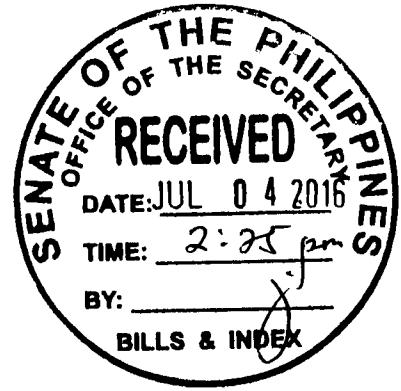


SEVENTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



SENATE  
S.B. No. 348

---

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

---

**AN ACT CREATING A GOVERNMENT EFFICIENCY OFFICE TO IMPROVE QUALITY OF REGULATIONS AND REDUCE REGULATORY BURDEN**

**EXPLANATORY NOTE**

Lengthy, complicated and overlapping regulations from various government agencies result in costly and time consuming processes that have inconvenienced far too many Filipinos for too long.

Obtaining government I.D.s, paying taxes, requesting for necessary permits and other dealings with government leaves citizens frustrated, often pushing them to find extrajudicial avenues to fulfill requirements.

In the case of businessmen and women, for example, obtaining each necessary permit involves up to 30 steps and many more days. Plus, there are 47 tax payments to make each year, which consume an average of 193 business hours.

For others, these bureaucratic inefficiencies can lead to the failure of a fledgling business.

It is no wonder the Philippines ranks 103rd out 189 countries in the Doing Business rankings by the World Bank.

Such high regulatory barriers place our nation and its citizens at a disadvantage. The Government Efficiency Office Act seeks the creation of a special arm under the Office of the President that will be tasked to ensure efficiency in the existing and proposed regulations across government agencies.

This measure seeks to create a National Policy on the Development and Implementation of Regulations to set policy-making principles and guidelines to be followed by all government agencies.

The Government Efficiency Office would be tasked to review existing regulations and recommend their repeal, amendment or consolidation to relieve the public of the heavy burden of compliance.


With a streamlined, sensible and straightforward regulatory procedure, businesses and individuals will be encouraged to comply with the law. Moreover, this will lead to lower business costs making it more accessible for MSMEs to enter the market.

In addition, this Act seeks the formation of an Internal Regulatory Management Unit in each government agency who will be tasked with assessing existing and proposed regulations in consultation with the agency's legal team.

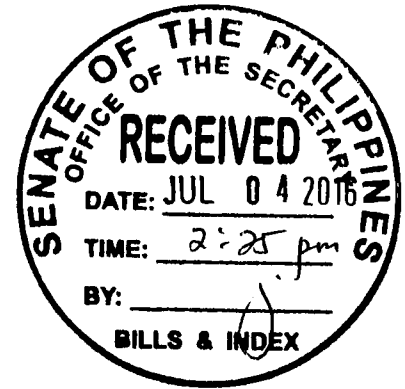
The Philippines has been experiencing a sustained high economic growth rate of 6-7% in the last three years owing to progressive economic policy, good governance and continuous reform.

To institutionalize and democratize this growth, we must ensure that the policy environment is conducive, relevant and effective.

In view of the foregoing, the approval of this Act is earnestly sought.

  
Senator Paolo Benigno "Bam" A. Aquino IV

SEVENTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



SENATE  
S.B. No. 348

---

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

---

**AN ACT CREATING A GOVERNMENT EFFICIENCY OFFICE TO IMPROVE QUALITY OF REGULATIONS AND REDUCE REGULATORY BURDEN**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

- 1 **SECTION 1. Title.** — This Act shall be known as the "*Government Efficiency Office Act*".
- 2 **SECTION 2. Declaration of Policy.** — The State recognizes the need to establish a  
3 comprehensive and centralized regulatory management system to improve the quality of  
4 regulations, and to reduce regulatory burden. The operations of a regulatory management  
5 system shall reduce the cost of doing business; improve service delivery to the public; and  
6 strengthen decision-making, accountability, and efficiency in government and society.
- 7 **SECTION 3. Definition of Terms.** — For the purpose of this Act, the following terms shall refer  
8 to:
- 9 (a) *Amendment* - addition, deletion and/or change of certain provision/s of a rule or  
10 regulation.
- 11 (b) *Consolidation* - integration of multiple, similar regulations into one legal document.
- 12 (c) *Delisting* - removal of invalid rules and regulations already repealed from and  
13 agency's website and roster of active issuances
- 14 (d) *Existing Regulation* – a circular, memorandum order, or executive order by the  
15 national government, a local government or other regulatory body which is already  
16 issued and is already in circulation.
- 17 (e) *NPDIR* - National Policy on the Development and Implementation of Regulations.
- 18 (f) *Proposed Regulation* - a circular, memorandum order, or executive order by the  
19 national government, a local government or other regulatory body which is still in its  
20 formation or development stage.

