This law is expected to help harness the potential of Islamic banking in fostering inclusive growth particularly in areas with large Muslim communities.

Amid a sustain uncertainties brought about by the COVID-19 pandemic that BSP promptly implemented measures to complement the national government's good health and fiscal programs in mitigating its impact. The BSP's liquidity enhancing measures are intended to reassure markets, restore business confidence and ensure quick recovery once the community quarantines are lifted.

Besides the cumulative 175 basis points reduction in the policy rate and the 200 basis points reduction in the reserve requirement among others, the BSP also implemented other extraordinary liquidity measures to complement the national government's effort to mitigate the impact of COVID-19 including the Repurchase Agreement with the national government, the purchase of government's securities in the secondary market, as well as the remittance of advance dividends to the national government.

The estimated liquidity injection to the financial system is about 1.3 trillion pesos which is equivalent to 6.4% of the country's GDP. The implementation of these measures has helped ensure ample liquidity, as well as the proper functioning of the financial system during the lockdown.

Additionally, the BSP approved a package of measures to further reduce the financial burden on loans to micro, small and medium enterprises or MSMEs. In particular, loans granted to MSMEs and large enterprises are not part of conglomerate structure shall be counted as part of the bank's compliance with the reserve requirements.

There has been positive response on the part of the banks with respect to this relief measure, especially on the use of loans to MSME as alternative compliance with the reserve requirements. Around 88 banks, mostly rural banks, have started using loans to MSMEs as an alternative mode of compliance with the reserve requirement.

Latest data show that around 44.2 billion in MSME loans were used as compliance with the reserve requirement. The BSP also notes that banks continue to grant new loans to the MSME



sector during the lockdown. Banks have also been actively extending financial relief to their customers through loan renewals and restructuring arrangements. These measures complement earlier monetary actions taken by the BSP to shore up market confidence and cushion domestic economic activity. Along with various time-bound relaxation and various regulations, for example, calculation of penalties on required reserves and single borrower's limits among others.

But to mitigate concerns over the potential non-payment or delinquent payment of loans coming from both business and household sector and to ensure stability of the financial system, the BSP deployed the range of regulatory relief measures to encourage BSP-supervised financial institutions to grant a temporary grace period for loan payments or to restructure the loan accounts of their borrowers supporting the operations and lending activities of banks.

To encourage BSP-supervised institutions to offer safe, efficient and reliability of digital channels, the monetary board in April 2020 approved the waiving of fees related to the provision of electronic payments and financial services. The BSP has implemented measures to ease operational requirements on banks to ensure continued delivery of financial services. The BSP reiterate its commitment to use its entire arsenal of policy tools and instrument in a timely and prudent manner to help cushion the economy from the potential fallout.

The relatively benign inflation outlook in the policy horizon provides space for monetary policy adjustments to complement the national government's efforts in mitigating the adverse impact of the public health crisis. The pandemic highlighted the need to expand the reach of digital payments. Efficiency in retail payments is really about speed, convenience and affordability which can clearly be supported by a shift to electronic payments. Thus, the key outcome of the national retail payment system is to increase the adoption of electronic retail payments to 50% by 2023, if not sooner. The BSP envisions on accelerated uptake on e-payment services for digital payment like the InstaPay and PESONet in the next three years.

We have gained significant strides in this direction through the adoption of the national QR code standard, as well as the use of online payment facilities for government transactions.

On the legislative front, the BSP will push for the passage of the following bills:

- Amendment to Republic Act # 1405 and 6426, the laws pertaining to the secrecy of bank deposits
- Amendment to Republic Act # 9510 or the Credit Information System Act
- The amendment to the Republic Act # 10000 or the Agri-Agra Law
- And, the Financial Consumer Protection Bill

In addition to these legislative priorities, the BSP, together with the national government, are actively pushing for the passage of the following bills:

- The Financial Institutions Strategic Transfer (FIST)

- The Government Financial Institutions Unified Initiatives to Distressed Enterprises for Economic Recovery (GUIDE)
- And the Bayanihan II or To Recover as One Act

In conclusion, allow me to highlight the important points made in this presentation. First, the Philippines entered into the global pandemic from a position of strength, thus the country's sound fundamentals will lend support to our response to the public health pandemic and propel the economy into a strong recovery in the coming years?

Next year, we expect GDP to bounce back between 8 to 9 percent.

Our financial and economic resilience has been recognized and affirmed by several external organizations, the most recent was the Japan Credit Rating Agency's upgrade of our credit rating to A- from BBB+ in June 2020. S&P and Fitch on the other hand have affirmed the rating of BBB+ and BBB respectively.

The prestigious publication, the Economist also acknowledged the Philippines' relatively strong financial strengths based on 4 metrics namely: public debt, foreign debt, cost of borrowing and reserve cover. It assessed the Philippines as the 6<sup>th</sup> best among 66 emerging economies and number one among its Southeast Asian neighbors.

This slide shows the rating actions of three global credit rating agencies: Fitch, Moodys and S&P. As of 30 June 2020, 39 countries have been downgraded while there had been 101 negative outlook revisions. Seen in this slide, the Japan Credit Rating Agency's upgrade of the Philippines' credit rating to A- from BBB+ should be appreciated as a resounding vote of confidence for the Philippines.

Second, amid the sustained uncertainty brought about by the COVID-19 pandemic, the BSP implemented policy measures intended to reassure markets, restore business confidence and ensure quick recovery once the lockdowns are lifted. The decision to unwind COVID-19 policy responses must be done in a gradual, prudent and informed manner.

Third, the BSP remains committed together with the national government in implementing the necessary policy measures and reforms needed to help the Philippine economy recover from the COVID-19 crisis and to build its resilience against future crisis.

Thank you and a pleasant morning to all.

**SEC. ANDANAR:** Sir Ben Diokno... You are still watching the Pre-SONA 2020. Thank you very much to our Economic Development Cluster. On to the second cluster we have this morning, the Infrastructure Cluster, the lead in the implementation of the Build, Build, Build Program of the administration. Amidst an era of risks and uncertainties, is the country's infrastructure ready to bear the burden of today and overcome the challenges of tomorrow?

To provide updates on the government's infrastructure development projects, we have Secretary Mark Villar of the Department of Public Works and Highways.

**SEC. VILLAR:** Magandang umaga po sa inyong lahat. It is with honor and humility that I have this opportunity to speak with you today on behalf of the Cabinet's Infrastructure Cluster. Last year in the same forum, I joined you in sharing and celebrating many milestones and accomplishments of infrastructure reforms and progress. Those that were seen and felt by our people as evidence of 'patuloy na pag-unlad' or sustained economic growth. And there, we parted with the message of hope and promise to expect more improvements to come and unfold in subsequent years.

Midway into the Duterte administration, we have expected formidable challenges to come to our path and we have had to hurdle many storms as we move to transform the country's infrastructure sector. Through our firm and collective efforts, we started off 2020 optimistically knowing that we'll surpass these challenges and that we have made good progress.

We have exceeded our infrastructure investments spending goal to reach more than 5% of GDP. Founded on our robust pipeline projects under the Build, Build, Build Program and guided by strategic sectoral masterplans and roadmaps.

I would like to share with you some of the important things that we have accomplished and what we can expect moving into the recovery and resiliency program.

The government recognizes the role of internet as a key enabler of economic growth and competitiveness of nations that can contribute to the social and cultural development. To operationalize this mandate, the Department of Information and Communications Technology has set the Digital Philippines Strategy which aims to accelerate the digital transformation of governance, education, workforce and communities across the country with a whole-of-government and whole-of-society approach.

The digital connectivity program which includes the National Broadband Program and the free Wi-Fi in public places will build and enhance our existing digital infrastructure. To date, the National Broadband Program has successfully tested the 158 dark fiber segments and lighted 124 nodes of the National Grid Corporation of the Philippines for the national fiber optic cable (garbled) component.

Further, the construction of the cable landing station at Baler, Aurora and Poro Point, La Union has been completed. It is envisioned that the 250-kilometer terrestrial roadwork from Aurora to La Union will be completed by the end of July 2020 and the installation of vital ICT equipment shall be completed by October of 2020. Once completed, the Philippine government is expected to access the 2-terabyte capacity of broadband internet by 2021.

The Free Wi-Fi for All in public places and SUCs project covers the installation of free internet access in public places and state universities and colleges. To date, a total of 4,031 live sites have been installed while an additional 63,202 sites will be connected by the end of 2022.

The digital education shall transform Filipino teachers and learners through the use of ICT in teaching and learning and education leadership. And the digital workforce shall provide more access to develop ICT skills of the Filipino people. To achieve these goals on digital education and workforce, the DICT shall strengthen the ICT Academy which shall lead in the development of policies, standards, curricula and guidelines on capacity development initiatives through ICT literacy and competency nationwide.

The Digital Transformation Center shall service physical venues where the course designed by the ICT Academy can be accessed. In addition, this year the DICT shall launch the Skills Window PH which is an integrated social community, learning and management and job sourcing platform will make both skills and jobs accessible to all the Filipinos nationwide. In effect, the general public may acquire job ready skills through the certification programs made accessible through the Skills Window PH.

The Basic Education Facilities Program aims to address the physical facilities requirements of all public elementary and secondary schools nationwide and to provide conducive learning environment through safe, secure and sustainable school infrastructures. As of May of 2020, a total of 137,098 classrooms were constructed in various schools nationwide. Also 1,906 school workshop buildings and other school facilities were constructed, rehabilitated and improved.

The DepEd Learning Continuity Plan has four modalities which can be adopted to ensure that learning will continue in spite of restrictions for face-to-face classes in the upcoming school year. Teachers are being trained in blended learning methodologies to enable them to make sure that learners will adopt the appropriate modality to their situation. To support the LCP, 271,538 ICT equipment have been delivered to schools as of May of 2020. Another set of 119,850 ICT equipment have been procured and will be delivered before the end of the year. Another set of 36,676 ICT equipment is currently being procured and that will increase the number of schools with ICT equipment from 93% to 98.7%. These are in addition to the 1,042,575 computer devices that have already been distributed across 44,155 public schools under the DepEd Computerization Program.

Parallel to these efforts to connect schools to the internet, jointly undertaken by the DepEd and the Department of Information and Communications Technology. Procurement is currently ongoing to connect 7,000 schools that will increase the number of connected schools from 48% to 63%. Production of TV and radio-based lectures are also ongoing that will allow the Department to reach learners who have no access to computers or the internet.

