

# Gov't offers tax, other incentives to encourage production of face masks

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 Government has offered tax incentives to encourage companies to increase the production of face masks to support the fight against the coronavirus threat in the country. Cabinet Secretary Francisco Duque III said in a face mask manufacturing income tax holiday and importation of their capital equipment for the next four years. A growing concern is the shortage of face masks in the country, he said in the "Laging Handog (Always Ready)" press briefing. He is encouraging other firms to produce face masks and through

its Board of Investments (BOI) can offer incentives such as four-year income tax holiday and duty-free importation of capital equipment," he said.

So far, Nograles said the government has obtained a commitment from companies to produce 1.6 million N88 surgical masks for the next four weeks to meet the growing demand. These masks are expected to supply not only the general public needs, but also the needs of the Department of Health and the Philippine Red Cross, he added.

"While we have yet to report a single case of Covid-19 being transmitted to a Filipino within our shores, we are ready to test all potential carriers to prevent local transmission of the disease," he said.

Amid the reports of a shortage of the protective item, Health Secretary Francisco Duque III

has appealed for the judicious use of face masks.

Such masks are recommended for people who have flu-like symptoms to avoid infecting others, as well as health workers providing care to sick patients, Duque said.

"We do not encourage the use of masks among people who are not manifesting symptoms of flu, cough, and colds. If there's fever, you want the person to stay put in place, to continue to wear mask so as not to contaminate, infect others in same household," he said in the same Palace press briefing.

He said the health workers are in the "frontlines in the provision of care to patients" and must be on the "top of the totem pole of prioritization."

The new coronavirus, which originated in Wuhan, China, has rapidly spread to several countries, including the Philippines, in recent weeks. The latest public health emergency has sent people scrambling for face masks as a precaution against the virus.

Meanwhile, the Department of Trade and Industry (DTI) said it may allow stores and pharmacies to sell surgical masks at higher prices due to the increasing cost of raw materials here and abroad amid the Covid-19 outbreak.

DTI Secretary Ramon Lopez said that from the current suggested retail price (SRP) of P8 per piece, prices of face masks could be raised to P10 to P12 per piece.

"Yes, we are considering it because the costs of raw materials are now varying among our suppliers outside of the country," Lopez said in Pilipino during an interview over radio DZRH Friday morning.

"Just here in the country, prices of raw materials have increased. Our supplier in Bataan, for instance, said they will be producing it for P8 per piece, from only P1 to P2 when there was still no crisis. But when the decline in raw materials started in the world market, costs have spiked. In other

countries, prices of face masks have reached P25 per piece," he explained in Pilipino.

Lopez said local producers committed to keep their costs at P8 per piece at most. Drug stores, however, are concerned since they will have no room for profit under the current SRP.

"We talked to the drug stores, and they agreed to purchase at P8 if the SRP is raised to P10," he said.

"Basta payagan natin ng additional P2 lang. Kung P8 ang kuha then P10 ang SRP. Kung P10, P12 lang (But we will only allow an additional P2. If they purchased for P8, then the SRP would be P10. If they got it at P10, then it should sold at P12)," he added.

Lopez said the Covid-19, has supply chain problems not only for alcohol and sanitary products, but other goods as well as most factories in China, particularly in Hubei province, the epicenter of the epidemic, remain closed. (With a report from Vanne Elaine P. Terrazola)



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