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205-2980 local 2060



ORDINANCE NO. 2021-009

AN ORDINANCE ESTABLISHING THE "TABANG TUGANG PROGRAM", A PROGRAM FOR DISPLACED WORKERS AND FAMILIES WHOSE LIVELIHOODS WERE SEVERELY AFFECTED BY THE COVID-19 PANDEMIC, AND PROVIDING FUNDS FOR THE PURPOSE:-

Hon. Cecilia Veluz-De Asis
Hon. Elmer S. Baldemoro
Hon. Ghiel G. Rosales
Hon. Mary Kyle Francine B. Tripulca
Authors

Explanatory Note

The Philippine economy is experiencing a staggering decline amid the coronavirus disease 2019 (COVID-19) pandemic. According to a report of the Asian Development Bank (ADB), which was released last September 15, 2020, the Philippine economy is forecast to contract by 7.3% this year.

The business sector is one of the most affected by the pandemic, compelling the said sector to resort to cost-cutting measures such as laying off of workers, shortening of working hours, and worse, closure of business. Consequently, the unemployment rate fell to 10.0% in July 2020 according to the ADB. It should be noted that before the coronavirus pandemic, unemployment was only at 5.3% in January 2020.

To cushion the impact of the pandemic on displaced workers and their families, a loan assistance program shall be established by the City Government of Naga. This program will help them recover from the loss of employment on account of COVID-19 and will help them improve their socio-economic conditions.

NOW, THEREFORE, be it ordained by the Sangguniang Panlungsod of Naga in session assembled, that:

Section 1. Title. This Ordinance shall be known as the "Tabang Tugang Ordinance".

Section 2. The Program. There is hereby established a program for displaced workers, individuals, and families whose livelihoods were severely affected by the COVID-19 pandemic, to be known as the "Tabang Tugang" Program. The "Tabang Tugang Program" focuses on supporting individuals who would like to engage in home-based small-scale businesses, whether in the production or reselling of products.

Section 3. Purpose. The "Tabang Tugang Program" seeks to economically capacitate individuals and families, reduce their dependence on the government, make them active members in reviving our local economy, and create a more resilient community in the face of a global pandemic. Specifically, the



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program aims to provide basic support and service in the form of loan assistance to residents of Naga City to be utilized mainly as a startup capital.

Section 4. Mechanics. The "Tabang Tugang Program" shall assist qualified beneficiaries by extending non-interest bearing loan assistance in the maximum amount of Five Thousand Pesos (₱5,000.00) per beneficiary based on the assessment of Metro PESO, payable within six (6) months from release thereof. In case of non-payment, there will be a penalty of One percent (1%) per month for every unpaid monthly amortization until it is fully paid. Such loan shall be used by the beneficiary exclusively as a start-up capital, non-compliance of the loan intention within sixty (60) days shall render the full amount of assistance due and demandable.

The applicant shall fill out a one-page application form, submit his/her picture and barangay certification stating that the applicant is a displaced worker and will put up a small business as attachments to the application for the financial loan, and provide a co-maker.

Section 5. Incentives. Prompt payment of monthly amortization shall entitle the beneficiary to a higher loanable amount to the maximum amount of Fifteen Thousand Pesos (P 15,000.00) under the program or should the beneficiary already obtained the maximum amount and desires to get more capitalization, he/she shall be qualified and will be given priority to avail the regular livelihood loan program of Metro PESO subject to the existing regular loan program requirements.

Section 6. Implementation. The Naga City Metro Public Employment Service Office (Metro PESO) is hereby tasked to implement the program.

Section 7. Funding. An initial amount of One Million Pesos (\$1,000,000.00) is hereby appropriated to cover the loan assistance to beneficiaries, chargeable against the current appropriation for Angat Kabuhayan Program of the Metro PESO.

Section 8. Separability Clause. If any portion or provision of this ordinance is declared unconstitutional, the same shall not affect the validity and effectivity of the rest of this ordinance.

Section 9. Repealing Clause. Ordinances, executive orders, rules and regulation, and other issuances of the City Government, or parts thereof, inconsistent with this ordinance are hereby repealed or modified accordingly.

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Section 10. Effectivity. This ordinance shall take effect immediately upon its approval.

ENACTED: January 29, 2021

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WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

GIL A. DE LA TORRE

Secretary to the Sangguniang Panlungsod

CECILIA B. VELUZ-DE ASIS

City Vice Mayor & Presiding Officer

APPROVED:

IN LEGACION

Mayor 2/8/2021