DepEd has also ensured the learning continuity by providing immediate response and support to schools. School facilities are being constructed and repaired to ensure proper lighting and

ventilation inside the classrooms. Also, health-related infrastructures and other interventions are also being prioritized.

20,359 school clinics will be constructed including the repair of 13,573 existing clinics. 156,850 group hand-washing facilities will be constructed including the repair of 98,963 existing ones. Provision of potable water source to 3,861 schools will be prioritized. Construction of 56,796 toilet facilities will also be prioritized.

One of the mitigating measures in disaster risk reduction is the construction of evacuation centers under the Evacuation Center Development Program. From 2016 to 2019, a total of 7.2 billion pesos was allocated for the construction of about 197 evacuation centers nationwide. As of June of 2020, 129 evacuation centers were completed and 68 are currently with ongoing construction.

The government aims to build at least 1 evacuation center per province to minimize disturbance to school buildings being used as evacuation centers post disaster. Out of the 81 provinces, 65 provinces have at least one completed evacuation center. Primarily built as a measure for disaster risk reduction, the Evacuation Center Development Program proved helpful during the Taal Volcano eruption in January of 2020 and more recently for the outbreak of COVID-19 throughout the country. 63 evacuation centers were utilized as health quarantine facilities capable of providing health monitoring and treatment to about 2,292 individuals. As of June 2020, a total of 1,686 persons were accommodated in these facilities.

The Center and Residential Care Facility's infrastructure project of the Department of Social Welfare and Development aims to give exemplary care and welfare services to marginalized and disadvantaged individuals; groups and families including abandoned and neglected children, children-in-conflict with the law, street children, children with special needs, abused and trafficked girls and women, abandoned and unattached older persons, persons with disabilities and deportees. In 2018, 1.4 billion was allotted for 210 projects and 71 dilapidated and congested facilities and in 4 new centers. As of June of 2020, 87% of 182 projects are already completed. Additional 114 million pesos was allotted in 2020 for 32 projects.

Maintaining peace and security both from inside and outside forces has been crucial for the country over the years. Through the "Tatag ng Imprastruktura Para sa Kapayapaan at Seguridad" or TIKAS, the construction of various infrastructure projects that will help the readiness of the military and police forces is given priority to ensure an environment of peace and security towards national development. From 2019 to 2020, a total of 7.1 billion pesos has been allocated for 297 TIKAS projects. One of which is the construction of a 5-storey multi-purpose building in Camp Aguinaldo which is near completion.

The Tourism Road Infrastructure Project or TRIP is a highly successful and long-running convergence program of the Department of Tourism and the Department of Public Works and Highways that realizes tourism infrastructure development mandated by the Tourism Act of 2009. To date, a total of 104.5 billion pesos has been allocated for projects from 2016 to 2020

developing about 3,667 kilometers of access roads. These projects are aimed at enhancing connectivity from gateways to service centers and tourism sites. As of May of 2020, 1,950 kilometers of tourism roads have been completed.

The role of infrastructure is vital in sustaining tourist development. In our Boracay Rehabilitation Program for instance, the government is currently providing a safe and efficient road network throughout the island. Support infrastructure like pedestrian infrastructure such as bike lanes, drainage and enhancements such as lamp post and landscaping are being rolled out towards a more rewarding experience for both locals and tourists.

The government remains committed to improve, to promote inclusive growth and sustainable tourism by providing road access to community-based tourism sites. The ongoing improvement of access road leading to Kaparkan Falls in Tineg, Abra will further boost the promotion of the falls as a new community-based tourism site in the Cordilleras. This effort of the government will eventually spur economic activities, increase investments and provide livelihood to the community.

Also, roads leading to the DOT accredited tourism sites is a priority under the TRIP as farm tourism aims to provide new revenue streams for farming communities as it advocates sustainable agricultural practices for recreation and educational purposes. The importance of educating and continuing to inspire our children to maintain a strong interest in agriculture and healthy living is a key to the better future for agriculture and to the welfare of the next generations to come.

The Maruaya-Dupitac-Calambeg-Estancia Road in Ilocos Norte is being improved to support the Piddig Food Factory, school and agri-tourism farm which currently provide training in sustainable agriculture.

Also being improved is the access road leading to Villaconzoilo Agri and Tourism Farm and Silawa Falls in Jaro, Leyte. With the help of resilient members of the community, the farm was able to recover after Typhoon Yolanda to become a tourism destination and a supplier community for high value organic vegetables.

The improvement of access roads leading to Lao Integrated Farms in Davao Del Sur will further attract visitors and farmers from all over the Philippines to experience and study organic farming systems and technologies.

Road networks are being built to improve service to our farmers in the countryside and to ensure food security. A total of 38.6 billion pesos was released from 2016 to 2020 for the construction and improvement of 3,859 kilometers of farm-to-market roads identified by the Department of Agriculture. As of May of 2020, 1,540 kilometers of farm-to-market roads were constructed and improved.

On the other hand, a total of 2.4 billion was released from 2016 to 2019 for the construction/improvement of 150 kilometers of farm-to-mill roads identified by the Sugar Regulatory Administration. As of May of 2020, 41 kilometers of farm-to-mill roads were constructed and improved.

The Department of Trade and Industry has also partnered with the DPWH to implement the ROLL IT Program which aims to enhance road connectivity that links industry and trade development in priority economic and manufacturing zones in the country.

From 2018 to 2020, a total of 28.9 billion pesos has been appropriated for the construction and upgrading of about 1,009 kilometers of access roads leading to industries and trade quarters across the country. As of May of 2020, 436 kilometers have already been completed.

Presently being improved is the access road leading to Nasipit, Agusan Del Norte Industrial Estate Special Economic Zone in Agusan Del Norte. This road will connect Misamis Oriental to Agusan Del Norte. The completion of the Barbero and Service Road in Tagoloan, Misamis Oriental has improved the connectivity of PHIVIDEC Industrial Estate in the port area, thus improving the logistic network of Northern Mindanao.

Amid the impending threat in conflict-affected areas, the government will bring about lasting and inclusive development to every Filipino from all sides of the country. The 19-kilometer Marawi Trans-central Road Project under the JICA grant has made remarkable progress since work resumed towards achieving the early completion goal by December of 2020.

The ADB assisted in improving growth boarders in Mindanao Road Sector Project is composed of 7 road subprojects including the construction of the Guicam Bridge, all located in the Zamboanga Peninsula and 3 bridges in Tawi-Tawi Province.

Upgrading of road connecting Alicia to Malangas; Tampilisan to Sandayong; and Lutiman to Guicam is ongoing.

Included in the government's priorities are various projects that enhance interregional and interprovincial connectivity through road network. The construction of Daang Kalikasan will enhance regional tourism flow from Region I, III, and Metro Manila. It will reduce travel time between Mangatarem, Pangasinan and Sta. Cruz, Zambales from two hours thirty minutes to one hour.

The substantial completion of Daang Kalikasan instantly became a tourist hotspot in Northern Luzon because of the scenic views from the winding road on the crested hills and mountains.

The Samar Pacific Coastal Road Project which involves the construction and improvement of 11.6 kilometers and it includes three bridges is targeted to be completed by this year.

The 16-kilometer Koronadal – Lutayan – Columbio – Matanao Road is an alternate road from the municipalities of South Cotabato, Sultan Kudarat and BARMM provinces to Davao Region—to Davao del Sur. Travel time from Koronadal City, South Cotabato to Matanao, Davao del Sur will be reduced from four hours and ten minutes to two hours and twenty minutes. The project is already 85% complete and is target to be completed by early 2021.

The construction of Sindangan – Bayog Lakewood Road will reduce travel time between provinces of Zamboanga del Sur and Zamboanga del Norte from six hours to about two hours. The project is currently 62% complete.

The government would build and lay the groundwork for 1,066 kilometers of new high standard highways and expressways in Luzon, Cebu and Davao with a total investment cost of P802 billion. These are the Philippine High Standard Highway Network Program. Central to this is the Luzon Spine Expressway Network Program, a total of 905 kilometers of high standard highway, expressway in Luzon which is targeted to be completed and has more than twice the existing 382 kilometers of existing expressway.

The P633 billion priority program of the government aims to reduce the travel time from Ilocos to Bicol from twenty hours to nine hours. This July 15, 2020, the 89-kilometer Tarlac – Pangasinan – La Union Expressway (TPLEx) will now be fully utilized from Tarlac City to Rosario, La Union. Travel time between Tarlac City and Rosario, La Union will be reduced and travel time from Manila to La Union to Rosario will be reduced to just two and a half hours and this will benefit 20,000 travelers per day. Also, to further promote the development of Northern Luzon, a proposal has been submitted extending TPLEx by additional 59 kilometers up to San Juan, La Union.

The east and west lateral connectivity is also being improved with the construction of the Central Luzon Link Expressway. The 38-kilometer expressway will reduce travel time between Tarlac City and Cabanatuan City from seventy minutes to twenty minutes and this will benefit 11,200 motorists per day. The project is already 85% complete and a significant portion of this expressway will be opened before the end of the year.

The 24.61-kilometer arterial Plaridel Bypass Road which was fully completed last May of 2018 is currently being widened to further ensure the safety and convenience of the motoroists. The construction of the 1.12-kilometer Angat Bridge and the 40.86-kilometer Tambubong Bridge and 1.06-kilometer road is currently ongoing.

The South Metro Manila Expressway (C6) will reduce travel time from Bicutan to Batasan from one hour and fifty minutes to twenty-six minutes. Advanced construction activities for the workable area along Skyway - FTI section is ongoing.

The 5.58 kilometer and NLEX Harbor Link Segment 10 Elevated Expressway connecting MacArthur Highway and C3 was opened last year while the 2.6-kilometer C3 – R10 section was opened last June 16, 2020. Travel time from NLEx Radial Road 10 to Navotas City to NLEx was



reduced from one hour to just ten minutes. This has also insured the timely delivery of goods and services to and from the Port of Manila.

The 8-kilometer NLEX – SLEX Connector Road which will connect the end of NLEX Harbor Link passing PUP Sta. Mesa up to the Skyway Stage 3, the project is ongoing and targeted to be completed May next year.

The 18.83-kilometer Metro Manila Skyway Stage 3 aims to decongest traffic in Metro Manila especially EDSA, C5 and other major roads in Metro Manila by as much as 55,000 cars daily. Travel time from Buendia to Balintawak would be reduced from two hours to between fifteen and twenty minutes. This project is currently 83% completed and we are targeting it to be in operation from Buendia to Balintawak at the end of this year.

