



REPUBLIC OF THE PHILIPPINES
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

Living with the virus; recovering to pre-pandemic levels in 2022.

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Socioeconomic Planning Secretary

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Key messages

1. Covid-19 is not going to go away easily. We need to shift from a pandemic to an endemic paradigm.
2. Better risk management in 2021 has allowed the economy to grow above expectation.
3. Further safe reopening of the economy will allow the country to recover to pre-pandemic levels by early 2022.
4. To accelerate and sustain recovery, more is needed in the area of vaccination, healthcare, economic opening, school opening, mobility, and future pandemic management.
5. Gains in 2021 and 2022 will allow the country to reduce the running cost of Covid-19 to the present and future generations.
 - Recall that the total cost to the present and future society is estimated at 41.4 trillion pesos over the next 10 to 40 years due to our actions in 2020 alone.

From a pandemic to an endemic paradigm

Living with the Covid-19 virus

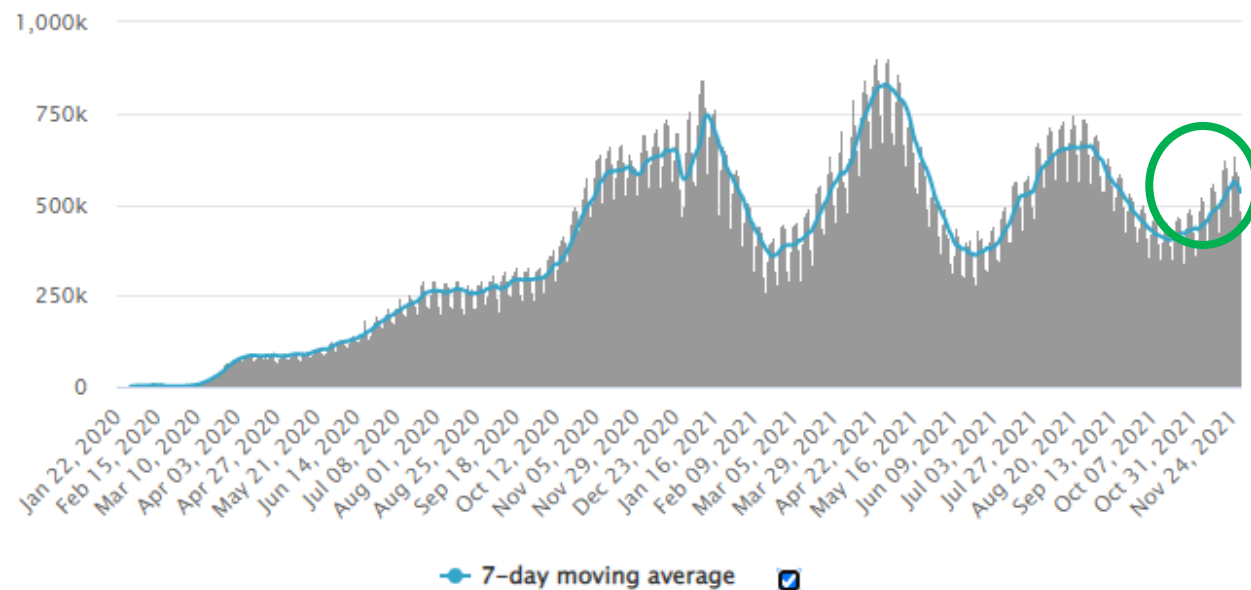
1. Initially, we thought the virus would go away in around six months, like SARS 1.
2. The reality today is that the virus is not going away easily and we will have to live with it for a longer period of time, similar to the flu.
3. This means changing our metrics, increasing vaccination, and minimizing severe cases and deaths.



Globally, as more people get vaccinated, death rates fall despite cyclical case surges.

