

SUMMARY OF GOVERNMENT'S COVID-19 ECONOMIC RELIEF PLAN

Fiscal Response Areas	Amount (\$ million)
Social assistance provided to vulnerable groups and populations at risk	711.4
• Provide financial support to smallholder farmers who have lost sales revenue or remittance income, to support input purchases in time for monsoon planting	143.4
• Support productivity enhancement and market connectivity among farmers	53.8
• Exempt electricity tariffs for all households up to 150 kWh units per month	57.3
• Provide in-kind food transfers to vulnerable households and at-risk populations	35.4
• Provide emergency rations through community-based food banks and associations	27.2
• Top-up benefits for MCCT and social pension beneficiaries, and reduce the age limit for the social pension	35.8
• Provide cash transfers to most vulnerable and affected households	215.1
• Establish rural employment (cash-for-work) programs for those laid off and returning migrants ^{a,b}	143.4
Health system strengthened for COVID-19 prevention and control	372.8
• Extend and improve quarantine services and procurement of medical supplies	179.2
• Improve preventive health measures	28.6
• Improve human resources in the healthcare sector	7.2
• Provide electricity supply and refrigeration of cold chain maintenance of vaccinations and special drugs for medical facilities handling COVID-19	50.2
• Extend healthcare and medicine benefits for unemployed SSB members from 6 months to 1 year from the date of unemployment	107.5
Support provided for businesses and economic recovery	1,190.0
• Establish MK100 billion COVID-19 Fund to provide working capital to affected MSMEs, at 1% interest rate per annum	71.7
• Ensure small borrowers have full access to low-cost funding through microfinance ^a	71.7
• Provide MK500 billion increase in the COVID-19 Fund size	358.4
• Expand existing pilot commercial lending programs to affected townships ^a	544.8
• Provide government guarantees for 50% of existing loans to MSMEs affected by COVID-19, conditional upon maintenance or rehire of staff ^{a,c}	71.7
• Establish an MK100 billion fund to promote trade financing ^a	71.7
Tax relief and credit measures including government fee waivers	203.5
• Waive the 2% withholding tax on exports	57.3
• Waive annual fees charged by the Ministry of Hotels and Tourism	0.8
• Waive customs duties and commercial tax related to the importation of medical supplies for the prevention, control, and treatment of COVID-19	0.2
• Waive or reduce toll fees for cargo trucks on major roads/bridges	0.7
• Exempt lease fees charged to affected firms that have leased state-owned factories for manufacturing, for 3–6 months	1.2
• Provide 10% non-refundable tax credits on the incremental wage bill	35.8
• Allow for a corporate income tax deduction equal to 125% of wages paid	35.8
• Provide 10% non-refundable tax credits for incremental capital investments	35.8
• Allow for a one-time increase in depreciation equal to 125% for the current year	35.8
TOTAL	2,477.6
<i>Of which: Government revenue losses</i>	203.5
<i>Additional fiscal spending</i>	2,274.1

COVID-19 = coronavirus disease, MCCT = Maternal and Child Cash Transfer, MK = Myanmar kyat, MSME = micro, small and medium-sized enterprises, SSB = Social Security Board.

^a To be financed by the government's funds or funding sources from other development partners.

^b To be supported by ADB's ongoing Resilient Community Development Project.

^c To be supported by ADB's upcoming Enhancing Financial Access through Public Credit Guarantee Scheme Project.

Source: Ministry of Planning, Finance and Industry and ADB Staff.