The Alabang – Sucat Skyway Connection and Ramp Extension is being constructed, provide access from the elevated Skyway to South Luzon Expressway to the Alabang viaduct. The project is targeted to be completed this year.

The 7.7-kilometer Manila – Cavite Tollways – C5 Southlink Expressway which aims to reduce travel time from R1 to C5 from forty minutes to ten minutes. The Merville to C5 SLEX section was opened last year.

The 45-kilometer Cavite - Laguna Expressway aims to reduce travel time between Cavite and SLEX from one hour and thirty minutes to forty-five minutes. The Laguna section is already operational and the entire project would be completed within this Administration.

The 66.74-kilometer South Luzon – TR4 will facilitate faster and safer travel to Laguna, Batangas, Quezon and Bicol Region and will reduce travel time from Sto. Tomas, Batangas to Lucena City from four hours to one hour. Construction on the Tiaong interchange in Quezon is currently ongoing. The Quezon – Bicol Expressway feasibility study is now complete and the project is ready to be implemented.

The 15-kilometer Camarines Sur Expressway connecting the municipalities of San Fernando and Pili in the provinces of Camarines Sur will reduce travel time from fifty-one minutes to eleven minutes and is already ongoing.

The government is also enhancing the connectivity of the expressways of the national local roads through the construction of interchangers and access roads. The completion of the Ciudad de Victoria Interchange Overpass Bridge alleviated the traffic situation of vehicles queuing at the Bocaue entry/exit toll gate.

The newly opened Tambubong Interchange in Bocaue, Bulacan will offer another alternative for commuters in Bocaue Interchange bound for Sta. Maria, Norzagaray, Angat and Pandi, in eastern Bulacan.

An access diversion road that will connect the Star Tollway up to Batangas Lobo Road is also being constructed to further develop and expand the high growth potential areas in Batangas. Travel time between Pinga-ltaas and Pinamucan will be reduced from one hour forty-six minutes to thirty – fifty minutes.

Since 2016, the government has been prioritizing and implementing various programs that would develop and expand the pedestrian infrastructure nationwide. The bike facilities promote sustainability and promote the environment and wellness of our people.

The Laguna Lake Highway was built with a three-meter dedicated wide bicycle lanes separated by regular lanes by two-meter planting strip. The 46.6-kilometer Bacolod, Negros Occidental Economic Highway is also being built with separated or protected bicycle lanes. The Leyte Tide Embankment Project involves construction of 7,109 linear meter storm surge structure including a four-meter-wide bicycle lane. Another project with provisions for bike lanes is the Davao City Coastal Road which is an 18.2-kilometer bypass road which is currently under construction.

As of May of 2020, 23,657 kilometers of road were constructed, maintained, widened, upgraded and rehabilitated. The construction of new bridges to augment the thirty existing ones across the Pasig River, Marikina River and Manggahan Floodway is expected to ease traffic along EDSA and other major roads in Metro Manila.

Included in the project is the Bonifacio Global City – Ortigas Center Road Link Project which includes the construction of a bridge connecting Lawton Avenue in Makati and Sta. Monica Street in Pasig City. Once completed, travel time between Bonifacio Global City and Ortigas Central Business District will be reduced to twelve minutes. The bridge is currently 80% complete. Other bridges targeted to be completed next year are the Binondo – Intramuros Bridge and Estrella – Pantaleon Bridge.

Bridging the travel gap within the country's scattered island groups, the interisland linkage mega bridge program will make Filipinos even closer and connected as the construction of short and long spanned bridges is seen to conquer geographical challenges.

Implementation of the Pangil Bay Bridge, which will be the longest bridge in the Philippines at 3.7 kilometers, is already ongoing. Once completed, it will only take seven minutes to reach Tubod in Lanao del Norte from Tangub in Misamis Occidental using the bridge; compared to the 2.5 hours it will otherwise take via the 100-kilometer route.

The implementation for the NEDA Board approved Samal Island-Davao City Connector Bridge is targeted to start in January of 2021. Once completed, travel time will be reduced from 25 to 30 minutes via RoRo ferry operations to two to five minutes via the connector bridge.

Another project already approved by the NEDA Board is the Bataan-Cavite Interlink Bridge and the detailed engineering design for this 32-kilometer bridge is targeted to be completed in 2021.

Another bridge is the 32-kilometer series of bridges that will connect the islands of Panay, Guimaras and Negros which was already approved by the NEDA Board last January 28 in 2020.

The conduct of the detailed engineering design study of the Cebu-Mactan Bridge and coastal road construction project is funded either JICA grant and its detailed engineering will start in September of this year.

The Panglao-Tagbilaran City Offshore Connector Bridge Project which aims to reduce travel time from Tagbilaran Seaport to Panglao Island from 45 to 15 minutes. Construction of the approach road and bridges are ongoing.

As of May 2020, 4,959 bridges were constructed, widened, upgraded, rehabilitated and strengthened.

Every year, the Philippines is visited by an average of 20 typhoons. Due to the geographical situation, our country has a long history of experiencing annual floods that have devastated and caused us human lives. Therefore, a number of flood control measures were rolled out by the government to reduce flooding risk and effectively manage major flood events.

As of May 2020, 8,941 flood mitigation projects, structures and drainage system projects were completed.

Air connectivity remains one of the key factors to this country's progress and with President Rodrigo Roa Duterte's 2-fold directive to decongest our main gateway – the Ninoy Aquino International Airport and promote regional development across the archipelago – the Department of Transportation has completed a total of 180 airport projects since 2016. Since the start of the Duterte administration, we have completed the construction of two new international airports. We have one international airport currently under construction; and one more international airport set for construction.

Dubbed as The World's Friendliest Resort Airport, the Mactan-Cebu International Airport's new world class passenger terminal building was inaugurated on June 7 of 2018 and is now catering to international flights. With the construction of the new terminal building, the airport annual passenger capacity has increased from 4.5 to 13.5 million.

Currently, the construction of the Bicol International Airport is more than half-way complete. The airport is being built on a 148-hectare lot and will have a 2,500-meter runway with a scenic view of Mt. Mayon.

The Bulacan International Airport will help decongest passenger traffic at the NAIA. The new airport is expected to be operational within four to six years from the target start of construction in 2020.

Also, aimed to complement the operation of NAIA, a new passenger terminal building is being built at the Clark International Airport.

As we work on decongesting NAIA, the rehabilitation works continue for its Terminal II. Formerly tagged as one of the worst airports, the NAIA is now recognized as among the most improved airports in the world.

Another gateway seemed to help decongest NAIA, the Sangley Airport was inaugurated in February 15 of 2020. Construction of its additional facilities commenced on June of 2019 and was completed ahead of its March 2020 target schedule. Sangley Airport caters to commercial cargo operations and is utilized for general aviation and turbo prop cargo operations from 6 A.M. and to 6 P.M.

To increase the operational efficiency of the country's airports and reduce day-time flight congestion, we have night-rated a total of 22 airports; and we are targeting to have 13 more airports night-rated by 2022.

The government envisions the country's rail network to expand from 77 kilometers of operational railways to 1,900 kilometers, benefitting around 4.5 million passengers daily. To date, six railway projects are ongoing, one for rehabilitation and eight more are due for construction.

The Metro Manila Subway, the Philippine's first ever underground railway system, has started its mobilization works on December of 2019 and the parts of its tunnel boring machine was unveiled last February of 2020. The 36-kilometer subway will run from Quezon City to NAIA Terminal III and FTI in Taguig. It is set to commence partial operations by 2022 for its first three stations while the entire rail line is targeted to be fully operational by 2025. Once completed, travel time from Quezon City to NAIA will be reduced to just 36 minutes.

The Metro Rail Transit 7 or MRT 7 which will serve commuters from Quezon City to San Jose Del Monte, Bulacan is now 59% complete. Once the rail line is finished by 2021, travel time from North Avenue in Quezon City to Bulacan will be reduced from two to three hours to just 35 minutes.

For MRT 3, rehabilitation and maintenance works are ongoing and are now 49% completion. The rehabilitation works aim to restore the railway system back to its original designed condition. Once rehabilitated, MRT 3 will increase the number of its operating trainsets from the current 15 to 20 trainsets at peak hours, double the train operating speed from 30 to 40 kilometers per hour to 60 kilometers per hour, and slash by half the time between trains from the current seven to 10 minutes to 3.5 minutes.

After nearly two decades and three administrations, the construction of the LRT 1 - Cavite extension project, is now progressing with 48% completion rate. The 11.7-kilometer extension

line will cut travel between Baclaran and Bacoor from one hour and ten minutes to just 25 minutes. Partial operations for the first five stations is eyed by the last quarter of 2021.

The LRT 2 continues to see progress as the overall construction of the project is now 90% complete. The viaducts are already complete, while the design and build of the two new stations namely the Emerald Station in Marikina and the Masinag Station in Antipolo are 96% complete. Once completed, travel time from Recto, Manila to Masinag, Antipolo will be reduced from three hours via bus or jeepney to just 40 minutes.

Stalled since 2019, the common station finally moves forward under the Duterte administration with an overall accomplishment rate of 44%. The common station is a concourse area that will connect four major railway systems, namely, the LRT-1, MRT-3, MRT-7 and the Metro Manila Subway. The entire common station is expected to be operational by 2022.

The North-South Commuter Railway Project is 147-kilometer mass transportation railway system that will traverse through Clark, Pampanga, Metro Manila all the way to Calamba, Laguna. It offers a seamless connection of three-railway lines – the PNR Clark Phase 1, PNR Clark Phase 2 and the PNR Calamba.

The PNR Clark Phase 1 has already started construction works in Solis and portions of Bocaue and Malolos. The project involves the construction of a 37.6-kilometer commuter railway from Malolos to Tutuban. Once completed, the commuter railway will benefit over 300,000 passengers daily.

The PNR Clark Phase 2 is a 53-kilometer extension from Malolos, Bulacan to Clark, Pampanga. This will feature the country's first airport express railway service. The segment is seen to accommodate 340,000 passengers daily. Partial operation of the PNR Clark Phase 2 is set in 2022.

The PNR Calamba is a 56-kilometer railway line from Solis, Manila to Laguna. The right of way and site acquisition, detailed engineering design and procurement for general consulting are ongoing.

PNR continues to improve its services, further extending its routes from Malabon City to IRRI in Laguna and now with a total of 29% operational stations. With the addition of new diesel multiple units and passenger coaches from Indonesia and Japan, PNR would be able to extend and serve more passengers at an economically viable cost.