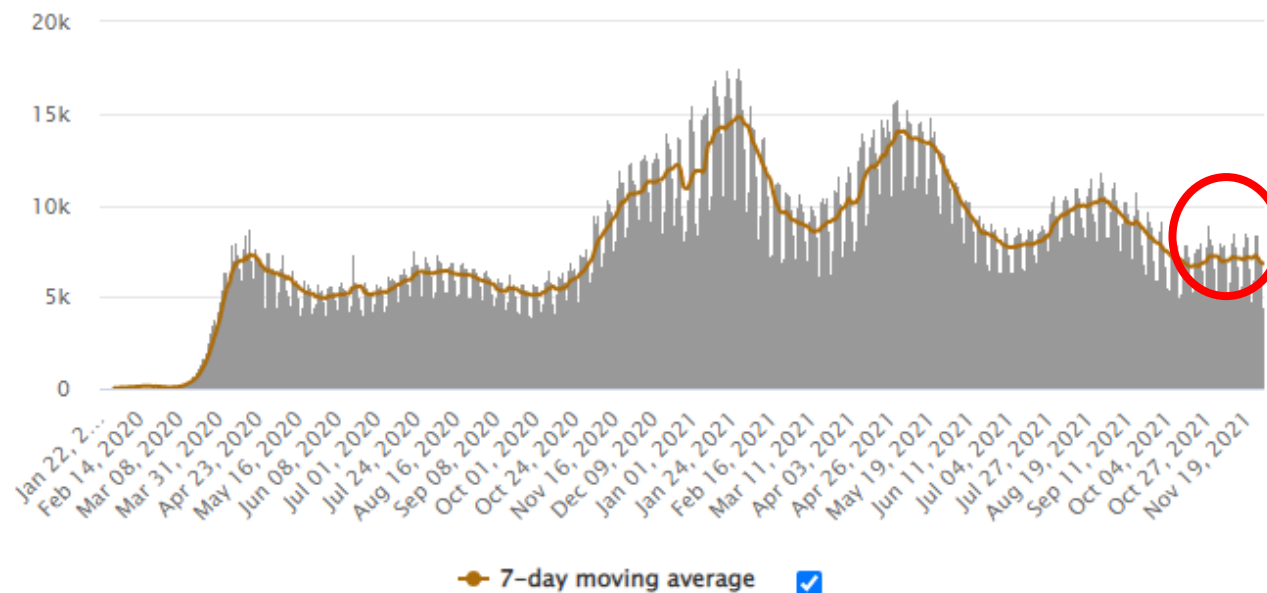
Daily New Cases

Cases per Day
Data as of 0:00 GMT+0

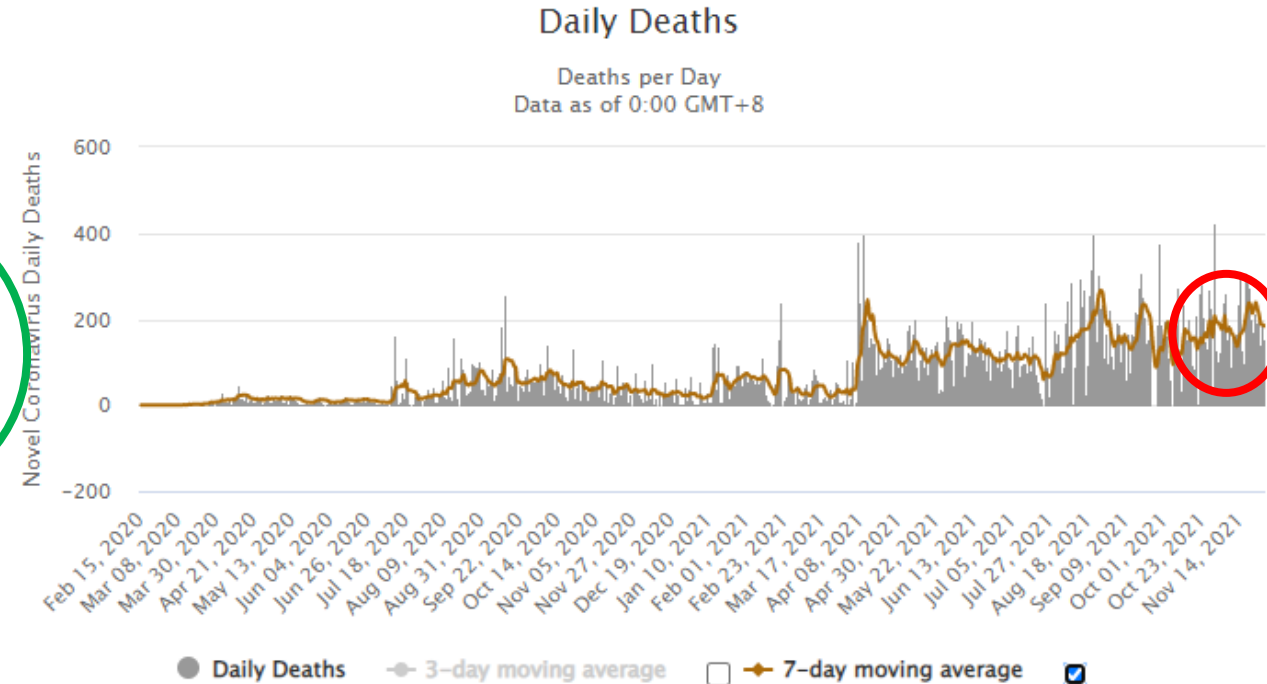
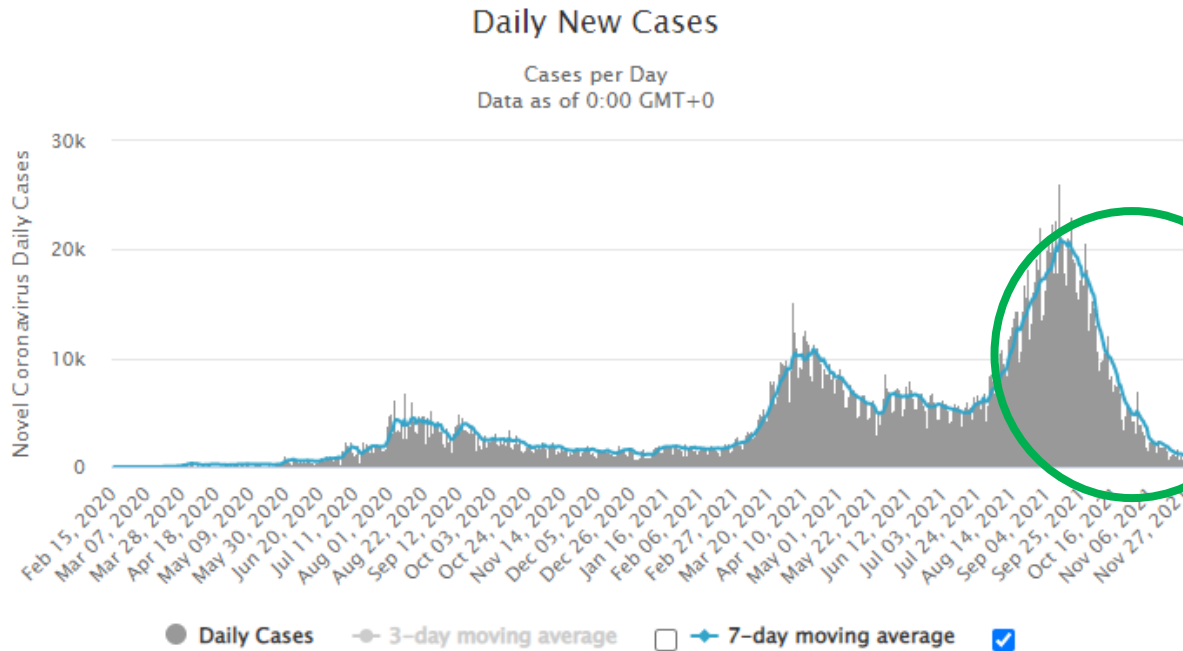


Daily Deaths

Deaths per Day
Data as of 0:00 GMT+0



The same trend is seen in the Philippines. Covid-19 deaths are expected to further decrease as vaccination rates increase.

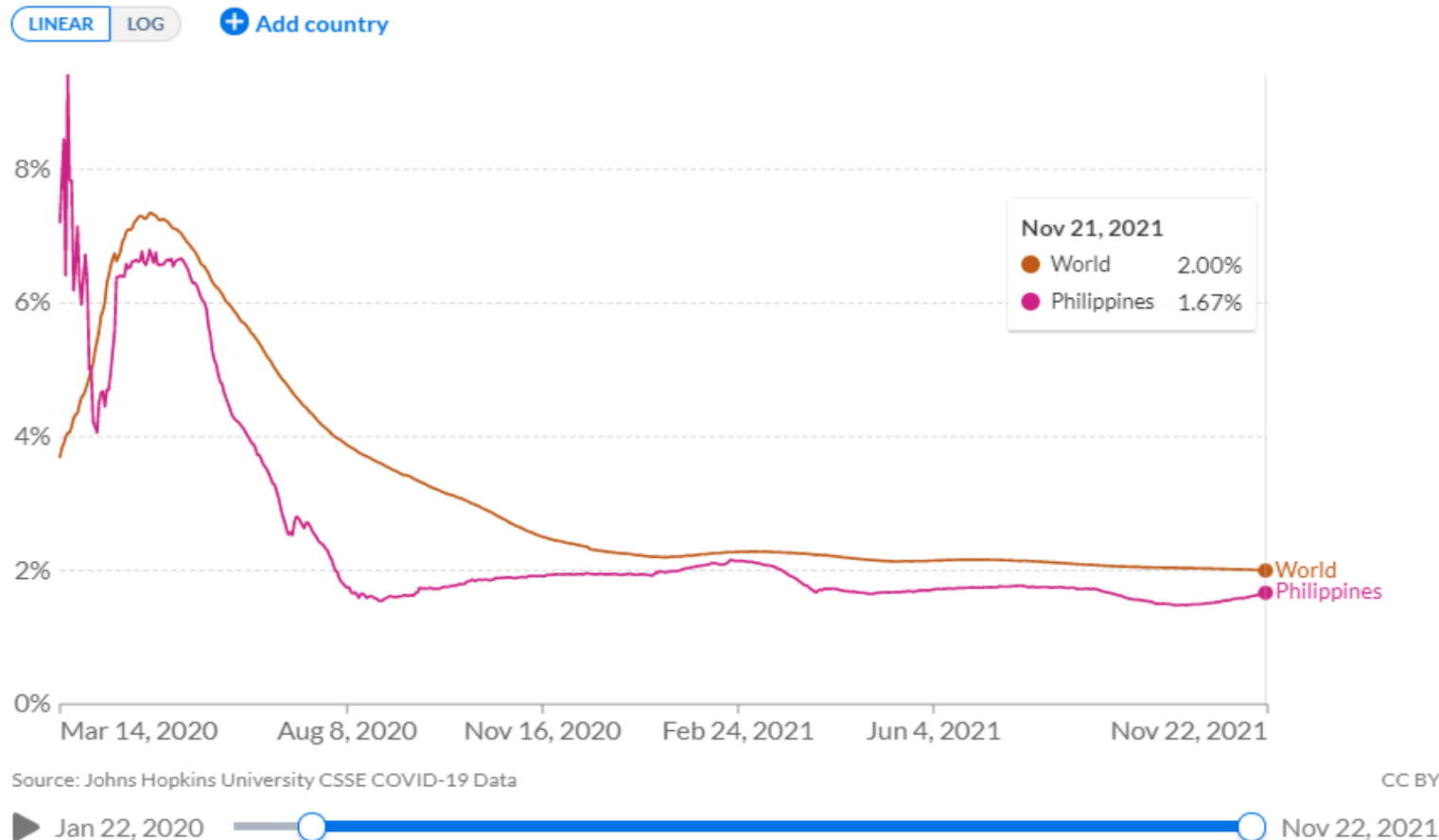


Covid-19 fatality ratios are expected to fall with more vaccine rollouts.

Case fatality rate of COVID-19

The case fatality rate (CFR) is the ratio between confirmed deaths and confirmed cases. The CFR can be a poor measure of the mortality risk of the disease. We explain this in detail at OurWorldInData.org/mortality-risk-covid

Our World
in Data



Studies show that Covid-19 fatality ratios could fall from the current 2 percent to around 0.35 to 0.84 percent with full vaccination.

This is broadly comparable with other lower respiratory infection fatality ratios like the flu.

