EXPLANATORY NOTE

The country’s experience with the Coronavirus Disease 2019 (Covid-19) pandemic has shown us that despite the availability of funds to implement the projects to stem the ill-effects of the national health emergency, project execution takes time due to certain logistical and manpower limitations.

One classic example is Republic Act 11494 or the Bayanihan to Recover as One Act which was signed into law by President Rodrigo Roa Duterte on September 11, 2020. The project implementation of the measures provided in the said law was given an expiration of only until December 19, 2020. This means that departments and other agencies only have until the said date to implement the programs, otherwise the budgets will no longer be available to enable the government to respond and intervene to the COVID19 pandemic and to spur economic recovery.

RA 11494 appropriated P140 billion to different government agencies for programs to address the impact of Covid-19 to the health, economy and well-being of every Filipino. However, as of October 29, 2020, only P76 billion of the P140 billion had been released to the different implementing agencies according to the Department of Budget and Management. The DBM explained that the releases were based on the budget requests submitted by the agency, which would show that the agency’s absorptive capacity cannot cope with the urgency of stopping the pandemic.

As a result, bills had been filed extending the law’s validity until next year because unless the law’s validity is extended, the government will have to release the remaining 64
billion on or before December 19, 2020, the law’s expiration date, or the funds will revert to the Treasury.

To prevent such tedious process, this bill seeks to give the President of the Philippines the power to extend the validity of appropriations of projects earmarked to respond to a national emergency for a period of not more than two (2) years subject to rules and regulations. This will provide the necessary, stable and continuous appropriations to cover programs and projects urgently needed to win the battle against the adverse impact of any national emergency and consequently move the country forward towards recovery.

In view of the foregoing, the immediate approval of this bill is earnestly sought.

[Signature]

Rep. FLORIDA “RIDA” P. ROBES
AN ACT
PROVIDING FOR A NATIONAL EMERGENCY RECOVERY PROGRAM

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

SECTION 1. Title. — This Act shall be known as the “National Emergency Recovery Program Act of 2020.”

SECTION 2. Declaration of Policy. — It is a declared policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty, particularly in the aftermath of natural and man-made disasters, through policies that provide adequate social services, and promote full employment, a rising standard of living, and an improved quality of life for all. Towards these ends, infrastructure and programs for recovery efforts to address the ill-effects of national emergency, shall be given utmost priority and ensured continuous appropriations.

SECTION 3. National Emergency. — As used in this Act, a National Emergency shall refer to any event that constitutes an emergency that threatens national security, requiring a whole-of-government response as declared by the President of the Philippines in order to mobilize governmental and non-governmental agencies to respond to the threat.
SECTION 4. Extended Validity of Appropriations of Infrastructure and Other Projects Related to Address Recovery Efforts After a National Emergency. — Projects carried out to address recovery efforts after a National Emergency shall be prioritized and eligible for an extended validity in their appropriations subject to rules and regulations but which shall not be more than two (2) years from the time the appropriations earmarked for such project has been enacted.

SECTION 5. Project Determination.— The projects subject of this Act shall as far as practicable be programmed by the Department of Public Works and Highways for infrastructure and other departments or agencies with respect to other projects under their respective jurisdiction in consultation and coordination with the Development Budget Coordination Committee and the respective oversight committees of the Senate and the House of Representatives: Provided, that supplemental appropriations enacted in response to a national emergency shall be ensured an extended validity under the provisions of this Act subject to limitations as provided for by law and this Act’s Implementing Rules and Regulations.

SECTION 6. Reports.— The concerned Secretary or head agency shall submit bi-annually to the President of the Philippines, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of Department of Budget and Management the accomplishment report on projects covered in this Act, which shall include the appropriations released as of the end of the calendar year, the extent of the works accomplished, further works to be done, and recommendations for additional appropriations or charges thereof.

SECTION 7. Prior Approval. — The President shall thereafter evaluate the report submitted by the department concerned on the project implementation and shall thereafter allow or disallow the extended validity of the project before the end of each fiscal year: Provided, the extension of the validity shall not be for more than two years after the project’s appropriations was enacted.

No extended validity of project appropriations under this Act shall be implemented without the prior approval of the corresponding program of work by the President of the Philippines in close coordination with the department secretary or his/her duly authorized representative under which such program is implemented or executed.
SECTION 8. Participation of Local Government Units. — For projects under the purview of the Department of Public Works and Highways (DPWH), the same may be implemented by provinces, cities, municipalities or barangays, upon the request of the member(s) of Congress concerned, under the categories of local roads and other public works in this Act: Provided, that these local government units have the capability to implement such projects.

SECTION 9. Public Bidding. — Unless otherwise provided by law, all projects covered under this Act shall be implemented by contract awarded after competitive public bidding open to all qualified bidders and shall be awarded to the bidder who submits the lowest evaluated bid that is most advantageous to the government based on existing laws and regulations.

SECTION 10. Negotiated Contracts. — No project in this Act shall be implemented by negotiated contract except those authorized by the President to respond to a national emergency subject to rules and conditions to be provided in this Act’s Implementing Rules and Regulations.

SECTION 11. Prohibited Acts. — Any government official, employee or anyone working in conspiracy with the same who shall cause the intentional delay in the implementation of the project covered by this Act or submit any false or fraudulent report on the status thereon shall be penalized with imprisonment of not less than twenty (20) years and a fine of Ten Million Pesos (P10,000,000.00), with perpetual disqualification from holding any public office and a forfeiture of his/her retirement benefits.

SECTION 12. Separability Clause. — If any provision of this Act is declared unconstitutional or invalid, other parts or provisions hereof not affected thereby shall continue to be in full force and effect.

SECTION 13. Repealing Clause. — All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SECTION 14. Effectivity Clause. — This Act shall take effect fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation.

Approved.