#### **[CONT] LAGING HANDA – PRE-SONA/JULY 8, 2020**

**SEC. VILLAR:** PNR continues its retreating strategy and there is an increase in capacity and frequency of trips. The 639 kilometer PNR Bicol Railway Project will connect Metro Manila,

Region 4-A and Region 5, reducing travel time between Manila and Legazpi City from 13 hours to just 6 hours. Right of way and site acquisition and processing of the loan agreement for the project management consultancy are ongoing. Partial operability is targeted by 2022.

Mindanao's first railway, the Mindanao Railway Project has already started its pre-construction activities for its first phase. Phase 1 is the 100.2 kilometer rail line that will run from Tagum City, Davao Del Norte to Digos City, Davao Del Sur. Pre-construction works and right of way acquisition are currently ongoing. Once completed travel time between Davao Del Norte and Davao Del Sur will be reduced from three hours to just one hour.

The Philippine Railway Institute, which will serve as the primary policy making planning implementing, regulating and administrative agency and human resource development in the Philippine Railway sector. Since the start of its operation, a total of 143 railway personnel have been trained, while 116 trainees have successfully completed and certified.

To boost maritime commerce nationwide, the DOTr and PPA have completed a total of 189 commercial port projects with 37 more ongoing. These port projects involve the ports development and expansion, construction of port operations building and passenger terminal building, installation of solar powered lighting, improvement of power system and other related infrastructure supporting port operations and maintenance.

To increase the country's connectivity and mobility as well as establish new local growth areas for tourism, trade and logistics, 164 social and tourism port projects have already been completed, while 76 are ongoing.

Inaugurated last year, the Paranaque Integrated Terminal Exchange, PITX is the country's first land port. This new terminal port serves as a transfer point for commuters from Cavite, Batangas going to general parts of Metro Manila. Aside from the PITX, two more intramural terminals will be built - these are the Taguig Integrated Terminal Exchange and the North Integrated Terminal Exchange.

There are also plan for future infrastructure projects such as the Metro Manila Bus Rapid Transit Line 1 in Quezon Avenue, EDSA and the Makati BGC, Greenway Cebu Intramural Integrated Transport System and the Davao High Priority Bus System.

In 2019, in New Clark City, in only 18 months, the BCDA was able to complete phase 1A of the National Government Administration Center in New Clark City. This unveiled the modern structures that we've seen during the 2019 South East Asian Games, a government building for back up offices of various agencies to ensure a continuous service for the people in case of a disaster. A state of the art sports complex with an aquatic center, athletic stadium and athletic village, the UP-PGH Polyclinic, the residences and the 1.4 kilometer river park.

Before hosting the South East Asian Games, the athletic stadium and the aquatic center were certified world class by the International Association of Athletic Federations and the Federation Internationale de Natation (FINA).

This year BCDA is continuously building up access to the public to New Clark City with the ongoing construction of the New Clark to Subic-Clark-Tarlac Expressway, the SCTEX road. The road has a length of 12 kilometers and has eight lanes, two interchanges, three bridges, bike and pedestrian lanes, road relighting and linear parks.

The 2019 South East Asian Games athletes, coaches, expectators and sports officials, benefited from the use of these roads which cut travel time from SCTEX to Capas, Tarlac from 40 minutes to only 10 minutes. The project is now 80% finished and targeted to be completed by October of 2020.

Also, being constructed is the 19.8 kilometers six lanes access road that will connect New Clark City to the Clark International Airport phase 1. With a length of 5.3 kilometers, it is already 88% complete and is targeted to be completed in August of 2020. Upon full development of all three phases by 2021, the road will create a direct link from Clark main zone, Clark International Airport to New Clark City and vice versa. Further, a 4.5-km, 4 lanes, 4 roads to New Clark City will also be finished by this October; it is currently 70% complete.

To strengthen the potential of New Clark City as an investment destination and an international trading hub for sports, BCDA has lined up among the priority projects that tender for the operations and maintenance of the sports complex and a selection of a joint venture partner for the development of the National Government Administrative Center Phase 2.

New Clark City which played a key role during the 30<sup>th</sup> South East Asian Games is now helping the country as a quarantine facility. The government building and athletes village are currently among the We Heal as One Centers showing its resiliency as a metropolis and its reliability for multi usage, it has been scaled up to contain the community spread of COVID-19.

As early as February 2020 the Inter-Agency Task Force on Emerging Infectious Diseases has already identified the Athletes' village as a quarantine site, calling the urgent need for them to find a shelter for Filipinos coming home from foreign countries.

The role of international (garbled) of our countrymen amidst this pandemic. Since it started operations last June 5 it has become a major hub for returning Filipinos, receiving over 7,000 passengers.

Envisioned to be the next premier gateway in Asia, a new passenger terminal building is being built by the DOTr and BCDA. Phase 1 development will enable accommodation of an additional 8 million passengers, bringing the total passenger capacity to 12 million per year.

With this Clark International Airport will be able to serve as the growing catchment area up North and help ease the air traffic congestion at Manila's international Airport. The new terminals are now nearing completion and we expect to be finished by October of this year.

The operations and maintenance of the existing terminals is now being handled by Luzon International Premier Airport Development Corporation and currently LIPAD is continuously working on reinventing the airport to offer world class service.

With all these developments happening in Clark, we can see a zone that remains to be robust, resilient and safe.

The presence of a dedicated task force, stronger testing capability, connectivity to vital infrastructure and resilience of facilities help fuel the momentum to push our country forward.

In view of the current situation involving COVID-19, implementation of infrastructure projects is subject to the compliance of construction safety guidelines. In addition to the regular occupational safety and health guidelines of the Department of Labor in the construction industry, the following are among the special requirements and regulations. For the protection and prevention against COVID disease, daily monitoring of our health workers, health checklists, exposure checklist, issuance of quarantine passes, physical distancing, discourage the sharing hand tools and power tools, regular disinfection at work areas and no deployment of workers with pre-existing health conditions, including persons above 60 years old so as not to compromise their immune systems.

Yet it is comforting to know that in these trying times, many Filipinos from all walks of life have chosen to step up in the spirit of Bayanihan. We have witnessed bursts of charity and resourcefulness from various groups and partners all around us. And because of these, hope will continue to emerge among us in the midst of uncertainties for what may still be a very long battle ahead.

The national government in partnership with the private sector and the local government units was able to execute the conversion of 11 private and public structures in Metro Manila, Central Luzon, Laguna, Davao City Mega community quarantine centers for We Heal as One Centers with a total bed capacity of 2,584. 30 units of container vans were also repurposed into mobile rooms which can be used as additional COVID-19 isolation health facilities.

We will be doing our best to make sure that those who are sick have access to health care facilities. Construction of isolation or quarantine facilities is being considered in other areas. As doctors, nurses and other medical personnel are in the frontline on the fights against COVID-19, we are also building offsite dormitory facilities in order to provide them rest beds so that they continue to do their job safely.

There are six units of offsite dormitories within the compound of Quezon Memorial Circle which is comprised of 96 air-conditioned rooms with toilet and bath facilities. This can accommodate a



total of 192 medical personnel and frontliners. Additional offsite dormitories will also be built in Lung Center of the Philippines and Jose Lingad Memorial Hospital.

Also, we assisted in Philippine General Hospital, Lung Center in the Philippines in refurbishing private rooms for COVID-19. And we also utilized resources to ferry health workers to respective hospitals and transport supplies and materials to medical facilities that need them.

With our strong foundation, we must vigorously pursue sustainable resilient development, at the heart of this is the infrastructure agenda for the build, build, build program that can help jumpstart economic recovery, one that would help the Filipinos to remain employed or find new opportunities for employment.

Let me, on behalf of the Infrastructure Cluster, reassure you that while this pandemic may have disrupted the implementation of projects, with the right mindset, scientific advice and our whole-of-government approach, we are still committed to complete many of our projects within the next two and a half years. As we start to open our economy to a path of recovery and resiliency, we earnestly seek the understanding and cooperation of each and every one of us for what we expect to be a long, tough period ahead.

The government commits to do its best in leading [overlapping voices] but we also need the help more than ever and strong backing of the Filipino. In these dark times, we have seen the Filipino spirit provide us with the beacon of light that reassures us all that we will prevail in this fight and we will continue in our commitment to provide a bright, prosperous future for our beloved country.

As we heal as one, we build our future as one. Thank you very much.

**SEC. ANDANAR:** Thank you, Secretary Mark Villar. There you have it, updates from our Economic and Infrastructure Clusters. Now that we've already heard from our Cabinet Secretaries, it is time we hear from the public. Last week we set out a call for Filipino netizens to submit their questions on how the government will help Filipinos recover from the effects of the COVID-19 crisis.

We will be featuring a number of the questions submitted. Answering your questions are still our speakers for today, live via Zoom we have Secretary Dominguez, Secretary Villar and Governor Diokno. We also have on Zoom other members of the Cabinet, we have Secretary Boy dela Peña, Secretary William Dar. We have Secretary Karl Chua, Secretary Mon Lopez, and Secretary Avisado.

We do have Secretary Bernadette Puyat, Secretary of Tourism; Arturo Boncato, the Undersecretary for the Department of Tourism; Alain Pascua, Undersecretary of the Department of Tourism; Emmanuel Rey Caintic, OIC/Undersecretary, Department of Information and Communications Technology; Secretary Art Tugade of Department of Transportation. We also

have Secretary Karlo Nograles, our Cabinet Secretary. Yes, I did mention TESDA Director General, Secretary Lapeña. Secretary Al Cusi of the Department of Energy is with us.

We are now ready to take the questions. So for the first question, let's proceed with the video from our stakeholders here in #askyoursecretaries. Our first question is from a law student, Christine Sumaway and this is for Gov. Diokno of the BSP: *"Hi, I am Christine Sumaway and my question for the Cabinet secretaries is: In light of the Wirecard incident, criminal minds may be targeting the Philippine banking system for the [unclear] bank secrecy law. What is the BSP's action plan to help ensure passage of the amendments to this law and what is the BSP's statement to opposing parties to the amendments to the present bank secrecy law?"*

**GOV. DIOKNO:** All right. Lifting of the bank secrecy is one of the key reforms that the BSP has been pushing for years. The Bangko Sentral ng Pilipinas will continue to communicate to Congress the importance of the reform to align our laws with international best practices as well as to better protect our banking system and our people from potential fraudsters. BSP is also working closely with the Department of Finance to help push the immediate passage of this critical piece of legislation that will finally break the walls from bank secrecy law in fraud cases.

