

## Micronesia (Federated States of)

### Policy responses

Containment	<ul style="list-style-type: none"> <li>January 31, 2020: Declaration of public health emergency.<sup>1</sup></li> <li>March 5, 2020: Travel bans.<sup>2</sup></li> <li>April 17, 2020: Nightly curfew from 19:00 –07:00 (local time).<sup>3</sup></li> <li>(As of) July 16, 2020: Border closure, port screening, social distancing rules, school closure.</li> <li>Public Health Emergency in effective until November 30, 2020. Travel restrictions including banning and 14-day quarantine measures upon arrival.</li> <li>As of March 4, 2021, the Federated States of Micronesia (FSM) has no COVID-19 cases, but its health system has limited capacity for handling an outbreak.<sup>4</sup></li> <li>March 19, 2021:<sup>5</sup> <ul style="list-style-type: none"> <li>-Travellers Banned.</li> <li>Masks are not required</li> <li>Quarantine not required</li> <li>Test not required</li> <li>-No lockdown in effect</li> <li>-Events Allowed (Social distancing measure.)</li> <li>-Transport Operational</li> <li>-All shops open</li> <li>-Tourist attractions are open</li> <li>-Restaurants and bars are Open with restrictions</li> </ul> </li> </ul>
Fiscal	<p>(As of) July 16, 2020: Stimulus of US 35 million (equal to 8.8% of GDP)</p> <ul style="list-style-type: none"> <li><b>Businesses:</b> Wage subsidies, debt relief, social security tax and other tax rebates (US\$ 15 million).</li> <li><b>Health:</b> Quarantine and isolation facilities across the nation, mandatory infection control training for all first responders, and enhanced testing capacity and ventilators (US\$ 20 million).</li> </ul> <p>US Federal Assistance to Insular Areas and Freely Associated States<sup>6</sup></p> <ul style="list-style-type: none"> <li>US\$7.7 million as part of CARES Act funding for OIA technical assistance program</li> <li>US\$3.6 million from Department of Education</li> </ul> <p>US\$4.2 million from Department of Health and Human Services</p>
Monetary	<ul style="list-style-type: none"> <li>(As of) July 16, 2020: No monetary and exchange policy response. With the U.S. dollar its legal tender, the FSM does not have a central bank.</li> </ul>
Financial	-

<sup>1</sup> [www.gov.fm/index.php/component/content/article/35-pio-articles/news-and-updates/261-president-panuelo-declares-a-state-of-public-health-emergency-to-protect-the-fsm-from-the-2019-coronavirus](http://www.gov.fm/index.php/component/content/article/35-pio-articles/news-and-updates/261-president-panuelo-declares-a-state-of-public-health-emergency-to-protect-the-fsm-from-the-2019-coronavirus)

<sup>2</sup> [www.slate.com/technology/2020/03/micronesia-drastic-coronavirus-travel-ban.html](http://www.slate.com/technology/2020/03/micronesia-drastic-coronavirus-travel-ban.html)

<sup>3</sup> [www.garda.com/crisis24/news-alerts/333451/micronesia-yap-state-authorities-declare-nightly-curfew-on-april-17](http://www.garda.com/crisis24/news-alerts/333451/micronesia-yap-state-authorities-declare-nightly-curfew-on-april-17)