1 (g) *Regulation* - any legal instrument that gives effect to a government policy  
2 intervention. This may be in the form of a circular, memorandum order, or executive  
3 order issued by the national government, a local government or other regulatory body.

4 (h) *Regulatory Burden* - administrative cost of a regulation in terms of time, effort, or  
5 financial resources expended by persons to generate, maintain, or provide information  
6 to or for a government office, including the resources expended for: reviewing  
7 instructions; acquiring, installing, and utilizing technology and systems; adjusting the  
8 existing ways to comply with any previously applicable instructions and requirements;  
9 searching data sources; completing and reviewing the collection of information; and  
10 transmitting, or otherwise disclosing the information.

11 (i) *Regulatory Management System* - set of policies, principles, standards, institutions,  
12 processes and tools employed by government to pursue and maintain good quality  
13 regulation and minimize regulatory burden.

14 (j) *Regulatory Management and Review* - series of actions taken on a regulation or set  
15 of regulations, including but not limited to regulatory mapping, organization,  
16 examination, research, consultation, impact analysis, recommendation and final agency  
17 action on the regulation based on the results of the analysis. The final agency action  
18 may involve the following: (i) proceeding or not proceeding with the promulgation of a  
19 new regulation or (ii) the amendment, consolidation, delisting or repeal of an existing  
20 regulation.

21 (k) *Repeal* - full elimination of a rule/issuance because it has been deemed no longer  
22 necessary

23 **SECTION 4. *Establishment of the Government Efficiency Office.*** — To attain the purposes of  
24 this Act, the “Government Efficiency Office” is hereby created, hereinafter referred to as the  
25 “GEO,” which shall be an attached agency to the Office of the President. It shall have the  
26 primary responsibility of implementing the National Policy on the Development and  
27 Implementation of Regulations (NPDIR).

28 **SECTION 5. *National Policy on the Development and Implementation of Regulations.*** — The  
29 GEO, in cooperation with National Economic and Development Authority (NEDA), National  
30 Competitiveness Council (NCC), the Philippine Institute for Development Studies (PIDS), the  
31 Senate and Congressional Economic Planning Offices, and a representative from each national  
32 government agency, shall create the National Policy on the Development and Implementation  
33 of Regulations (NPDIR), which shall contain the regulatory management and review policies,  
34 principles, standards, and guidelines to be followed by all government agencies.

35 **SECTION 6. *Functions of the Government Efficiency Office.*** — As the highest overseeing body  
36 for all regulatory activities of national and local government agencies and units, the GEO shall  
37 have the following functions:

- 38 (a) Head the implementation of the NPDIR in coordination with the concerned  
39 government agencies;  
40 (b) Develop, coordinate and oversee the regulatory management system for the

- 1 implementation of the NPDIR;
- 2 (c) Provide directions and guidelines for the regulatory management and review process
- 3 at the agency and inter-agency level;
- 4 (d) Set an annual government-wide goal for the reduction of regulatory burden by at least
- 5 ten (10) percent during each of the next three years, and set annual agency goals to
- 6 reduce regulatory burden imposed on the public that represent the maximum
- 7 practicable opportunity in each agency;
- 8 (e) Provide direction on the acquisition and use of tools on and expertise in information
- 9 technology, behavioral science, user experience design, and any other fields that
- 10 contribute to the reduction of regulatory burden and the improvement of service
- 11 delivery to the public;
- 12 (f) Recommend policies, processes and systems to improve regulatory management and
- 13 review in ways that increase the productivity, efficiency, and effectiveness of
- 14 government agencies and programs, including service delivery to the public;
- 15 (g) Submit advisory opinions, studies, and annual and special reports to Congress on
- 16 proposed national legislation to reduce regulatory burden;
- 17 (h) Coordinate with the Legislative-Executive Development Advisory Council (LEDAC) on
- 18 proposed national legislation to reduce regulatory burden; and
- 19 (i) Ensure the dissemination of and public access to information on the regulatory
- 20 management system and changes in laws and regulations relevant to the public.