Source: Our World in Data



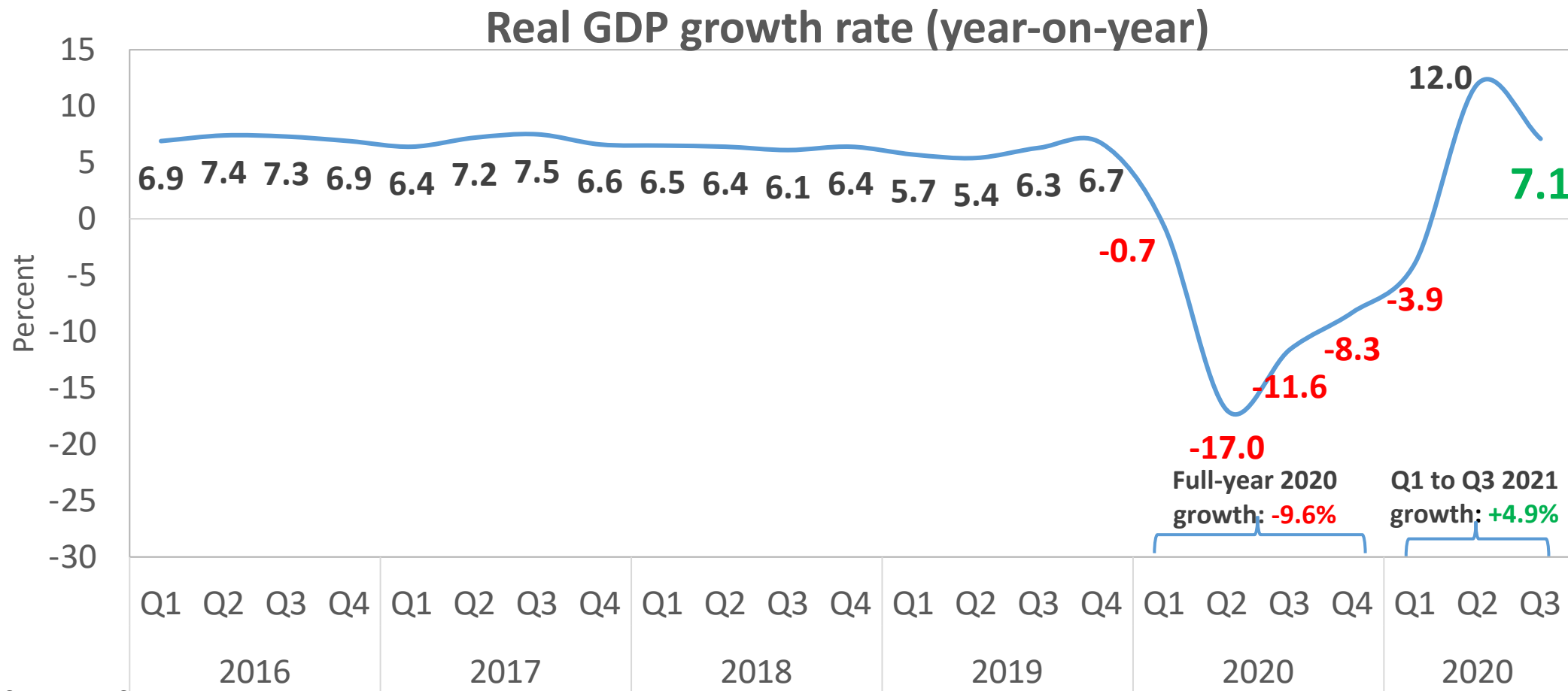
Some countries have decided to treat COVID-19 as endemic.

Characteristics	Singapore	Portugal	UK	USA	Thailand	South Korea
General	Worked on an endemic road map	COVID-19 regarded as "endemic"	Some pronouncements that virus will not go away	Some pronouncements that virus will not go away	Reopening and recovery roadmap for living with the virus in the short-term	Launched "living with COVID-19" scheme
Face-to-face schooling	Fully open	Fully open	Fully open	Fully open	Partially open	Fully open
Mobility	No restrictions	No restrictions	No restrictions	No restrictions	No restrictions	No restrictions
Travel	No quarantine for green countries.	No quarantine for green countries; RT-PCR, antigen, or vaccination card requirement only	No quarantine for vaccinated travelers from expanded green list ; RT-PCR test required within 2 days after arrival	No quarantine for vaccinated international travelers with negative RT-PCR test	No quarantine for "low risk countries" (currently 63); Sandbox program for vaccinated individuals from non-listed countries	No quarantine for vaccinated travelers from Europe, UK; "travel bubble" agreement with Singapore and Saipan
Workplace	No restrictions	No restrictions	No restrictions	No restrictions	No restrictions	No restrictions
Public transport	No restrictions	No restrictions	No restrictions	No restrictions	75 percent maximum	No restrictions

Source: Various news articles (data as of 15 Nov 2021)

Progress in recovery

Philippine economic growth is recovering strongly, and sustainability will depend on the actions we take in dealing with the virus.



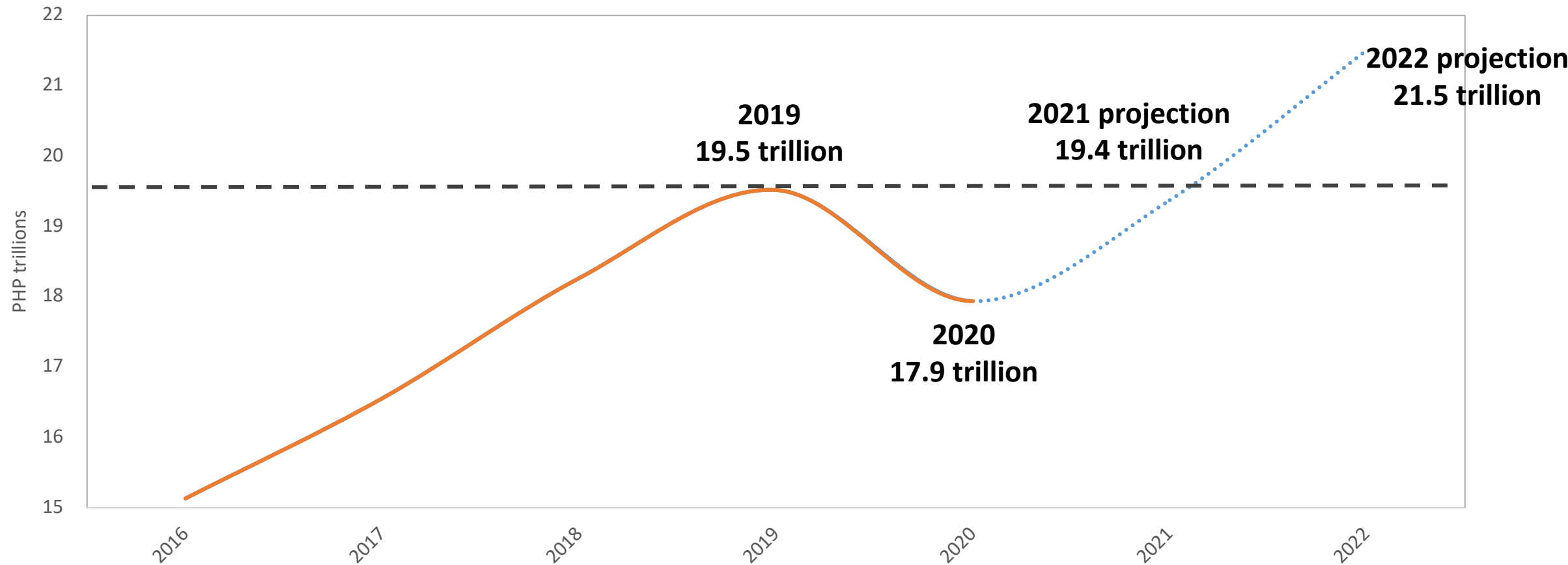
On a Q-o-Q basis, the economy grew by 3.8 percent.

This indicates sustained recovery despite two weeks of ECQ and a month of MECQ in Q3.

Source: PSA

Stronger than expected economic growth will bring us back to pre-pandemic levels by early 2022.