It's worth noting that there are two countries in the world, Philippines and Lebanon that still implement stringent bank secrecy laws. Meantime, our reform agenda for the financial sector continues; we continue to ensure the effective implementation of existing regulations. The Bangko Sentral has implemented significant reforms to protect the integrity and promote the sustained safety and soundness of the Philippine financial system. This includes raising the bar for corporate and risk governance and internal controls, strengthening the anti-money laundering laws and regulations and establishing robust financial surveillance.

Both the BSP and AMLC are open and eager to collaborate with international agencies and German regulators who are dealing with the matter to hold the fraudsters accountable and to give justice to those who have been harmed by their acts. Apart from conducting investigations, we have reminded the banks to strengthen their 'know-your-customer' protocols and to be very strict in knowing their clients.

Moreover, banks are also reminded of their obligation to know your employees, their respective compliance offices and internal audit functions should be able to assess their employees behaviors and financial transactions in the same manner that they assess and monitor their customers.

**SEC. ANDANAR:** Thank you, Gov. Diokno. The next question is from Cassie Sandoval, an emergency room nurse and frontliner. This question is for both NEDA and the DBM: *"Ako po si Cassie Sandoval, isang emergency room nurse. Ang tanong ko po sa ating Cabinet Secretaries ay, lahat naman po tayo'y naapektuhan ng pandemyang ito. Para sa mga hindi nakakaintindi ng economic jargon, sa simpleng salita, may sapat po ba tayong pondo para labanan ang COVID-19 at ano po ang maaasahan ng bawat Pilipino mula sa economic recovery plan?"*

**SEC. AVISADO:** [OFF MIC]

**SEC. ANDANAR:** Okay. So we will ask Secretary Avisado to please unmute your microphone. We can ask NEDA Secretary Karl Chua to respond first.

**SEC. CHUA:** [OFF MIC] Thank you very much for the question. Basically ang una po nating dapat alamin ay maganda po ang kalagayan ng ating ekonomiya bago pumasok iyong COVID-19 crisis. Tayo ay—

**SEC. ANDANAR:** Seems like we also have an audio problem with Secretary Karl Chua. Again, the question is from Cassie; and Cassie Sandoval is a nurse—handa na ba si Secretary Chua? The question is: lahat naman po tayo’y naapektuhan ng pandemyang ito. Para sa mga hindi nakakaintindi ng economic jargon, sa simpleng salita, may sapat po ba tayong pondo para labanan ang COVID-19 at ano po ang maaasahan ng bawat Pilipino mula sa economic recovery plan?

So we can try again. Sec. Chua, they’re ready. Sec. Avisado?

While we await Sec. Chua and Sec. Avisado, you are still watching the Pre-SONA 2020. At dito po sa Pre-SONA ay malalaman natin ang kasagutan sa mga katanungan ng ating mga kababayan patungkol po sa economic and infrastructure clusters dito po sa ating bansa.

Okay, so... let us now play another video.

[VTR]

*Hi, I’m Jian Robedillo and my question for our Cabinet is: Given our national debt increasing at an alarming rate, is there a limit to how much we will be borrowing and what are our government’s concrete plans in order for us to pay for it?*

**SEC. ANDANAR:** Finance Sec. Domiguez, maybe you can take the question.

**SEC. DOMINUGUEZ:** Thank you very much for that very important question. As you know—first of all, can you hear me?

**SEC. ANDANAR:** Yes, we can hear you loud and clear, sir.

**SEC. DOMINUGUEZ:** Thank you. First of all, sir, you must realize that the country’s debt should be measured against its ability to produce. So, our ability to produce is expressed in the number called GDP which is Gross National Product.

Now, our debt used to be 70% GDP but slowly the various Administrations have brought it down and President Duterte’s administration brought the total debt to GDP down from a high of 70% to around 39% only. So, in other words, we are conservative we have not borrowed so much money in the past.

However, because our economy has slowed down during the COVID crisis, we have not been able to collect taxes as we have planned. In fact, we are 16% below last year and we also have been spending a lot of money on our COVID response. And in fact, I said we spent already P375 billion on COVID response alone.

So, because our collections are down and our expenses are up, we had to borrow money and we are planning to bring up our debt to GDP ratio to around 50% from 39% and that is still very affordable mainly because the cost is very low. The cost of our debt, the interest rate that we are paying on our debt is quite—is historic lows and one of the reasons is that our credit rating is very good.

So, we are planning to borrow up to 50% of GDP up from 39% at the end of 2019 and the repayment will come from our taxes in the future. And our taxes are going to come from healthier Filipinos working from—return to economic growth as we expect starting next year. So, the debt is very manageable and it is affordable for us.

So, I'd like to assure you, sir, and the entire Filipino that we have the capacity to borrow. We are borrowing at very low rates and we have the capacity to pay these loans in the future.

Thank you.

**SEC. ANDANAR:** Thank you, Sec. Sonny Dominguez. We will now go back to the previous question from Cassie Sandoval.

[VTR]

*Ako po si Cassie Sandoval, isang emergency room nurse. Ang tanong ko po sa ating Cabinet Secretaries ay: Lahat naman po tayo naapektuhan ng pandemyang ito. Para sa hindi nakakaintindi ng economic jargons, sa simpleng salita, may sapat po ba tayong pondo para labanan ang COVID-19? At ano po ang maaasahan ng bawat Pilipino mula sa economic recovery plan?*

**SEC. ANDANAR:** Let's ask first Budget Sec. Avisado to respond to the question.

**SEC. AVISADO:** Maraming salamat po. Naririnig ninyo pa ba ako, Sec. Mart?

**SEC. ANDANAR:** Yes, sir. Please go ahead.

**SEC. AVISADO:** Sec. Mart?

**SEC. ANDANAR:** Yes, sir, we can hear you. Iyong tanong po mula kay Cassies—

**SEC. AVISADO:** Okay. Ito po ang kasagutan ng DBM po. Opo at totoo po na may pondo po—sapat na pondo ang ating pamahalaan upang tugunan at labanan ang COVID-19 pandemic at ito nga ay napatunayan noong ipinasa ng Kongreso ang Bayanihan to Heal as One Act na kung saan binigyan ng kapangyarihan ng ating Pangulo na maglaan ng pondong sapat upang tugunan ang iba't-ibang programa at proyekto ng pamahalaan at ng iba't-ibang ahensya upang malabanan ang pandemyang ito.

Sa ngayon po, umabot na sa P374.8 billion ang nagagamit ng ating pamahalaan upang matugunan nga ang pangangailangan ng ating mga taumbayan dahil nga po sa pandemic na ito. At patuloy din po ang pakikipagtulungan at pakikipagdiskusyon ng ating Executive Department sa Kongreso at ang economic cluster nga po na pinangungunahan ng Department of Finance, ng NEDA, ng Bureau of Treasury, ng Bangko Sentral ng Pilipinas at ng DBM, ay nagsisikap po na maisaayos ang mga kinakailangan pang pondo upang matugunan natin ang pangangailangan ng ating mga kababayan at ng sa ganoon ay maipagpatuloy din po natin ang sigla ng ating—at ibalik ang sigla ng ating ekonomiya.

At diyan po sa puntong iyan ay higit na maiintindihan, mauunawaan natin ang kasagutan ng ating kasamahang Sec. Karl Chua ng NEDA po. Basta po ang aming gusto lamang na sabihin ay opo, mayroon pong sapat na pondo ang ating pamahalaan upang tugunan at labanan ang patuloy na pananalasa ng COVID-19 pandemic po sa ating bansa.

Maraming salamat po.

**SEC. ANDANAR:** Thank you very much, Sec. Avisado. NEDA Sec. Karl Chua, ano po ang inyong sagot doon?

**SEC. CHUA:** Salamat po, Sec. Martin. Una po, maraming salamat po kay Cassie at sa lahat ng mga nurse, doktor at healthcare worker na tumutulong po at nag-aalaga po sa lahat ng mga tinamaan ng COVID. Kami po ay saludo sa inyo.

Sa tanong ninyo po, naipaliwanag na po ni Sec. Avisado iyong kakayahan natin na para pondohan ang COVID response natin. Ngayon po, ang itutugon ko po ay iyong tungkol sa economic recovery plan.

Nagsimula po tayo noong Marso through the Bayanihan We Heal to One Act para magbigay po ng emergency response para matulungan po ang lahat ng naapektuhan lalo na po iyong sa healthcare sector natin, iyong frontliners, at sa mga mahihirap at mga nawalan po ng trabaho through our Social Amelioration Program at iyong ating Small Business Wage Subsidy.

Ngayon po, ang ating second phase kami ay kumakausap with Congress para maipasa na po sa lalong madaling panahon iyong ating economic recovery program. Itutuloy po natin iyong ating suporta sa healthcare sector dahil kung may kumpiyansa po at may confidence ang ating mga mamamayan sa ating healthcare sector, sila po ay puwede pong bumalik sa kanilang trabaho at ito po ay isa sa mga priority natin – iyong testing, tracing, isolation and treatment.

Iyong pangalawa pong priority natin sa ating economic recovery program ay iyong to sustain our food supply, dahil ito ay isa sa mga basic needs po natin at nakita po natin sa ating inflation rate sa month of June na pababa rin po ang ating food inflation.

At iyong pangatlo po na malaking programa natin ay iyong build, build, build program. Iyong ating infrastructure program na malaki ang maitutulong dito sa ating employment or job prospect. Isa sa mga kasapi dito ay iyong digital infrastructure at isa sa mga priority ng ating gobyerno ay iyong pabilisan iyong implementation ng national ID para lahat po ay matulungang magkaroon ng legal identity, magamit ito para mabuksan iyong bank account nila at iyong ibang darating na tulong sa kanilang bank account.

So ito po ay halimbawa ang mga programa na isinusulong natin under our economic recovery program. Maraming salamat po.

**SEC. ANDANAR:** Thank you very much, Secretary Avisado and Secretary Chua. Secretary Dar of the Department of Agriculture, let's listen to Exequiel John Calderon.

**CALDERON:** Ako po si Exequiel Calderon. Ang tanong ko po sa ating cabinet secretaries ay ano po ang hakbang na gagawin ng gobyerno upang masigurado ang food security at sapat na supply sa ating bansa lalung-lalo po ngayon na may COVID-19 pandemic? Ayon po kasi sa isang pag-aaral ng Food and Agricultural Organization ng UN, ang COVID-19 pandemic ay maaring ma-threaten and ating global food security at supply. Maraming salamat po.