21 **SECTION 7. *Organization of the Government Efficiency Office.*** — The GEO shall be headed by

22 an Executive Director appointed by the President who shall be internally supported by the

23 following units: (1) Proposed Regulations Review Unit, (2) Existing Regulations Review Unit,

24 (3) Research and Capacity Building Unit, (4) Behavioral Insights Unit, (5) User Experience

25 Design Unit, and (6) Communications Unit. These units shall comprise the GEO. The Efficiency

26 Office shall also work in coordination with each agency's Internal Regulatory Management

27 Unit and may form other units for the effective implementation of its work.

28 **SECTION 8. *Internal Regulatory Management Unit.*** — It is hereby mandated that each

29 government agency shall create an Internal Regulatory Management Unit, hereinafter

30 referred to as IRMU, to directly handle all activities in relation to regulatory management and

31 review. The IRMU shall work with each agency's legal unit in the management and review of

32 proposed and existing regulations and shall have a representative to serve as a liaison to the

33 Efficiency Office. This representative shall also form part of Technical Working Groups (TWGs)

34 for purposes of regulatory management and review. This representative shall also be

35 responsible for submitting documents required by the GEO in relation, but not limited to,

36 internal inventory, prioritization, cost benefit analysis, impact analysis and evidence based

37 research, for the regulatory management and review of proposed and existing regulations.

38 **SECTION 9. *Proposed Regulations Review Unit.*** — This Unit shall have the following specific

39 functions and responsibilities:

- 40 (a) Establish and implement the process for the management and review of proposed
- 41 regulations as indicated in the NPDIR;
- 42 (b) Coordinate with the government agencies' IRMUs for the management and review
- 43 of proposed regulations;
- 44 (c) Generate, maintain and update records of reviewed proposed regulations, regulatory
- 45 impact analyses, regulatory impact statements, and all other relevant information;

- 1 (d) Assess and provide advice to Congress and the LEDAC on the regulatory impact of  
2 proposed legislation; and  
3 (e) Perform other functions relating to the aforementioned functions as may be provided  
4 by law or assigned by the Executive Director.

5 **SECTION 10. Existing Regulations Review Unit.** — This Unit shall have the following specific  
6 functions and responsibilities:

- 7 (a) Establish and implement the process for the management and review of existing  
8 regulations as indicated in the NPDIR;  
9 (b) Coordinate with the government agencies' IRMUs for the management and review  
10 of existing regulations;  
11 (c) Generate, maintain and update records of reviewed existing regulations, regulatory  
12 impact analyses, regulatory impact statements, and all other relevant information;  
13 (d) Identify and submit to Congress and the LEDAC proposed legislation to repeal or  
14 amend existing laws found to be causing unnecessary and/or significant regulatory  
15 burden; and  
16 (e) Perform other functions relating to the aforementioned functions as may be provided  
17 by law or assigned by the Executive Director.

18 **SECTION 11. Research and Capacity Building Unit.** — This Unit shall have the following  
19 specific functions and responsibilities:

- 20 (a) Undertake research, data collection, analysis and dissemination of regulatory research  
21 and statistics, laws, policies, agreements, and other related information;  
22 (b) Benchmark best practices in regulatory management and easing regulatory burden;  
23 (c) Collaborate with government and non-government research institutions on regulatory  
24 management policies and studies;  
25 (d) Partner with the Philippine Institute for Development Studies (PIDS) in conducting  
26 sectoral and macro level impact assessment and potential effects of regulatory  
27 burden;  
28 (e) Conduct or facilitate the conduct of trainings and courses for the benefit of the  
29 technical staff of the Efficiency Office and other government personnel directly or  
30 indirectly engaged in regulatory management policy in order to build, improve, and  
31 enhance their capacity and competence in regulatory management and review;  
32 (f) Design and implement a regulatory management consultancy fellowship program that  
33 shall deploy experienced management consultants to partner government agencies  
34 and assist them in reducing regulatory burden and improving service delivery to the  
35 public; and  
36 (g) Perform other functions as may be provided by law or assigned by the Executive  
37 Director.

38 **SECTION 12. The Behavioral Insights Unit.** — This Unit shall have the following specific  
39 functions and responsibilities:

- 40 (a) Provide behavioral science advice to the GEO, relevant government offices, and to  
41 Congress towards improving the design and impact of laws and regulations through  
42 the introduction of more realistic models of human behavior, with guidance from  
43 experts in economics, psychology, and relevant fields;  
44 (b) Collaborate with local and international research institutions with regards to the use  
45 of behavioral science in redesigning regulation and public services;

- 1 (c) Generate, maintain and update records of the local application of behavioral science  
2 in regulatory management and policy-making;  
3 (d) Conduct or facilitate the conduct of tests and trials that provide empirical data  
4 towards the use of behavioral science in the design of regulation and public services;  
5 and  
6 (e) Perform other functions as may be provided by law or assigned by the Executive  
7 Director.