Nominal GDP scenario



Source: PSA and NEDA staff estimates

Note: This assumes real growth of 5 and 8 percent, respectively, in 2021 and 2022, and inflation of around 3 percent for both years.



**Key sectors have
seen significant
improvement under
Alert Level 2.**

Source of image: OneNews.ph

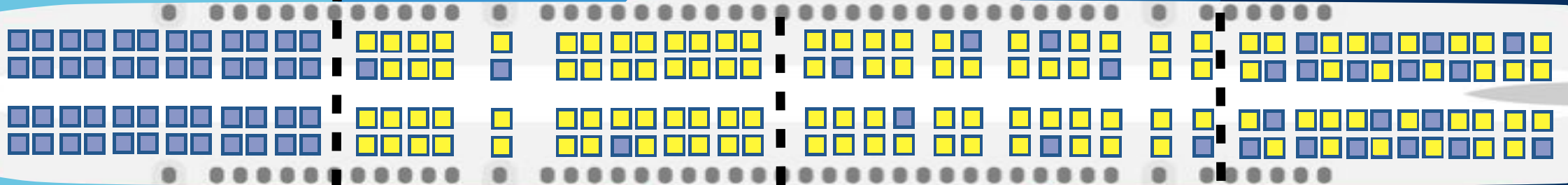
Airline

2019 PRE-COVID
100% Capacity





SEP 2020
5% Capacity

SEP 2021
16% Capacity

NOV 2021
40% Capacity



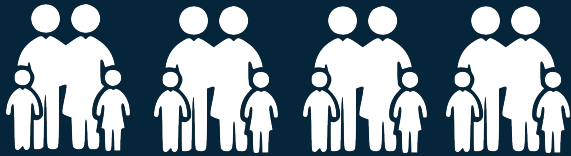
LEGEND:

  Occupied Seats
  Unoccupied Seats



Mall

**2019
PRE-COVID
100%**

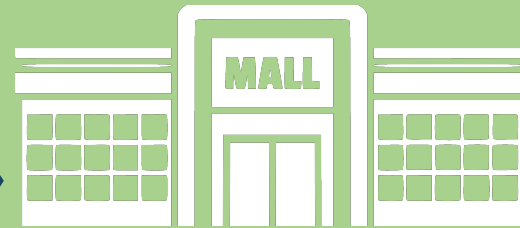


**SEP 2020
24%**



ALL ADULTS

**OCT 2021
35%**



ALL ADULTS

**NOV 2021
63%**

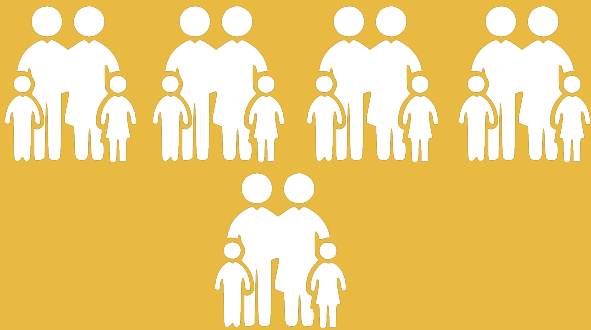


**WEEKDAYS
50%**

**WEEKENDS
81%**

Fastfood

2019
PRE-COVID
100%

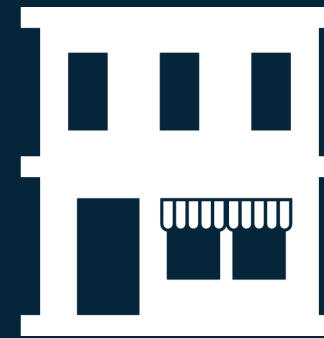


SEP 2020
35%



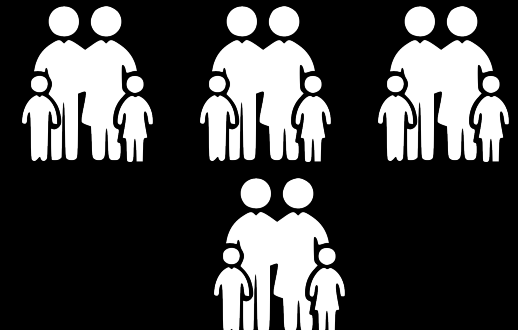
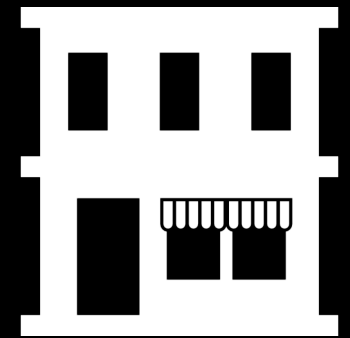
ALL ADULTS

OCT 2021
69%



ALL ADULTS

NOV 2021
78%

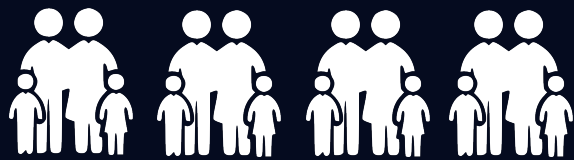


Public transport

2019

PRE-COVID

100%



SEP 2020

40%



ALL ADULTS

OCT 2021

70%



ALL ADULTS

NOV 2021

85%



Workplaces

2019
PRE-COVID
100%



SEP 2020
50%



OCT 2021
75%



NOV 2021
87%



Our progress in 2021 is enabled by the further safe reopening of the economy and effective management of Covid-19 risks.

1. Acceleration of the vaccination program and reduced restrictions for those vaccinated.
2. Shift from large-area community quarantines and blanket restrictions to alert level system and granular lockdowns.
3. Shift risk area from general to the 3C's (closed space, crowds, close contact).
4. Removal of mobility restrictions based on age.
5. Increase in transport capacity up to 70 to 100%.
6. Reduction in requirements when traveling, whether domestic or international. This includes convergence of passes, easier requirements for those vaccinated, and pilot of no quarantine for travelers from green countries.
7. Pilot opening of face-to-face schooling after more than 1.5 years.
8. Removal of face shield requirement for areas under Alert Levels 1 to 3.

Proposed 10-point policy to accelerate and sustain economic recovery

Proposed 10-point policy to accelerate and sustain economic recovery

1. Metrics
2. Vaccination
3. Healthcare capacity
4. Economy and mobility
5. Schooling
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10. Medium-term preparation for pandemic resilience

1. Change metrics used in making decision; this will align better to the objectives in an “endemic world.”

Current metrics

Proposed metrics

Total cases	Total severe or critical cases (hospitalization)
Total deaths	Case fatality ratio
Total vaccinated	Total vaccinated

Benefits of changing metrics

1. Reduce the need to raise alert level when cases go up.
2. Facilitate a shift in mindset to help people to “live with the virus.”
3. Focusing on the number of severe cases and the fatality ratio would help emphasize the importance of vaccination.

2. Accelerate vaccination rate and expand to children

1. **Accelerate vaccination** of 70 million adults by end-2021 by i) expanding vaccination sites, including work sites and schools, ii) removing artificial barriers, iii) allowing firms to use their vaccine stock, and iv) using technology to reduce the wait and processing time.
2. **Prepare vaccination program for 2022 and 2023** to include annual boosters. Starting 2023, there can be cost sharing between the government and private sector.
3. **Use incentives and penalties for vaccination**, such as free movement if vaccinated and regular testing and quarantine at own expense if not vaccinated.
4. **Expand vaccination to all children** age 5 to 17 when allowed. Vaccination can be more effectively done in schools when they reopen in January 2022. Population targets:
 - Children 3 to 4: **4.6 million**
 - Children 5 to 11: **15.5 million**
 - Children 12 to 17: **12.7 million**



As of 25 November, a total of 79.6 million doses have been administered, of which 35 million people got the full dose (45.4%).

**Vaccine doses that have been administered
across priority groups as of 25 November 2021**



Status	A1	A2	A3	A4	A5	B & C	Total	% of adult population
1 st dose	2,755,375	4,373,260	7,225,417	16,145,044	6,638,818	7,364,198	44,502,112	57.7
2 nd dose / complete dose	2,680,885	5,111,320	8,057,645	13,001,578	4,655,170	1,456,469	34,963,067	45.4
Source: Department of Health								

COVID-19 vaccination of younger children has begun in other countries.