**SEC. ANDANAR:** Napapanahon na katanungan, Secretary Dar, kayo po ang makakasagot nito.

**SEC. DAR:** Tama po at gusto kong masabi, Sec. Martin, na unprecedented crisis in modern times, the COVID-19 pandemic is impacting on food systems, disrupting agricultural value chains and movements and causing risk to household food security. So with that, we are trying to look at policy shifts during this new normal. And we thus adopted a new food security framework which has been approved by the IATF. And this framework would compel everyone, those stakeholders in the food systems to now ensuring food security for the whole country that there must be transformation everywhere in food systems from production to consumption and all places in between and which will compel us to do things differently.

So, what are the shifts that we are wanting to pursue. A focus on production but now, equally a focus on consumption empowering those marginalized in the system and supporting diverse distribution efforts. So, ang ibig sabihin nito, itong last 100 days, we have seen na ang pinaka-problema po dito ay... it was more a problem of logistics and movement of food supply. We have enough food supplies during the last 100 day and we will continue to have enough food supplies in the next 6 months and beyond.

Another shift, ay recognize the food systems interconnectedness with other systems and sectors, kagaya po sa economy, sa health sector and environment towards building resilience overall.

And the third one is a policy shift addressing hunger and all forms of malnutrition such as obesity and micro nutrient deficiencies. We have now to look at quality food, good nutrition, balanced nutrition and the like.

And number four, we should see to it that the solutions that we provide in terms of ensuring food security are context specific and recognizing the differences between urban and rural areas.

Now, having said that, those policy shifts. During this pandemic, we had quick response programs like that of... you know working with the IATF because they were managing in terms of when the various sectors should open, so we saw to it that the farming and the fishing industries must have skeletal to optimal and to full operations which now is happening for the whole sector.

And of course during this pandemic, about 15% of the farmers and fishers were disrupted and 35% of them were not able to market their produce. So, we had Kadiwa ni Ani at Kita that brings a stronger partnership with agri-business people trucking the produce from the trading post from say Benguet, from Nueva Vizcaya, from Sariaya, Quezon and many other points towards the Metro Areas.

We also—you know the sales as a result of the intervention coming from Kadiwa ay nasa level ng 5.5 billion. So, it's formidable, it such an important intervention that we will continue to institutionalize even under this new normal.

We also encouraged the local government units to buy raw products from their domestic farmers and you know what, P2.5 billion worth of food packs for their distribution happened.

And so in so many ways, we have put in place an overall umbrella program of the Department of Agriculture to elevate and/or increase food sufficiency level during this new normal and that is the 'plant, plant, plant program.'

So, this plant, plant, plant program just like the build, build, build program for infra, this is really, again, reap the overarching goal of ensuring food security of the country. So, this is true not only for crops, but for livestock, vegetables, fruits and fisheries.

Let me assure everyone that there is hope in seeing to it that yes we are working with the farmers and the fishers to produce enough food and we are there nurturing and catalyzing all these efforts in tandem with various stakeholders, the local government units, so that the level of productivity we have to have and the desired income for the farming and fishing sector will happen. Thank you, Sec. Martin and all.

**SEC. ANDANAR:** Maraming salamet po, Secretary Dar. Ang susunod na tanong ay manggagaling sa isang representative of the youth sector, si Honey Grace Alfonso and this is for the Department of Trade and Industry.

**ALFONSO:** Ako po si Honey Grace Alfonso at ang tanong ko po sa ating Cabinet secretaries ay: Ano po ang mga hakbang o programa ng atin pong pamahalaan para po matulungan ang mga maliliit na negosyo lalo na po ang mga small online businesses sa ganitong panahon ng pandemya? Salamet po.

**SEC. ADANAR:** Secretary Mon Lopez, the floor is yours.

**SEC. LOPEZ:** Magandang araw po, salamet po sa inyong katanungan. Marami po tayong programa para matulungan po lalo na iyong maliliit na negosyo lalo na dito sa lumalakas na online businesses sa panahon ngayon ng pandemya.

Unang-una, marami tayong ginawang mga webinars or online seminars, sa aming bilang po over 500,000. Mga 517,000 na ang naging attendees nito to help our Micro SMEs to migrate online iyong kanilang mga negosyo in marketing their products, dadalhin sa digital platform para po mas malawak po ang maabot nito. We have partnered also with major online platforms tulad ng Shoppe at Lazada para ma-guide-an sila, maging online ang kanilang e-commerce business.

Ang atin pong Small Business Corporation, nagbibigay po ng micro financing program that will also help the small online businesses.

To date, we have received over 23,000 na application for loans, mula po noong ni-launch po natin ito. At mga 1,994 na po ang na-process dito, na-approved 152 million pesos worth at inaasahan natin na ito po aabot tayo sa mga 500 million by middle of July. Ito po ay manggagaling sa P1 billion fund na soft loans, zero interest rate and payable in 18 to 24 months.

Under our regular program of Pondo sa Pagbabago at Pag-asenso na inumpisahan po natin, kasama po, led by our President, President Duterte, nakapag-release na rin po tayo ng P7 billion worth of loans despite the limited budget. Dahil napaikot na po, pinautang ulit iyong mga ibinayad na mga loans under the P3 Program. So a very high repayment rate of about 95%.

We have also provided product development doon sa mga ibebenta ninyo and also free space to give exposure dito sa mga produkto. So we have the OTOP Program at saka iyong Go Lokal Program, kung saan hindi na kayo magbabayad ng mga renta sa malls, at kung hindi man online ay mayroon kayong exposure sa mga malls at mga iba pang mga Pasalubong Centers. Sa OTOP, mayroon na tayong 34 hubs at over 30,000 na po ang natulungan ng mga Micro SMEs dito at ang Go Lokal naman po ay we have 123 outlets dito po at ang natulungan po ay mga 607 Micro SMEs, ang mga produkto po nila ay nakapuwesto po sa mall ng libre, wala pong binayaran.



Aside from—during the pandemic po and height of the and quarantine under ECQ, modified ECQ and now under GCQ , nakapag-arrange po tayo ng concession o ang rent payment naitulak po, na-defer po ang mga payment ng rents. So, nakaluwag po ang marami pong mga micro SMEs at ngayon po ine-enjoin natin ang mga iba pang mga lessors, kung hindi man puwedeng i-waive nila iyong renta ay kung puwede ay babaan nila sa pagbubukas—babaan nila iyong renta lalo kapag nagbukas na uli itong mga tindahan po, iyong ibi-bill na rent doon po sa enterprises that were not allowed to operate.

Tayo po ay tuloy pa rin na nagibbigay ng negosyo at serbisyo sa barangay. Aside sa training we also give livelihood kits at mayroon na po tayong mga 1,858 livelihood kits na napamigay po dito para po may pangsimulang negsyo po ang ating mga kababayan. Tuluy-tuloy lang po, mayroon na po tayong 1,130 negosyo centers, one per municipality po ang target, so mayroon po malapit sa inyo. Pumunta lang po doon at makakatanong kayo ng kahit anong advise para po sa pagnenegosyo, over 1.3 million na po natulungan nito mula sa umpisa ng administrasyon po ni Pangulong Duterte. At tuluy-tuloy din ang training doon at nakagawa na po tayo ng maraming seminars diyan over 45,000 participants from all the 17 regions.

Doon po sa more intensive KMME Entrepreneurship Education Program over 7,000 na po ang grumaduate at tinuruan po ng mga certified mentors na 697. And para po sa mga ibang maliliit pa na negosyo, kung kailan ng mga production facilities, shared service facilities, we have given out or lent out 2,569 shared service facilities that will help process agriculture products para po mas tumagal ang shelf life at mas maganda po ang maging produkto at high value. At ito pong programa na ito ay so far may halaga na rin po na 1.65 billion ang napamigay po or napahiram ng mga shared service facilities. Ang iba pa nga ho dito ay tumulong sa pag-produce ng mga face mask, mga face shields at mga aerosol boxes.

So, tuluy-tuloy po itong mga programa na ito at ito po lahat ay actually ay puwede nga pong ibenta online. Thank you po.

**SEC. ANDANAR:** Maraming salamat, Secretary Mon Lopez. Another question from the youth. This is from Justine Macasinag.

**MACASINAG:** Ako po si Justine Macasinag at ang tanong ko sa Cabinet Secretaries ay kailan po ba ang implementasyon ng National ID at paano po ito makakatulong sa mga Pilipino lalo na sa mga kababayan nating mahihirap; paano nga ba makakasigurado ang bawat Pilipino na makakatulong ito?

**SEC. ANDANAR:** Secretary Chua.

**SEC. CHUA:** Maraming salamat po sa tanong. Ang National ID ay isa sa mga pinakamalaking proyekto ng ating gobyerno. Ayon po sa ating datos, mga kalahati po ng pamilya ay wala pong bank account at isa sa mga gusto po nating mangyari sa pamamagitan ng National ID ay mabigyan po ng bank account ang bawat pamilya sa ating bansa para maisulong po natin ang financial inclusion.

Ang nangyari po ay noong pumasok po ako ay marami na pong preparation ang nagawa ng Philippine Statistics Authority at tinapos namin iyong huling procurement ng systems integrator, ito po basically iyong heart and glue ng ating National ID system. So, kung ma-procure na po natin iyan ng maayos in the next two months at iyong development ay magsimula, puwede na po tayong magsimula mag-register sa huling dalawang buwan ng taon. At gusto po natin ay unahin ang ating mga heads ng families, dahil gusto po natin as much as possible iyong coverage ay umabot po ng 15 million families by the middle of 2021. At kung magawa po natin ito, lahat po ng pamilya ay maaari pong magbukas po ng bank account. Iyan po iyong use case ng ating National ID, iyong pag-open ng bank account to promote financial inclusion.

Ngayon, dapat sigurado rin po tayo na kung isusulong po natin ang National ID dapat maingat din tayo, kasi kung mayroon po tayong mass registration at dahil may COVID crisis pa rin po tayo ito po ay baka magdulot ng pag-spread ng virus. So, ito po ay binabalanse po natin, gusto po natin mabilis iyong pag-implement ng National ID pero dapat maingat po tayo at iyong minimum health standard ay ma-sustain po natin. So, abangan na lang po iyong mga development po sa National ID. Salamat po.

