ANNEX G-1: UTILISATION OF DRAW ON PAST RESERVES FY2020-FY2022 (AS AT 18 FEBRUARY 2022)

1. The total draw on Past Reserves ("PR") is up to $42.9 billion from FY2020 to FY2022. This is less than the initial draw of $52.0 billion from PR announced at the Fortitude Budget in May 2020. The accounting for each year is as follows.

2. For **FY2022**, the Government proposes to fund COVID-19 public health expenditure through a $6.0 billion draw on PR. This includes expenditure on COVID-19 testing, clinical management, tracing, vaccination and therapeutics, isolation facilities, border management, and safe distancing (Table 1). These are temporary and extraordinary measures required to maintain a multi-layered public health defence in the near term.

Table 1: Breakdown of FY2022 COVID-19 Public Health Expenditure

Measures	Budgeted Amount (in $'billion)
Total	**6.0**
Testing, clinical management, and tracing	3.7
Vaccination and therapeutics	1.2
Isolation facilities, border management, and safe distancing	1.1

3. For **FY2021**, the Government announced that it was planning to draw $11.0 billion from PR for the COVID-19 Resilience Package ("CRP") at Budget 2021. The total spending on the CRP is now expected to be $10.0 billion, as the impact on workers and businesses was less severe than expected. The Government will utilise a lower amount of $5.0 billion from PR to fund the CRP, mainly for COVID-19 public health expenditure. The remaining $5.0 billion of the CRP will be funded from unforeseen sentiment revenue upsides (e.g. stamp duties and Vehicle Quota Premiums), and some underutilisation in non-PR-funded Ministry expenditure.

4. For **FY2020**, the Government utilised $31.9 billion from PR for COVID-19 response measures, mainly due to resources set aside for two response measures that were not fully utilised:

a. Public health capacity to cater for potential downside scenarios. The safe management measures and the cooperation of Singaporeans helped to avert severe public health outcomes in FY2020. Hence, we did not have to fully utilise the resources stood up for public health capacity.

b. Loan loss provision[1] to meet the volatile financial situation. The sizeable fiscal support to preserve business capabilities and incentivise firm adaptation enabled the economy to rebound and non-performing loan rates to remain low. Hence, the expected loan loss provision was revised downwards.

[1] For the Temporary Bridging Loan Programme and Enhanced Enterprise Financing Schemes.