

FSM Information Services

Press Release

President Panuelo Develops & Expands \$14,000,000 of COVID-19 Related Social Protection Programming, Funded in Part by Asian Development Bank; Stranded Citizens to Receive an Additional \$1,000 Per Person or \$1,500 Per Family Application

PALIKIR, Pohnpei—His Excellency David W. Panuelo, President of the Federated States of Micronesia (FSM), and the Honorable Yosiwo P. George, Vice President of the FSM, have implemented new social protection programming designed to safeguard the FSM's citizens against the detrimental economic impact resulting from the COVID-19 Pandemic. Among these programs include a cash transfer grant to approximately 4,500 low-income households outside of the formal Pandemic Unemployment Assistance Program funded by the U.S. Department of Labor, a food security program for community groups and low-income households to enhance subsistence-living food production, community-based grants to strengthen awareness and prevention of COVID-19, financial assistance to vulnerable groups such as the elderly, persons with disabilities, and survivors of gender-based violence, and a second one-time payment to FSM citizens stranded abroad.

The cash transfer program to approximately 4,500 low-income households is intended to provide temporary cash relief for households outside of the formal labor sector, such as subsistence farmers and fishermen, and specifically such laborers who do not qualify for the Pandemic Unemployment Assistance Program. Approximately six million dollars (\$6,000,000) is scheduled for this purpose, and expected to provide a one-time assistance of \$1,000 to each low-income household. Households are encouraged to use this assistance to enhance COVID-19 readiness by buying facemasks, sanitary needs, and other COVID-19 preventive items. The Government intends to begin rolling out this social protection program by January 2021.

The food security program for community groups and low-income households is intended to provide subsistence livelihood training, and an equitable distribution of seeds, planting, and fishing materials, to vulnerable citizens at no cost. Approximately two million dollars (\$2,000,000) is scheduled for this purpose, and it is the intention of the Government to begin rolling out this social protection program by January 2021.

The community-based COVID-19 awareness grant is intended to strengthen awareness of COVID-19, inclusive of education on handwashing and social distancing, distribution of soaps, masks, and informational materials, and piloting a gender-based violence hotline in Pohnpei State. Approximately two million dollars (\$2,000,000) is scheduled for this purpose, and it is the intention of the Government to begin rolling out this social protection program by January 2021.

The financial assistance program to vulnerable groups such as the elderly, persons with disabilities, and survivors of gender-based violence is intended to provide temporary waivers of medical expenses not included under funding from the Compact of Free Association, as Amended, electricity subsidies to an estimated 2,000 low-income households with dependents who have disabilities, distribution of solar lamps to an estimated 5,000 households on remote outer islands, and clinical management of rape and intimate partner violence kits and consultation options for survivors of gender-based violence. Approximately one million dollars (\$1,000,000) is scheduled for this purpose, and it is the intention of the Government to begin rolling out this social protection program by January 2021.

More than 423 stranded citizens have received \$1,000 per person, or \$1,500 per family application, in financial assistance. Recognizing the deleterious effect of the COVID-19 Pandemic on FSM citizens stranded abroad, His Excellency David W. Panuelo and the Honorable Yosiwo P. George have authorized a second one-time payment to stranded citizens, to begin occurring approximately before Christmas.

“It’s vital that stranded citizens receive this second round of assistance before Christmas,” President Panuelo said in a statement. “Too many of our stranded citizens are having trouble paying for housing, food, and essential medications. I have instructed our Department of Finance & Administration to prioritize this effort.”

Stranded citizens who have already received the first payment will receive the second payment through the payment method they selected in the first round of applications.

Stranded citizens who have not already applied for assistance are encouraged to do so. Information on how to apply is available here: <https://dofa.gov.fm/assistance-to-stranded-citizen/>

The Department of Finance & Administration is currently finalizing the applications forms, and implementation plans, for the FSM COVID-19 Social Relief Programs; these will be shared when the application process is ready to begin in January 2021.

The bulk of these expanded social protection programs are funded in part by the Asian Development Bank (ADB), through ADB’s COVID-19 Pandemic Response Option (CPRO) under the ADB’s Countercyclical Support Facility. The Secretary of Finance, the Honorable Eugene Amor, signed the grant agreement with the ADB on November 25th, 2020, providing the \$14,000,000 in COVID-19 assistance to the FSM for this purpose.

“I would first like to extend, on behalf of Vice President George and the People of the FSM,” President Panuelo said in a statement, “our most sincere, humble, and profound appreciation to ADB, for their financial support to our social protection programs; and I would also like to extend our appreciation to Secretary Amor and all the dedicated public servants at the Department of Finance & Administration, who are the ones who have truly developed these programs.”

“These social protection programs will help mitigate the economic effects of the COVID-19 Pandemic on our most vulnerable citizens, by decreasing familial poverty, increasing food security, and helping our stranded citizens abroad.”



Pictured Above: His Excellency David W. Panuelo shakes hands with the Honorable Eugene Amor