Vaccine	3 to 5	5 to 11	12 to 17
Moderna	None	None	Philippines Argentina, Australia, Canada, Greece, Hungary, Switzerland
Pfizer		Malaysia Canada, UAE, USA	Philippines , Malaysia, Singapore, Thailand, Vietnam Argentina, Australia, Austria, Brazil, Canada, Chile, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Israel, Italy, Japan, Jordan, Lithuania, Mexico, New Zealand, Norway, South Africa, Spain, Sweden, Switzerland, UAE, USA, UK
AstraZeneca	None	None	None
J&J	None	None	None
Sinovac	China, HK	China, HK, Indonesia Chile, Ecuador	China, HK, Indonesia, Malaysia Chile, Ecuador
Sinopharm	China Argentina, Bahrain, Cuba, UAE	China Argentina, Bahrain, Cuba, UAE	China Argentina, Bahrain, Cuba, UAE
Novavax	None	None	None
Sputnik V	None	None	None
Any among Pfizer, Sinovac, Sinopharm	China, HK Argentina, Bahrain, Cuba, UAE	China, HK, Indonesia, Malaysia Argentina, Bahrain, Canada, Cuba, Chile, Ecuador, UAE, USA	Philippines , China, HK, Indonesia, Malaysia, Singapore, Thailand, Vietnam Argentina, Australia, Austria, Bahrain, Brazil, Canada, Chile, Cuba, Denmark, Ecuador, Estonia, Finland, France, Germany, Greece, Hungary, Israel, Italy, Japan, Jordan, Lithuania, Mexico, Norway, New Zealand, South Africa, Spain, Sweden, Switzerland, UAE, UK, USA

Benefits of accelerating vaccination

1. Reduce critical cases and deaths.
2. Fully reopen the economy and schools.

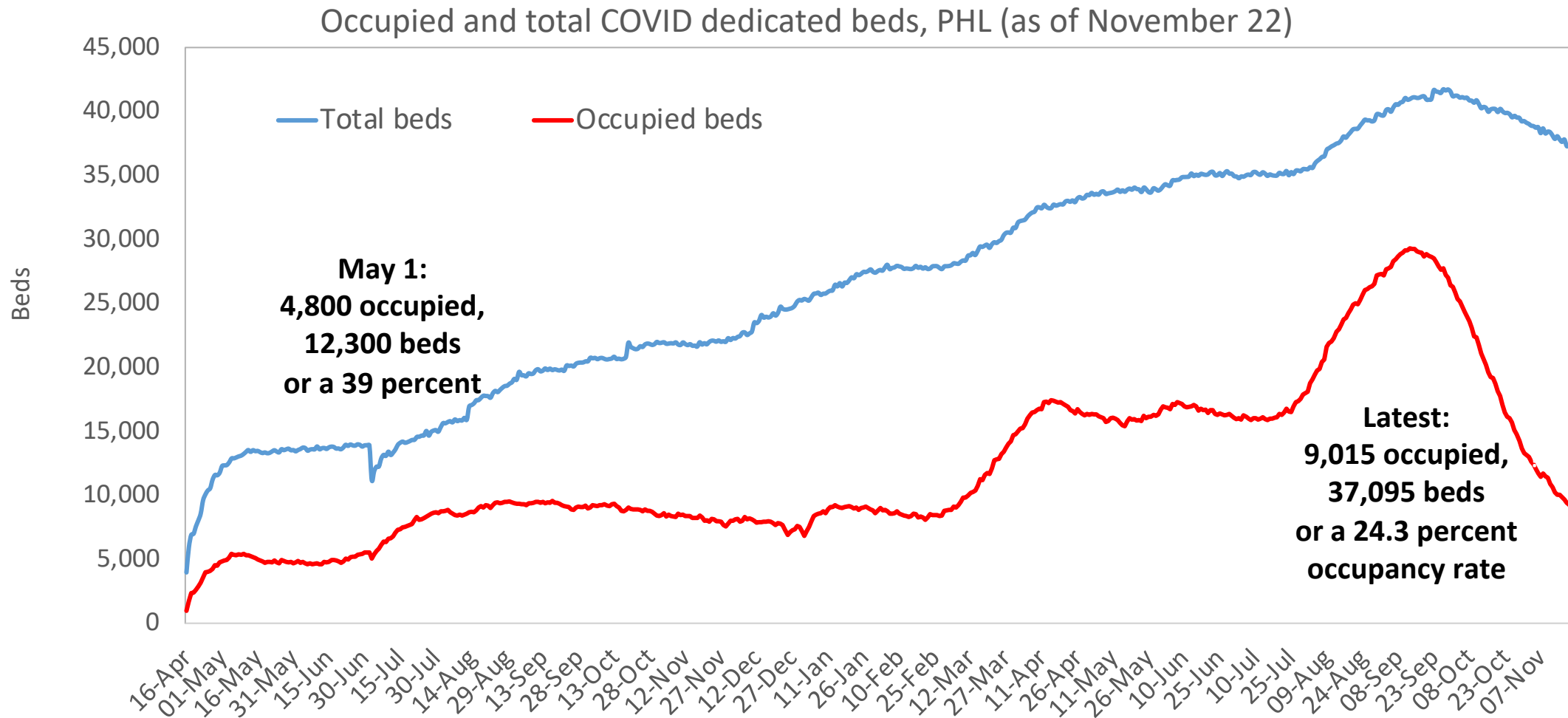
Note: As seen in recent months, cases fell even as restrictions were lowered due to the accelerated vaccination program.

- 11 September 2021: over 26,000 cases (record high)
- 16 November 2021: 849 cases (lowest in 10 months)

3. Ensure adequate healthcare capacity at all times.

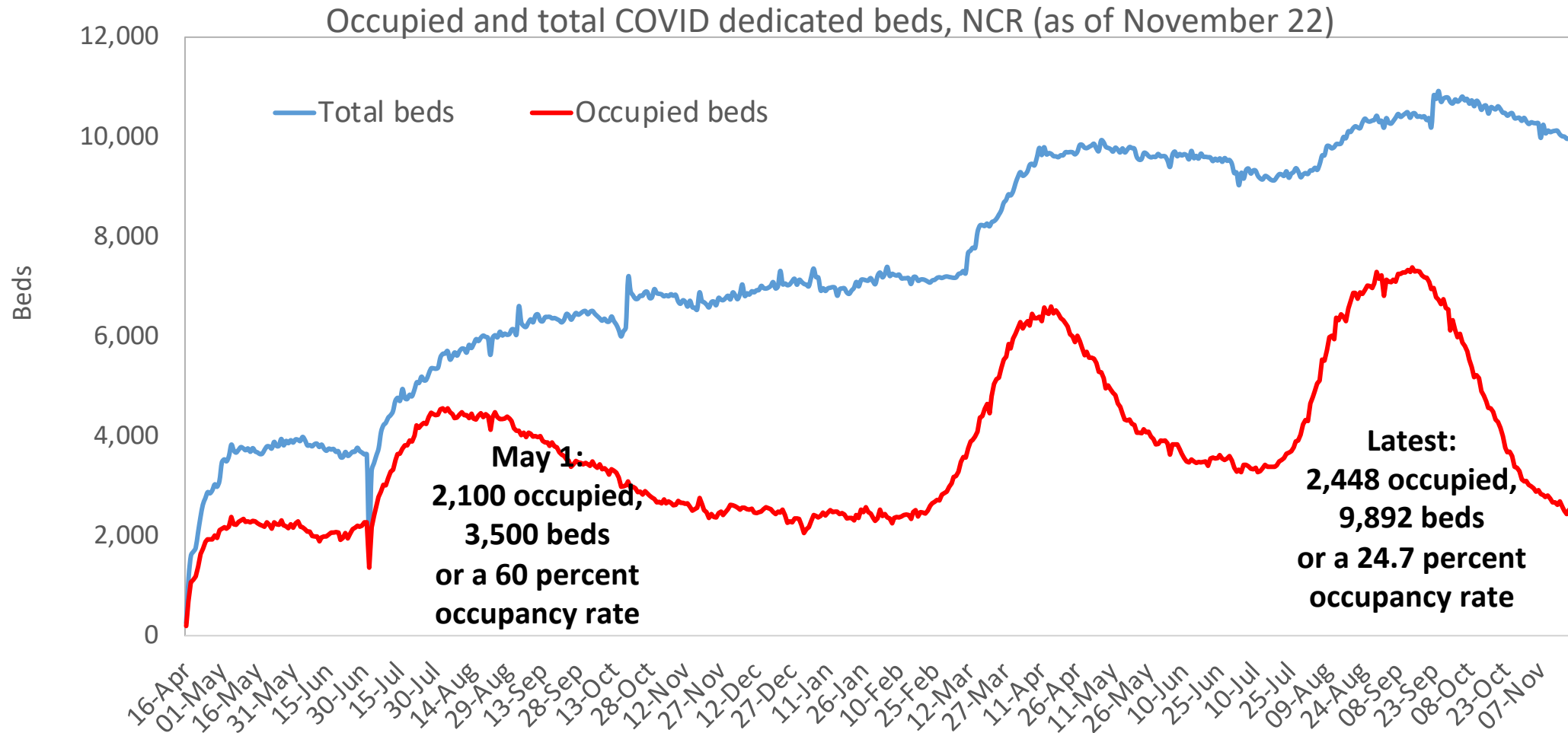
1. As we change our primary objective to preventing deaths, healthcare capacity (*i.e.*, regular beds, ICU beds, medical workers, and equipment) needs to be assured.
2. Since the start of the pandemic, dedicated beds for Covid-19 in the Philippines increased 7x, while that for NCR increased 10x.
3. Presently, only a fourth of dedicated Covid-19 beds are occupied. Keeping it way below the 70 percent threshold is the goal.
4. These are good start but we can do more. Over the medium-term, we need to provide additional 118,000 doctors, 251,000 nurses, and 381,000 hospital beds to align to the global standards of health workers and other health resources to population ratios.