8 **SECTION 13. *The User Experience Design Unit.*** — This Unit shall have the following specific  
9 functions and responsibilities:

- 10 (a) Generate, maintain and update records of user experience best practices in  
11 government;  
12 (b) Provide user experience advice to the GEO, relevant government offices and to  
13 Congress towards improving the design and impact of laws and regulations;  
14 (c) Design and undertake crowdsourcing activities and public consultations for purposes  
15 of gathering information relevant to the regulatory management and review process;  
16 and  
17 (d) Perform other functions as may be provided by law or assigned by the Executive  
18 Director.

19 **SECTION 14. *The Communications Unit.*** — This Unit shall have the following specific functions  
20 and responsibilities:

- 21 (a) Promote the functions, objectives, and accomplishments of the GEO to the public;  
22 (b) Formulate and implement the communications strategy of the GEO to ensure  
23 alignment of regulatory management objectives among government agencies;  
24 (c) Create and handle the GEO's website which shall contain all updates on regulations;  
25 and  
26 (d) Perform other functions as may be provided by law or assigned by the Executive  
27 Director.

28 **SECTION 15. *Proposed Regulations.*** — In accordance with the NPDIR, all national and local  
29 government agencies shall be required to submit all new proposed regulations to the GEO,  
30 which shall then assess and inform the submitting government unit within five (5) working  
31 days whether the said agency needs to undertake a regulatory impact analysis for the  
32 proposed regulation. Should the GEO fail to assess the proposed regulation within five (5)  
33 days, the submitting government unit shall be deemed allowed to move forward with the  
34 proposed regulation.

35 Should the GEO assess that the proposed regulation needs to undergo regulatory impact  
36 analysis, the submitting government agency shall carry out such and report its results to the  
37 GEO within thirty (30) days. The Office shall review the report of the submitting government  
38 unit and shall conduct final examination and issuance of a regulatory impact statement for  
39 consideration by the government agency.

40 **SECTION 16. *Existing Regulations.*** — In accordance with the NPDIR, the GEO shall determine  
41 government-wide and agency targets for reducing regulatory burden per year. It shall also  
42 identify priority thematic or sectoral areas for the same. Based on the identified priorities and  
43 targets, the GEO shall promulgate the necessary policies, guidelines and schedules for the

1 annual management and review process for existing regulations on the agency and inter-  
2 agency levels, and notify the concerned government agencies of the same. Upon release of  
3 such to the concerned agencies, the IRMUs of each concerned agency shall conduct an  
4 internal mapping of regulations and submit a complete list of existing regulations in line with  
5 the identified priority area. The GEO shall then coordinate with the concerned agencies for  
6 the completion of the regulatory management and review process in accordance with the  
7 guidelines and schedules provided.

8 **SECTION 17. *The Role of the Department of Budget and Management.*** — The Department  
9 of Budget and Management (DBM) shall consider the regulatory management and review  
10 targets and accomplishments of each government agency in DBM's assessment of the  
11 respective agency's annual budget proposals.

12 **SECTION 18. *Publication.*** — The GEO must periodically release a list of all repealed and  
13 amended regulations to the public through the official website and/or a publication of general  
14 circulation.

15 **SECTION 19. *Implementing Rules and Regulations.*** — The Government Efficiency Office, in  
16 consultation with the National Economic and Development Authority (NEDA), the National  
17 Competitiveness Council (NCC), the Department of Budget and Management (DBM), the  
18 Department of Trade and Industry (DTI), the Department of Finance (DOF), and the  
19 Department of Interior and Local Government (DILG), shall issue the rules and regulations  
20 necessary to implement the provisions of this Act ninety (90) days from the date of  
21 appointment of the GEO Executive Director.

22 **SECTION 20. *Appropriations.*** — The amount necessary to implement the provisions of this  
23 Act shall be charged against the current year's appropriations of the Office of the President.  
24 Thereafter, such sums as may be necessary for its continued implementation shall be included  
25 in the annual General Appropriations Act.

26 **SECTION 21. *Separability Clause.*** — If any provision of this Act shall be declared invalid or  
27 unconstitutional, such declaration shall not affect the validity of the remaining provisions of  
28 this Act.

29 **SECTION 22. *Repealing Clause.*** — All provisions of laws, presidential decrees, letters of  
30 instruction and other presidential issuances that are incompatible or inconsistent with the  
31 provisions of this Act are hereby deemed amended or repealed.

32 **SECTION 23. *Effectivity.*** — This Act shall take effect within fifteen (15) days following its  
33 publication in the Official Gazette or in any two (2) newspapers of general circulation.

34 *Approved,*