**SEC. ANDANAR:** Thank you so much, Secretary Karl Chua. We have a question from Benedict Jocson for the Tourism Industry.

**JOCSON:** I'm Benedict Jocson and my question for our Cabinet Secretaries is: What are the plans of the government to reinvigorate the tourism industry?

**SEC. ANDANAR:** Tourism Undersecretary Boncato, your response please.

**USEC. BONCATO:** Yes, good afternoon, on behalf of Secretary Berna Romulo-Puyat, I would like to thank Mr. Jocson for your question.

At the onset, we just like to underscore that the future of tourism will really depend largely on the trust and confidence of our markets. And that is really enshrined in the Tourism Response and Recovery Program as earlier reported in this forum.

And the focus of the TRRP of the Department of Tourism is really to initially respond to the urgent needs of the tourism stakeholders. So, we actually linked them to government financial institutions for assistance and we have closely worked with our legislators in terms of crafting several versions of the economic stimulus bill.

But a major strategy of the TRRP is to restart tourism and Secretary Puyat really believes that domestic tourism should be the catalyst of restarting the industry all over the Philippines. In fact, she has already started moving around the country and visited several destinations and actually spoke and really engaged local government units and their leaders, because the role of the LGUs is very crucial to determining as to the time of reopening of destinations. And that is

exactly what the Department of Tourism is doing is looking for these destinations that can jumpstart tourism right away at this time.

And the concept of travel bubbles has also been introduced by the Secretary. This is actually looking for destinations that are similarly situated. Meaning, these destinations where they have contained the virus very well and there is really openness and willingness of the local leaders to reopen tourism and match them eventually with international markets, but initially match them with domestic markets.

So, that is a major push and another one is to ensure that all of our stakeholders follow new health and safety standards. In fact, the Secretary has issued several circulars covering the administration and governance of different sectors of industry like hotels or restaurants and tourist transport. It will be also issuing very soon guidelines for (unclear) facilities, meeting facilities, travel and tours, tour guides, even guidelines for island and beach destinations and tourist attractions.

And the Secretary has been very, very vocal about this that the only way we can survive the future is to follow the new norms. And we have seen—our Secretary also moving around, in fact, with Sec. Lopez last week to inspect several hotels and restaurants to check if minimum health and safety standards are in place.

And these are only some of the major things enshrined in the TRRP and we will continue to make this an evolving blueprint for development for tourism for everybody to follow, so it's going to be a dynamic document for all of the stakeholders of the tourism industry.

Thank you.

**SEC. ANDANAR:** Thank you very much, Undersecretary Boncato. We still have questions on standby but before we proceed, we want to let you know that we are a government that listens to the people.

So, for business owners who are watching right now, the government wants to hear how COVID-19 pandemic has affected your business and what support you need. We invite you to participate in a 15-minute survey by the Department of Finance, the National Economic and Development Authority and the World Bank through this link: [phcovidwb.org/firm](https://phcovidwb.org/firm).

Here's another question. Let's go back to answering more of these; this time, for the infrastructure cluster. The question is addressed to DepEd Undersecretary Pascua: How will DepEd address difficulties in conducting classes during the COVID-19 pandemic?

USec. Pascua?

**USEC. PASCUA:** Magandang hapon po sa inyong lahat! Ang DepEd po ngayon ay may tinatawag tayong blended learning para sa ganoon ay masagot natin itong tinatawag nating distance learning na modalities.

Iba-iba ho iyan, iyan po ay iyong self-learning modules na mga printout; mayroon din ho tayong online learning through the internet; mayroon din po tayong TV school at saka radio school na based instruction; at iyong combination po ng mga iyan ang tinatawag po nating blended learning.

So, depende po sa mga lugar kung saan iba't-ibang klase iyong natanggap natin na mungkahi o iba't-ibang sitwasyon iyong nakuha natin nitong mga nakaraang enrollment natin. Iyan ay i-implement depende sa kagustuhan po ng ating mga mag-aaral.

Ngayon po, humigit-kumulang na 17.9 million na na mga public school students ang naka-enroll at ito ay almost 80% na po ng kabuuang bilang ng enrollment natin noong nakaraang taon. Kaya't tuloy-tuloy po ang enrolment hanggang July 15 at tuloy-tuloy din po ang preparasyon ng DepEd sa blended learning para sa ganoon ay maipaabot natin sa lahat ng ating mga mag-aaral ang edukasyon na kinakailangan nilang makuha kahit na mayroon ho tayong pandemya sa panahon na ito.

**SEC. ANDANAR:** USec. Pascua, how is DepEd preparing teachers, parents and learners for the new normal?

**USEC. PASCUA:** Sa ngayon po ay gumagawa po tayo ng mga webinars, iba't-ibang webinars at umabot na po tayo sa mahigit-kumulang na 400,000 ang participants natin sa mga webinars natin para mai-prepare natin iyong ating mga teachers at mayroon po tayong isasagawa ring mga webinars para naman po sa ating mga magulang para mai-prepare sila dito sa tinatawag nating blended learning.

At iyan po ay tinitingnan din po naitn, ang ating pakikipagtulungan din sa ibang ahensya ng ating pamahalaan katulad ng DICT, NTC, PCOO at saka IBC-13 para sa ganoon ay maipaabot natin sa ating mga mamamayan, sa mga parent at saka sa ating mga teacher iyong mga preparations natin para maihanda sila sa susunod na pagbubukas ng ating school year sa August 24 po para sa ganoon ay handa po ang lahat at handa ang bawat isa para sa pagpapatuloy ng ating edukasyon.

**SEC. ANDANAR:** USec.Pascua, can the technology infrastructure support the learning continuity plan?

**USEC. PASCUA:** Yes, sir! I think infrastructure that we have though is still very limited, currently we have about 67% of the Philippine population that have access to internet. And if we would be translating this into the number of learners, possibly connecting through ICT or through internet connectivity, this would roughly translate to about 50 million learners. At the moment we have DepEd Commons as our online platform, and there are about 8.5 unique users already registered at the DepEd Commons and within the next few days when we start

campaigning to reach out about 17 million of our learners to be connected to the DepEd Commons, we can see that our infrastructure though still at 67% and though still not able to reach 100% could be kind of be enough to reach to most or majority of our student population.

In areas where there will be no internet connectivity, we will be employing the use of TV and radio broadcast and also our teachers in the field will be going house to house in order to reach out all our learners. And the combination of all these kinds of technologies from the old to the new would enable us to reach to our students even in times of our crisis.

This is what we are now doing and with the help of other agencies of our government, we will try to establish the public education network where our dream of connecting all our officers and all our schools will be made possible and this is with partnership through the different agencies of the government and also with the private sector. We would want to use all these facilities in order to deliver education to all our learners.

**SEC. ANDANAR:** Maraming salamat po, Undersecretary Alain Pascua. Ang susunod na tanong ay para po naman sa DICT. OIC Undersecretary Emmanuel Rey Caintic, what are the plans to address the slow internet connection in most areas of the Philippines?

**USEC. CAINTIC:** Magandang hapon sa lahat! Salamat sa katanungan.

Ang pangunahing plano namin sa DICT at ng gobyerno ay ang tinatawag na digital connectivity program.

Nahahati ito sa tatlo, una: iyong paglatag natin ng national broadband na gagamitin sa ating mga ahensya ng gobyerno pati na rin ng ating mga eskwelahan at mga opisina ng local government.

Pangalawa, pabibilisin namin ang paggawa ng mga free Wi-Fi for all na sites. Dito maa-access ng mga tao ang kanilang free internet dito sa mga pampublikong lugar at marami na rin kaming gagawing mga Tech For Ed Centers and Digital Transformation Centers. Doon din sila makakakuha ng libreng mga trainings and upskilling.

Pangatlo, binibilisan din namin ang paggawa ng mga common tower and common infrastructure policies nang sa gayon ay mapapabilis natin ang pagtatayo at paglalatatag ng mga fiber optic cables para sa mga telcos at common tower companies.

Kasi po, para sa kaalaman ng lahat, para bumilis ang internet at lumawak ang coverage ng mga telcos ay kailangan nila ng tulong na makalatag nang mabilis at makapagtayo rin ng mga tore para magkaroon ng access ang ating mga mamamayan sa internet.

**SEC. ANDANAR:** Isa sa mga inaabangan naming mga netizen at work from home employees ang pagkakaroon ng third party internet service provider. Nasa anong level na po ba ang proseso, USec.?

**USEC. CAINTIC:** Ikinagagalak naming sabihin na sa huli naming pakikipag-usap sa Dito Telecommunity eh, mukha namang sila'y on track sa kanilang March 2021 commercial launch. Sa huli naming pag-uusap eh nakapag-activate na sila ng mga cell sites sa 1,300 mga tore nationwide.

Ang maganda ring ikinadulot nito eh napilitan din iyong dalawang telco giants – Globe and PLDT to strengthen and upscale their services. Hindi lang din ganoon, hindi lang sila, pati rin iyong mga fixed broadband and internet service providers like Converge ICT, PT&T at marami pang mga local cable companies ay nagsipag-ayos din ng kanilang mga serbisyo.

Natutuwa kaming sabihin na hindi nila tayo binigo ngayong panahon ng COVID-19 at rumesponde sila ng maayos sa pag-insure, sa pag-siguro na maayos ang magiging internet nila sa mga mamamayan the past few months. Sabi ko nga kanina ang maitutulong namin ay bigyan sila ng mas mabilis at makapagpatayo ng mga tore.

**SEC. ANDANAR:** Thank you so much, Undersecretary Rey Caintic. Ang ating susunod na tanong ay para naman po kay DOTr Secretary Art Tugade. Ano po ang masasabi ninyo, ng DOTr sa new normal sa sector ng transportasyon?

**SEC. TUGADE:** Iyong new normal, ang pananaw po namin sa new normal sa transportasyon. Una po, mananatili po diyan iyong tinatawag natin na health protocols - nandiyan iyong social distancing, nandiyan iyong wearing of mask, nandiyan iyong sanitation at nandidiyan din iyong tinatawag nating contact tracing.

In addition to maintaining iyong tinatawag na health protocol and continuing with the health protocol, isang salita ho. Doon ho sa tinatawag nating new normal sa Department of Transportation, one word 'digitalization.'

Nabanggit po kanina na malaking bahagi - ang sinabi ni Secretary Sonny sa kanyang presentasyon na malaking bahagi - iyong tinatawag na digitalization, doon po papunta at tinutumbok ng Kagawaran ng Transportasyon ngayon.