COVID-19 dedicated beds in the Philippines have increased 7x, while the occupancy rate has decreased, and is currently at 24.3 percent.



Source: DOH

COVID-19 dedicated beds in NCR have increased 10x, while the occupancy rate has decreased, and is currently at 24.7 percent.



Source: DOH

Benefits of ensuring adequate healthcare capacity

1. Reduce critical cases and deaths.
2. Manage better possible surges in the future without having to revert to another costly lockdown.
 - a. Recall that moving from Alert Level 2 to 3 can cost the economy some 8.3 billion pesos a week.
 - b. Moving from Alert Level 3 to 4 can cost the economy some 13.3 billion pesos a week.

4. Further reopen the economy and expand public transport capacity: move people, not strand them

1. Maintain the present Alert Level system.
2. Local spikes can be contained using granular lockdowns.
3. Restrict capacity based only on the 3 C's: closed spaces, crowds, and close contact.
4. Use technology and re-engineering to comply with the 3 C's such as appointment system (e.g., gym), online shopping (e.g., malls) and using more open spaces (e.g., restaurants).
5. Remove all age based restriction.
6. Accelerating the vaccination program will enable the further reopening of the economy to Alert Level 1.
- 7. It is important not to reverse this already good system.**

4. Further reopen the economy and expand public transport capacity: move people, not strand them

8. As vaccination rate increases, expand public transport capacity to move people, not strand them. Stranding them can spread virus.
9. Full capacity will reduce costly subsidies to PUVs (e.g., service contracting). Subsidies can be reserved during Alert Level 4 or higher when capacity must be reduced temporarily.
10. Expand active transport support like bicycle lanes and end of trip facility (e.g., office shower).

Increasing the capacity of public transport will help prevent crowding at the terminals and reduce possible transmission.



Benefits of further opening the economy and expanding public transport capacity

1. Attain the 2021 and 2022 growth targets.
2. Reduce unemployment and poverty rates.

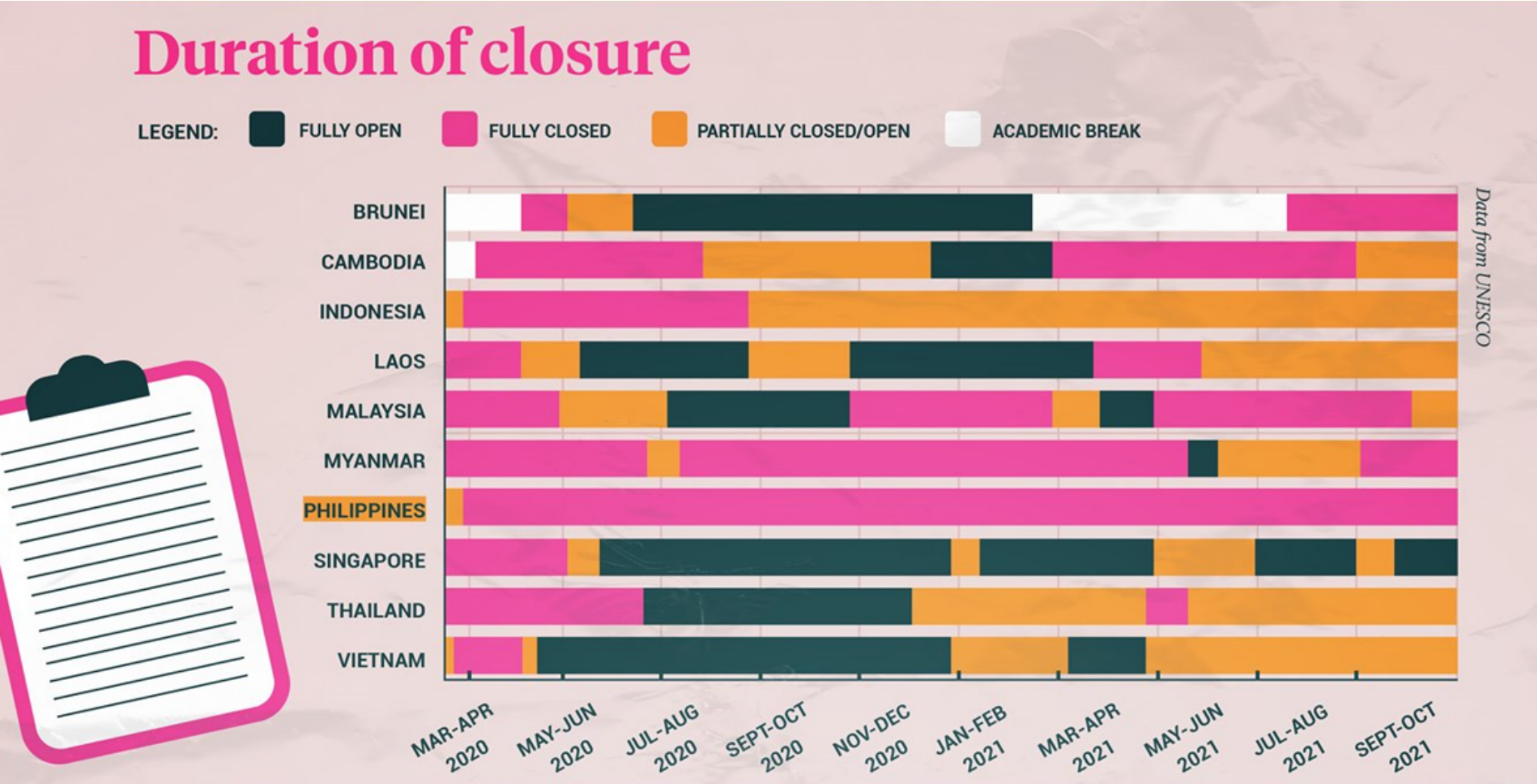
5. Reopen face-to-face learning

1. **Health standards.** DepEd and DOH to set standards for all schools before they can pilot face-to-face schooling starting November 2021.
2. **Compliance check of schools.** Allow schools to self-assess and DepEd to conduct random audits.
3. **Engagement with LGUs.** Conduct advocacy campaigns to address concerns on class resumption.
4. **Coverage of face-to-face learning.** All schools under Alert Level 2 or lower can gradually resume face-to-face classes.
5. **Phased schedule.** Schools that meet the health standards can begin pilot face-to-face learning in November and December 2021.
6. **Priority schools.** Schools with a low density, like rural public schools and large private schools, can be allowed to operate immediately.

