Last update: 23 March 2021

Palau

Policy responses

Containment

- Declaration of lockdown¹
- Border Closure and Travel Bans²
- Social distancing rules
- School closure
- On-site Testing for COVID-19³
- From February 5 until June 30, 2020: Palau will prohibit entry of all travelers with travel history originating from or transiting through mainland China, Hong Kong and Macau within 14 days of their arrival in the country.
- July 3st: Re-establishing essential air services to and from Palau.
- August 3rd: Schools will reopen with safety measures.⁴

Containment Measures as of 14th August:5

- No lockdown is in effect.
- All events are allowed.
- Transport is operational.
- All shops are open.
- All tourist attractions are open.
- Restaurants and bars are delivery only.
- Passengers are required to show a negative covid-19 PCR test.
 Passengers from low risk areas (Taiwan) are required to observe 7 day quarantine while passengers from high risk areas are placed under mandatory quarantine for 14 days
- January 2021, All travelers (even essential workers and residents) have to quarantine and are required to test 72 hours prior to arrival in Palau. Passengers from low risk areas such as Taiwan are required to observe a 7-day mandatory quarantine in a designated government facility, and are tested on days 1, 7, and 14. Passengers from high risk areas are placed under mandatory quarantine for 14 days and are tested on days 1, 7, 14, and 21.6
- Mar 18, 2021: Government restrictions are as follows,⁷
 - -Travellers partially allowed.

Masks are not required

Self-quarantine for 14 days required for some countries.

¹https://visalist.io/emergency/lockdown/palau-country

²https://www.reuters.com/article/us-health-coronavirus-palau/as-long-as-necessary-coronavirus-holdout-palau-opts-for-self-isolation-idUSKCN21X10Q

³https://www.rnz.co.nz/international/pacific-news/414550/palau-begins-on-site-testing-for-covid-19

⁴https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#P

⁵https://covidcontrols.co/lockdown-status

⁶ https://covid19policy.adb.org/index.php/policy-measures/PAL

⁷ https://covidcontrols.co/restrictions/palau

	Negative PCR test results is required for some countries. Passengers arriving from non-high risk areas will be required to undergo 7-days mandatory quarantine in a designated government facility, and will be tested for COVID-19 on days 1, 7, and 14. -No lockdown is in effectEvents Partially allowed (Events of more than 50 people banned.) -Transport operational -All shops open -Tourist attractions are open -Restaurants and bars are open with restrictions
Fiscal	 Total stimulus: USD 20.9 million (equivalent to 8.3% of GDP) Healthcare: Hospital Trust Fund to help with prevention and preparation for COVID-19 (USD 0.9 million) Social: maintaining government services, new unemployment benefit
	 scheme, temporary subsidies for utility bills Employment: a new temporary job creation scheme for public works Businesses: a lending scheme for the private sector.
	• Additional \$916,808 (0.3% of GDP) from the parliament to the Hospital Trust Fund with prevention and preparation for COVID-19.
	• Totaling \$20 million (8% of GDP) from the government to support affected businesses and individuals, which includes a new unemployment benefit scheme, temporary subsidies for utility bills, a new temporary job creation scheme for public works, and a lending scheme for the private sector ⁸
Monetary/financial	• Provision of financial relief to affected business and households, including interest only payments, term extension, loan consolidation, and temporary payment deferral.
	Introduction of loan deferral and forbearance programs for three months by some private banks.
SME measures ⁹ (last update 22 January 2021)	 Subsidy: The COVID-19 relief package launched on April 30 provides power utility subsidies.¹⁰
	 Loan support and deferral of loan repayment: The National Development Bank of Palau is planning to provide financial assistance to affected companies, including (i) interest-only payments, (ii) loan extensions, (iii) loan consolidations, (iv) short-term funding, and (v) temporary deferrals of loan repayments. The COVID-19 relief package launched on April 30 provides no interest loans.¹¹ As part of the COVID-19 relief package launched on April 30, USD 11

 ⁸ https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#P
 9 https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19
 10 Ibid.
 11 Ibid.

Employment support:

• On May 6, Finance Minister Elbuchel Sadang announced that the relief assistance is for employees, both citizens and non-citizens that are impacted by COVID-19 either from job loss or reducing employee work hours. He added that the assistance would prevent the private sector from collapsing by providing means for businesses to pay their employees during this COVID-19 pandemic.¹³

Other

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)

August 3, 2020: ADB concessional loan agreement for \$20 million, principal repayment of 20 years at 2%. Objective to reduce the adverse impacts of Covid-19 restrictions on the population and businesses¹⁴

August 4, 2020: ADB grant agreement part of Asia Pacific Disaster Response Fund as part of the COVID-19 Emergency Response Project. \$1 million to Government of Palau.

US Federal Assistance to Palau

- USD1.6 million OIA technical assistance program (part of Cares ACT)
- USD0.8 million from US Department of Education

USD2.2 million from Department of Health and Human Services

September 1, 2020: The US Department of Labor announced USD100,000 in funding to support state efforts to combat fraud and recover improper payments in the Unemployment Insurance program, including those programs created under the Coronavirus Aid, Relief and Economic Security.¹⁵

September 5, 2020: the U.S. Secretary of Transportation has announced that they will award more than USD1.2 billion in airport safety and infrastructure grants through the Federal Aviation Administration (FAA) to 405 airports in 50 states and the Federated States of Micronesia, the Marshall Islands, the Northern Mariana Islands, Puerto Rico, Palau, and the U.S. Virgin Islands. ¹⁶

ADB:

August12, 2020: USD0.06 million under the regional project, Support for Gender Sensitive Responses to COVID-19 in the Pacific Developing Member Countries

December 15, 2020: USD 20 million under the Pacific Disaster Resilience Program (Phase 3)

December17, 2020: USD0.1 million from the regional project, Supporting

13 Ibid.

¹² Ibid.

¹⁴ https://www.adb.org/sites/default/files/project-documents/54245/54245-001-lna-en.pdf

¹⁵ https://covid19policy.adb.org/policy-measures/PAL

¹⁶ https://covid19policy.adb.org/policy-measures/PAL

Recovery by Micro, Small and Medium-sized Enterprises in the Pacific from the Effects of the COVID-19 Pandemic. December 18, 2020: USD0.17 million from the regional project, Assessing and Improving COVID-response Capacity in the North Pacific. ¹⁷
December 21, 2020: According to Palau health officials, it is expected that Palau will conduct its first COVID-19 vaccination by January. ¹⁸

Source: IMF, Policy Responses to COVID-19, if not specified.

 $[\]frac{17}{https://covid19policy.adb.org/index.php/policy-measures/PAL} \\ \frac{18}{https://www.rnz.co.nz/international/pacific-news/43339/palau-on-track-to-start-covid-19-vaccination-in-2021} \\ \frac{18}{https://www.rnz.co.nz/international/pacific-news/433339/palau-on-track-to-start-covid-19-vaccination-in-2021} \\ \frac{18}{https://www.rnz.co.nz/internation-in-2021} \\ \frac{18}{https://www.rnz.co.nz/internation-in-2021$