<sup>4</sup> <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#K>

<sup>5</sup> <https://covidcontrols.co/restrictions/micronesia>

<sup>6</sup> <https://www.doi.gov/oia/covid19>

SME measures <sup>7</sup> (last update 22 January 2021)	<p><b>Tax refund:</b></p> <ul style="list-style-type: none"> <li>Enterprises in the tourism sector must declare and pay their income taxes and social security contributions for the March quarter by 30 April 2020. The government will conduct assessments, if the enterprises are affected, they can be refunded taxes in the future.</li> <li>The government announced an economic stimulus plan totalling USD 15 million, which was mainly used for wage subsidies and tax refunds in the tourism sector.</li> </ul> <p><b>Employment support:</b></p> <ul style="list-style-type: none"> <li>The government announced an economic stimulus plan totaling USD 15 million, which was mainly used for wage subsidies and tax refunds in the tourism sector.</li> <li>Enterprises in the tourism sector can obtain subsidies of employees' wages of 75 per cent based on their relevant tax declaration records.</li> </ul>
Other policy measures	<ul style="list-style-type: none"> <li>April 14, 2020: USD 100,000 cash payment from China PRC to assist in combatting covid-19</li> <li>May 13, 2020: USD300,000 from UN COVID-19 Response &amp; Recovery Fund to Support COVID-19 Contingency Plan.<sup>8</sup></li> <li>May 25, 2020: China Donates Masks, Protective Suits, Gloves, &amp; \$50,000 to the FSM's COVID-19 Response.<sup>9</sup></li> <li>August 4, 2020: The Department of Health &amp; Social Affairs established new COVID-19 guidelines.<sup>10</sup></li> <li>July 25, 2020: The COVID-19 Task Force extended its stay in the State of Kosrae to assist in additional readiness and simulation exercises to help prepare for the repatriation of its residents.<sup>11</sup></li> <li>July 30, 2020: The Asian Development Bank (ADB) announced more than \$13 million in grants to help Pacific countries finance COVID-19 responses, including \$1.03 million for the Federated States of Micronesia.<sup>12</sup></li> <li>August 7: ADB Grant Agreement part of Asia Pacific Disaster Response Fund (\$13 million total), \$1,030,000 allocated to Micronesia<sup>13</sup></li> <li>May 26, 2020: USAID allocated US\$9.9 million towards covid-19 efforts in Pacific Island regions of FSM, Fiji, Nauru, Kiribati, Palau, Papua New Guinea, Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. (individual breakdown unavailable)</li> <li>September 1, 2020: USD1.66 million Airport Improvement Program from the US Federal Aviation Administration.<sup>14</sup></li> <li>November 13, 2020: \$14 Million grant was provided by ADB to help</li> </ul>

<sup>7</sup> <https://gov.fm/index.php/public-info/fsmun-statements-and-releases/27-fsm-pio/news-and-updates/305-21st-fsm-congress-approves-the-economic-stimulus-package-president-panuelo-signs-it-into-law-businesses-encouraged-to-apply-for-wage-subsidies-and-submit-taxes-on-time-to-receive-gross-tax-revenue-rebates>

<sup>8</sup> <https://covid19policy.adb.org/policy-measures/FSM>

<sup>9</sup> <https://gov.fm/index.php/component/content/article/35-pio-articles/news-and-updates/318-china-donates-masks-protective-suits-gloves-50-000-to-the-fsm-s-covid-19-response?Itemid=177>

<sup>10</sup> [www.fsmgov.org/fsmun/pubheal20.pdf](http://www.fsmgov.org/fsmun/pubheal20.pdf)

<sup>11</sup> [www.fsmgov.org/fsmun/pubheal19.pdf](http://www.fsmgov.org/fsmun/pubheal19.pdf)

<sup>12</sup> [www.adb.org/news/adb-announces-more-13-million-grants-help-pacific-combat-covid-19](http://www.adb.org/news/adb-announces-more-13-million-grants-help-pacific-combat-covid-19)

<sup>13</sup> [https://www.adb.org/sites/default/files/project-documents/54135/54135-003-grj-en\\_1.pdf](https://www.adb.org/sites/default/files/project-documents/54135/54135-003-grj-en_1.pdf)

<sup>14</sup> <https://covid19policy.adb.org/policy-measures/FSM>

	<p>FSM respond to COVID-19.<sup>15</sup></p> <ul style="list-style-type: none"> <li>December 11, 2020: USD6 million Pacific Disaster Resilience Program (Phase 3).<sup>16</sup></li> </ul>
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*Source:* IMF, Policy Responses to COVID-19, if not specified.

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<sup>15</sup> <https://www.adb.org/news/adb-provides-14-million-grant-help-fsm-respond-covid-19>

<sup>16</sup> <https://covid19policy.adb.org/policy-measures/FSM>