5. Reopen face-to-face learning

- 7. Parent's consent.** Parent's consent form, which contains the costs and benefits of school resumption, will be required for physical attendance.
- 8. Preparatory activities.** Conduct of preparatory activities to orient parents and students on managing their anxiety and concerns.
- 9. Student's physical attendance.** Schools can adopt different hybrid learning modes (*i.e.*, bubble system, school for two days and quarantine for the rest of the week, or one full week of school followed by two weeks of online/module class).
- 10. Vaccination of students.** eligible children (*e.g.*, 12 to 17 years and later on 5 to 11 years), can be vaccinated in the school premises.
- 11. Covid-19 testing.** No regular testing as this is not cost effective. Instead, those with symptoms should stay home, undergo quarantine, and get tested.

Before the start of the pilot face-to-face classes, the Philippines was the only country in the region to have closed schools for more than a year.



Sources: Ateneo de Manila University and UNESCO

Education systems around the world are continuing to find ways to re-open schools for in-person learning.

School opening characteristics	ASEAN							Others			
	Philippines	Cambodia	Indonesia	Laos	Myanmar	Singapore	Vietnam	China	Canada	Poland	Others (including: Denmark, Israel, UK)
Compliance with health protocols (i.e., handwashing, PPEs)	✓	✓	✓			✓					✓
Alternative class arrangements (i.e., bubble system, staggered times)	✓			✓		✓	✓	✓	✓		✓
Delegation to LGUs on schools re-closing (i.e., cluster outbreak, class suspensions)						✓		✓		✓	✓
School staff skills training (i.e., student psychosocial needs)											✓
Communication campaigns (i.e., parenting, mental health)			✓	✓	✓			✓			✓
Source: UNESCO, UNICEF, WB, WFP, and UNHCR											

Benefits of resuming face-to-face learning

1. Avert around 11 trillion pesos in productivity losses for every year of face-to-face school closure.
2. Improve learning outcomes by around 50 percent.
3. Free up the time of a quarter of parents who skip work or reduce work time to accompany their children in home learning.
4. Increase economic activity by around 27 billion pesos per week.

6. Remove most restrictions and requirements for domestic travel for vaccinated travelers.

1. Standardize travel regulations across all LGUs. DILG can implement this.
2. Limit requirements to only vaccination card (or RT-PCR for unvaccinated adults) and only one inter-scannable QR code for contact tracing.
3. Accelerate the implementation of IATF resolution 109 s.2021 requiring interoperability of QR codes from various applications.
4. Minimize checkpoints to reduce face-to-face contact.
5. Instead, enforce QR codes when using public terminals or checking in a hotel. All other short-time use such as entering malls and groceries need not use the QR code during lower alert levels.
6. Medium-term: Create one platform to facilitate travel applications. This can be linked to the vaccine certificate portal.

Mindanao road trip: Travelled over 1,300 kilometers in five days



Each LGU required different passes for entry. Total of seven passes prepared.

PaSS
SAFE, SMART & SHARED PASSAGE
ZAMBONGA DEL SUR, REGION XI ZAMBANGA PENINSULA

Date: September 2, 2021

Travel Coordination Permit

This travel coordination permit is granted to the person listed below to pass at the established Quarantine Control Points (QCPs), Checkpoints, Seaports and Airports from point of origin to point of destination.

Name: Karl Kendrick Chua
Type of Traveler: APOR
Date of Travel: September 2, 2021 to September 10, 2021
Place of Origin: CAGAYAN DE ORO CITY, CAGAYAN DE ORO CITY
Origin Barangay: BATAVIA, M. Rocio (Cebu City) Division Office, Zamboanga City
Place of Destination: ZAMBONGA DEL SUR
Destination Barangay: BATAVIA, M. Rocio (Cebu City) Division Office, Zamboanga City
Mode of Transportation: Land (government)
Additional Travel Details:
Remarks: NA

Gen. Victor J. Yu
Provincial Governor
Zamboanga del Sur
Philippines

QR CODE

CITY OF CAGAYAN DE ORO
cagayan de Oro
city of golden friendship

**OPERATION TABANG LSI/ROF/APOR
CONTACT CENTER OPERATIONS**

CONFIRMATION

TO WHOM IT MAY CONCERN

THIS IS TO CONFIRM THAT (KARL KENDRICK TIU CHUA) WITH CLIENT NO. 2021440A402 IS REGISTERED IN OUR PRE-ARRIVAL COORDINATION SYSTEM, WITH THE FOLLOWING TRAVEL DETAILS:

PaSS
SAFE, SMART & SHARED PASSAGE
SOUTH COTABATO, REGION XII SUCCESSION

Date: August 30, 2021

Travel Coordination Permit

This travel coordination permit is granted to the person listed below to pass at the established Quarantine Control Points (QCPs), Checkpoints, Seaports and Airports from point of origin to point of destination.

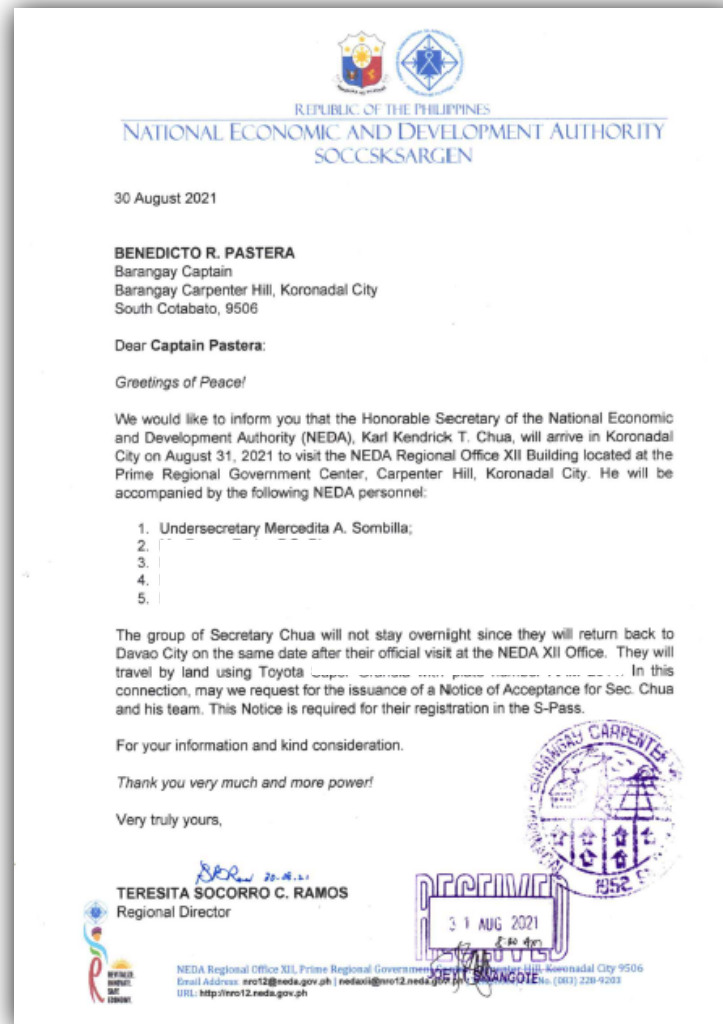
Name: Karl Kendrick Chua
Type of Traveler: Filipino Local Worker
Date of Travel: August 30, 2021 to August 31, 2021
Place of Origin: DAVAO CITY, DAVAO CITY
Origin Barangay: Santa Cruz, D. Lacerda (Cebu City) Division Office, Zamboanga City
Place of Destination: CITY OF KUMANDIT, SOUTH COTABATO
Destination Barangay: BATAVIA, M. Rocio (Cebu City) Division Office, Zamboanga City
Mode of Transportation: Land (government)
Additional Travel Details:
Remarks: NA