Kung pupunta po kayo sa LTFRB ngayon, makakakita kayo ng robot na kung saan sila ang gumagawa ng mga plate numbers, hindi na po iyong mga mano-mano, tao-tao, robot na po iyong gumagawa niyan.

Part of our digitalization approach is iyong ginagawa ng land sector, ng LTFRB, nandidiyan po iyong inuumpisahan na namin na iyong cashless payments, nandidiyan po iyong tinatawag namin na online registration of licenses and franchises as well as renewal thereof.

Part of digitalization, ina-approach po namin iyong paggamit ng RFID diyan ho sa mga tolls, kung saan lahat tayo kapag bumabaybay at tumatakbo sa tolls, iba-iba pong sistema iyan. Sabi

po namin isang sistema na lang at kung maari puro RFID para cashless na din po ng sa ganoon ay matugunan din ho iyong pangangailangan na requirements ng DOH at ng IATF.

Idagdag ko na rin po, part of our digitalization approach ay iyong mga electronic ticketing, gagawin po namin iyan sa mga pantalan, mag-uumpisa po iyan sa December. Kapag ginawa po natin iyong electronic ticketing, malalayuan at maiibsan iyong tinatawag na overloading saka iyong mga scalper sa pagbenta ng ticket.

Inuumpisahan at ginagawa ko na rin po ng paraan na kung saan sa mga riles, sa mga tren, sa MRT 3, magkakaroon na po ng online purchase of ticket, hindi na ho pipila lahat. Kung mayroong online ticketing gagawin po namin iyan.

Ganundin po, in fact sa July 15, iyong online payment po ng PPA ay mag-uumpisa na. Ito ho dalawang bagay sa new normal. Una, mananatili po iyong tinatawag natin na health protocol ba requirement ng Department of Health at IATF. Pangalawa po, bibigyan po natin iyong programang tinatawag namin na digitalization.

**SEC. ANDANAR:** Maraming salamat po, Secretary Art Tugade. Ang ating huling tanong ay para kay Secretary Villar ng DPWH. Secretary Villar, how do you plan to decongest EDSA?

**SEC. VILLAR:** Iyong decongestion po ng EDSA, isa sa mga prayoridad po ni Pangulong Duterte, kaya sa umpisa pa lang ng administrasyon, inilatag na namin iyong mga proyekto na kailangang tapusin para ma-solve ang problema ng EDSA. At ngayon po natutuwa naman kami at nais naming i-announce na malapit na pong matapos itong mga projects na makaka-solve sa traffic sa EDSA. Katulad ng Harbor Link na-deliver na po, so lahat po ng mga trucks at mga passenger vehicles, hindi na kailangang dumaan sa EDSA at sa C5, so makaka-decongest ng up to 30,000 cars a day. So tapos na po.

At later this year, matatapos na po iyong Skyway connecting NLEX to SLEX, so magkakaroon po ng bypass ang EDSA up to 55,000 cars ang biglang mawawala sa EDSA dahil sa Skyway. So, ito malapit na po, by end of this year made-deliver na po iyong Skyway at pati iyong mga bridges across Pasig makakatulong din sa decongestion ng EDSA. Malapit na po matapos iyong ine-announce ko kanina 80% na ang Sta. Monica-Lawton Bridge is 80% completion na at finally bago matapos po ang term ni President, ide-deliver po namin iyong NLEX-SLEX Connector. So magkakaroon po ng dalawang bypass ang EDSA. At kapag natapos po itong mga projects, babalik po ang EDSA sa original capacity.

**SEC. ANDANAR:** Maraming salamat po, Secretary Mark Villar. Maraming salamat sa lahat ng mga Cabinet Secretaries na nakasama po natin ngayong umaga hanggang hapon. Thank you to all who sent it their questions. I hope that the statements of today's Secretaries gave us the confidence and assurance that better days are coming. Together we will recover and we will regain momentum even before the pandemic.

Now, for a closing message, let us hear from Cabinet Secretary Karlo Nograles.

**SEC. NORGALES:** Executive Secretary Salvador Medialdea, Finance Secretary Carlos Dominguez III, Public Works and Highway Secretary Mark Villar, Bangko Sentral ng Pilipinas Governor Benjamin Diokno, Presidential Communications Secretary Martin Andanar, mga kabalikat ko sa Gabinete, members of the Diplomatic Corps, partners in the private sector and civil society organizations, friends from the media, mga kasamahan sa gobyerno, mga kababayan, maayong hapon kaninyong tanan.

Please allow me to begin by thanking all the speakers today and by extending my gratitude to all our partners who have helped make this activity possible - the Cabinet Economic Development Cluster, the Cabinet Infrastructure Cluster, the Presidential Communications Operations Office, the Office of the Executive Secretary and fellow workers in the Office of the President.

On July 27, President Rodrigo Roa Duterte will deliver his 5<sup>th</sup> State of the Nation Address, an annual exercise that traces its roots to the Commonwealth of the Philippines. It is a tradition, a national routine that has been around for 85 years; one we have observed in war time and peace time, in tranquil times and in trouble times, one that we will continue to observe this year, even as the country and the whole world faces an unprecedented crisis - a pandemic that has claimed over half a million lives and affected the lives of billions more.

Kasama po sa apektado, kasama sa kinakabahan araw-araw sa pandemyang ito, ang mahigit isang daang milyong Pilipino. The numbers reflect this, with a recent survey showing that 9 out of 10 of our countrymen are stressed because of the COVID 19 pandemic.

Hindi naman po ito nakakagulat dahil nakikita din ng ating mga kababayan ang mga numero – ang bilang ng mga nagkakasakit ng COVID-19, ang bilang ng mga namamatay dahil dito – at ang iba pang mga impormasyong dagdag kaba.

Our people know the numbers and what they represent. More importantly, they feel the impact of these figures. They feel the pain – iyong mga nagkasakit, iyong mga namatayan, iyong mga nawalan ng hanapbuhay o apektado ang negosyo – ramdam nilang lahat ito.

Para sa ating mga kababayan, hindi lang po ito mga istatistika o pigura. These numbers represent the quality of their lives whether they will still have a job tomorrow; whether they will still have enough to feed their families the next day; whether they still will have a home next week – dito po nagsisimula ang pagkalinga ng inyong gobyerno.

Government recognizes that the data paints an image of a people who look to us for reassurance, who count on their government to address the challenges they face every day. Kaya lahat po ng desisyon na ginagawa natin ay nakasalalay sa pagtugon, hindi lamang sa ating mga pangunahing pangangailangan, kung hindi maging para sa pisikal, emosyonal at spiritwal na kaligtasan ng lahat: Bawat buhay, may saysay; bawat buhay, may kabuluhan; bawat buhay, dapat pangalagaan.



If the numbers tell us we have challenges to overcome, we are here to provide you figures to assure you that these challenges will be overcome.

We may live in an extraordinary milieu, but the goal of the SONA and these complementary pre-SONAs remain the same: To provide you, the public, the clear picture of how we plan to make your lives better; to provide the data, figures and intricate details that show that as challenging as these past months have been due to the COVID-19 pandemic, the President and your government have long laid the groundwork for the economic recovery of our country. And the government is doing what is needed to respond to the COVID-19 pandemic, particularly in the continued implementation of its various programs and projects as articulated earlier by my colleagues in the Cabinet.

The economic development cluster, for example, emphasized the need to provide a conducive environment, to promote rapid, inclusive and sustained economic growth in the country; and provided information on the implementation of programs involving economic stimulation and job creation, support for the agriculture and fishery sector; the pursuit of innovation in science, technology, energy and governance; and the assistance extended to micro, small and medium enterprises and our industries.

The infrastructure cluster on the other hand underscored the need for connectivity and the integration of road and transportation networks in land, air and water to spur development; achieve sustainability in the tourism industry; provide agricultural resiliency and food security. Also provided updates on the implementation of programs involving digital connectivity, community-based tourism, airports and seaports development, construction of inter-regional and provincial roads and expressways, and the Build, Build, Build programs to ensure that economic activities are sustained, cohesive and inclusive.

In the next pre-SONAs, the remaining clusters will provide additional information on the other programs of government, details we believe, will provide calm and clarity in these challenging times.

Asahan po ninyo na sa pagbangon natin mula sa pandemya ay kaakibat pa rin ang tunay na malasakit para sa ganap na pagbabago at patuloy pa rin ang pabibigay ng lubos na atensiyon, pondo at panahon sa mga programang kailangan upang maitaas ang kalidad ng buhay ng lahat ng ating mga kababayan.

Sama-sama, kaya nating umahon; sa tulong ng Diyos at sa magkaisang aksiyon, tayo ay babangon.

Para sa kaniyang mensahe para sa bansa at sa lahat ng Pilipino, mga kababayan, ang Pangulo ng Republika ng Pilipinas, Mayor Rodrigo Roa Duterte.

[VTR]

**PRESIDENT DUTERTE:** *My fellow Filipinos, the accomplishments that we have just presented to you in this pre-SONA forum are the fruits of our collective efforts to foster real, lasting and meaningful change in our country.*

*Numerous trials have tested our resolve these past few years but we always emerge victorious because of our unity and bayanihan as a people. As we look to the future with much hope and positivity, let us continue to work together to build a better and more prosperous Philippines, and for ourselves and the next generation of Filipinos.*

*Mabuhay ang Republika ng Pilipinas!*

**SEC. ANDANAR:** Maraming salamat po, Presidente Rodrigo Roa Duterte. Tayo din po ay nagbibigay papuri at pasalamat sa ating mga kaibigan sa Kapisanan ng mga Broadkaster ng Pilipinas, RTVM, PBS, Malacañang Press Corps, PIA, PNA, IBC, PTV, Department of Finance, at special thanks kay Ma'am Luchi Cruz-Valdez ng TV 5; To all our Cabinet Secretaries and to all of you watching from home, thank you for taking part in this year's Tatak ng Pagbabago.

This is only the first, we and PCOO will see you again next week, July 15, for Tatak ng Pagbabago with the Human Development and Poverty Reduction Cluster and the Participatory Governance Cluster.

Please standby sa atin pong mga social media channels of PCOO and our participating agencies, a press conference on the pre-SONA shall take place. Tapos na yata iyon, mayroon pa ba? We're done with the press conference? We're still have one? So there's one more press conference after this. This has been Tatak ng Pagbabago 2020: The Pre-SONA Forum.

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