Reynaldo S. Tamayo, Jr.
Provincial Governor
City of Kumandit, South Cotabato

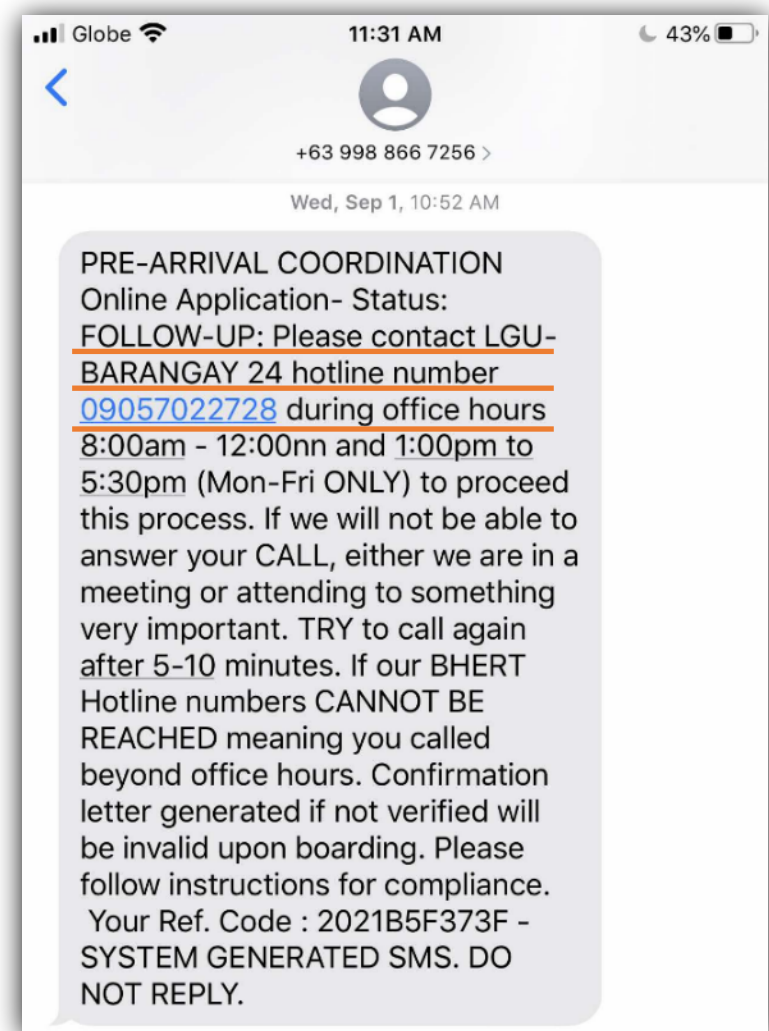
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Some passes that require coordination with LGUs take at least 24 hours to be approved.



Notice of acceptance to enter Koronadal City
(Stamp on letter suffices as 'acceptance')



Notification to verify application through phone call to enter Cagayan de Oro City

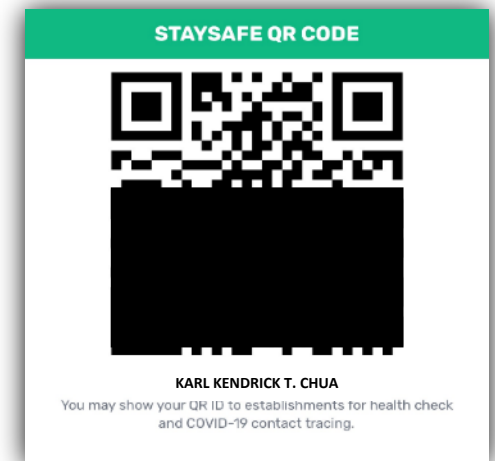
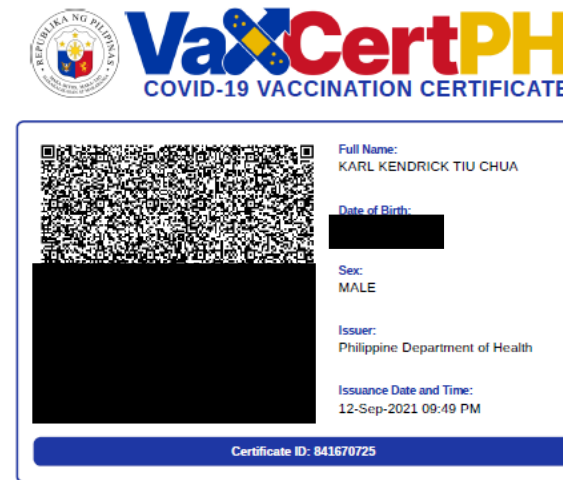
We can safely boost domestic travel by minimizing and harmonizing travel requirements.

Current



Most local government units have different set of requirements.

Proposed



Limit requirements to only vaccination card (or RT-PCR for unvaccinated) and one interscannable QR code for contact tracing

Benefits of removing most restrictions and requirements for domestic travel for vaccination travelers.

1. Boost domestic tourism and restore more jobs in the tourism sector.
 - **The contribution of domestic tourism to GDP fell by 7.4 percent of GDP or 1.5 trillion pesos in 2020.**
 - **At least half of that or 750 billion pesos can be recovered with more relaxed travel rules.**
2. Convergence of requirements will make it easier to implement and connect databases for contact tracing.

7. Further relax requirement for international arrivals

- 1. Relax requirements:** Forego quarantine for vaccinated passengers from green and yellow-listed countries and remove flight or passenger daily quota. (Note: passenger quotas are also causing significant increase in fare prices due to artificially limited seat supply.)
- 2. Equal treatment:** Agree with green and yellow-listed countries to follow same protocols for smooth passenger experience for both incoming and departing travel.
- 3. Universal recognition:** Establish internationally accepted IDs/cards for foreigners and Filipinos alike to bypass local and international airport quarantine.

Relaxed requirements with globally aligned policies are key to opening international travel.

Current

Only vaccinated travelers from green list countries are exempt from quarantine. All other travelers, whether vaccinated or unvaccinated, are required to test and quarantine.



Proposed

Forego quarantine for vaccinated passengers from green and yellow-listed countries and remove flight or passenger daily quota.



Image source: CNN

Benefits of relaxing and aligning requirements with other countries for international travel

1. Boost investment under CREATE Law as more investors can come to the Philippines to do site inspection.
2. Boost international tourism and restore more jobs in the tourism sector.
3. Accelerate the BBB program as delays due to the inability to meet with foreign counterparts are avoided.

8. Accelerate digital transformation

1. **Amend the Public Service Act to open the telecommunications industry to foreign players** subject to safeguards to help improve and expand services at lower costs.
2. **Fully implement measures for recently enacted EO or laws**
 - Executive Order No. 127 on liberalizing satellite access
 - Philippine Innovation Act
 - Innovation Startup Act
 - Philippine Space Act
 - Balik Scientist Act
3. **Enact remaining bills to improve telecom service**
 - Open Access in the Data Transmission Act
 - Internet Transaction Act
 - National Digital Careers Act
 - New Intellectual Property Act



Benefits of digital transformation

1. Enhance service delivery in both the public and private sectors and ensure delivery during another pandemic or lockdown.
2. Improve internet services. Better and cheaper internet will provide Filipinos with a safer and more efficient alternative to transact and access services during a pandemic or lockdown.
3. Improve learning at home as modular learning is only around half as good as online learning.

9. Enact a pandemic flexibility bill

1. This is similar to the NDRRMC law and will help us prepare better for future public health emergencies.
2. It will complement the NDRRMC law and fill in its gaps:
 - a. The NDRRMC law does not provide enough fund specifically for national public health emergencies:
 - i. Budget and finance flexibility
 - b. The following are not covered by the NDRRMC law but can be part of the pandemic flexibility bill:
 - ii. Data privacy relaxation
 - iii. Electronic transaction
 - iv. Governance: NG-LG policy alignment
 - v. Health preparedness

Benefits of the pandemic flexibility bill

1. Strengthen the government's institutional capacity to quickly respond to health emergencies in the future.
2. Expediently roll out the necessary health and social protection measures.

10. Medium-term: Use lessons learned from this pandemic to make society more resilient against future pandemics.



1) Develop the “pandemic playbook” to take stock of lessons learned.



2) Prevent pandemics and other health risks by promoting a healthy lifestyle.



3) Mitigate the impact of future pandemics by further strengthening our health and social protection systems.

10. Benefits of medium-term planning

1. Improve our resilience against future pandemics.