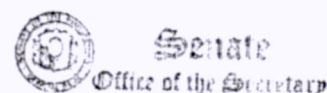


SEVENTEENTH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
Third Regular Session]



'18 AUG 15 A10 :42

SENATE

S.B. No. 1938

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Introduced by SEN. WIN GATCHALIAN

**AN ACT
INSTITUTIONALIZING THE NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY AS THE INDEPENDENT ECONOMIC AND
PLANNING AGENCY OF THE PHILIPPINE GOVERNMENT, DEFINING
ITS FUNCTIONS AND AMENDING EXECUTIVE ORDER NO. 230 SERIES
OF 1987, AS AMENDED, APPROPRIATING FUNDS THEREFOR,
AND FOR OTHER PURPOSES**

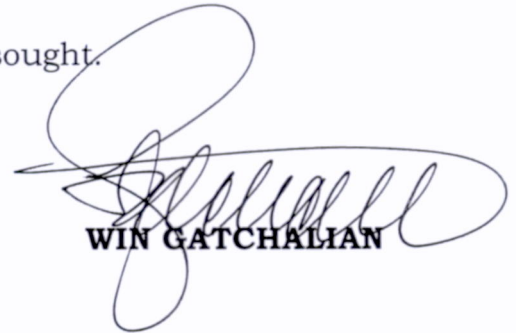
The vision of this landmark legislation is to instill a culture of planning in the formulation and implementation of the country's economic and development policies – and emphasizes the importance of participatory planning by expanding stakeholder participation through various stages.

The Act institutionalizes the National Economic and Development Authority (NEDA) as a lead integrator of economic development programs and policies to achieve the following objectives: (1) facilitate the planning, collaboration, and coordination among the relevant government agencies; (2) improve access to national program information, data, and funding opportunities, support research of leading edge, world class economic development practices and information dissemination efforts; (3) ensure that economic resources are aligned and invested in support of identified and well-defined timely strategies and projects in non-duplicative activities; (4) encourage strategic investments that strengthen competitiveness and foster

job creation; (5) promote energy independence, help fight poverty and build prosperity for the greatest number of Filipinos; and, (6) produce transformational economic diversification and workforce development outcomes for our country's long-term sustainable economic future.

It seeks to institutionalize a new and truly independent department that will implement long-term, continuing, integrated, and coordinated programs and policies for national development. It will also enhance decentralization and strengthen the autonomy of units within the various regions of the country to accelerate their economic and social growth and development. Distressed communities will thus be empowered to revitalize, expand, and upgrade their physical infrastructures to attract new industries, encourage business expansion in the countryside, diversify local economics, and generate or retain long-term private sector jobs and investments.

The passage of this legislation is earnestly sought.



WIN GATCHALIAN

1 **SEC. 2. Declaration of Policy.** - The State shall adopt and
2 implement continuing integrated and coordinated long, medium, and short
3 term development plans and policies to achieve full employment towards
4 sustainable and inclusive economic growth, equitable distribution of
5 opportunities, income, and wealth; and increase productivity, as a key to
6 raising the quality of life for all. To this end, it is recognized that the
7 formulation of socioeconomic policies and plans is a vital process that calls
8 for the participation of the public and private sectors at the national and
9 sub-national levels. The formulation and adoption of these policies and
10 plans need to be coordinated and implemented by an independent
11 economic and planning agency, to be headed by the President, to ensure
12 the consistency of policies, plans and programs for national development
13 and the sustainable use of the nation's resources.

14
15 **SEC 3. The National Economic and Development Authority.** -
16 There is hereby established an independent economic and planning agency,
17 which shall be known as the National Economic and Development
18 Authority, hereafter referred to as NEDA.

19 The NEDA shall consist of two (2) distinct but functionally related
20 entities, namely, National Economic and Development Board and the
21 NEDA, hereafter referred to as the NEDB and the NEDA, respectively. The
22 NEDB and the NEDA shall be structured organizationally and functionally,
23 in accordance with the provisions of this Act, and shall be drawn from the
24 existing NEDA Board and NEDA Secretariat, which was reorganized
25 pursuant to Executive Order No. 230, s. 1987.

26
27 **SEC. 4. Powers and Functions.** - The NEDA shall have the following
28 powers and functions:

- 29 (1) Formulate, in consultation with appropriate public agencies,
30 civil society organizations, non-government organizations,
31 people's organizations, the academe, the private sector, and local
32 government units, continuing integrated and coordinated

1 policies, plans and programs for national development, such as,
2 but not limited to:

3 (a) Long-term national development plans;

4 (b) Medium-term and short-term national and regional
5 development plans;

6 (c) Medium-term national and regional public investment
7 programs; and

8 (d) Sectoral and spatial plans and programs.

9 (2) Oversee the implementation and ensure the harmonization of
10 national and regional plans and programs by prescribing
11 standards, guidelines, and compliance and accountability
12 mechanisms to ensure continuing integrated and coordinated
13 programs and policies for national development;

14 (3) Ensure and coordinate the integration of national, sub-national
15 and spatial plans and programs for consistency and alignment
16 with the overall development objectives of the country;

17 (4) Prioritize policies and strategies, with corresponding programs,
18 activities and projects, and funding from the national
19 government, official development assistance (ODA), public-
20 private partnerships, and other viable sources of funding, as
21 basis for budget expenditure policies and budget formulation, in
22 coordination with implementing agencies, and for reporting to
23 the NEDB and its committees;

24 (5) Monitor and evaluate national and regional programs and
25 projects of government, funded by the national government,
26 official development assistance (ODA), public-private
27 partnerships, and other viable sources of funding;

28 (6) Review, monitor and assess the impact of policies, regulations,
29 and programs of the government, and recommend to concerned
30 government agencies and instrumentalities strategies and
31 measures, including proposed legislation, to achieve sectoral
32 development goals;

- 1 (7) Recommend policies that would encourage investments to
2 ensure that the economic and business environments and
3 regulatory frameworks are consistent with the development
4 agenda and plans of the country;
- 5 (8) Report to Congress on the economic performance of the country,
6 including the status and directions of the fiscal and monetary
7 policies of the government – in coordination with the Bangko
8 Sentral ng Pilipinas and the Department of Finance – and
9 prospects in the macroeconomy and labor market, and other
10 relevant information that may be requested, for purposes of
11 transparency and accountability; and
- 12 (9) Provide technical, advisory and secretariat support services to
13 the NEDB and its committees, the Regional Development
14 Councils, and other stakeholders.
- 15

16 **ARTICLE II. THE NATIONAL ECONOMIC AND DEVELOPMENT BOARD**

17

18 **SEC. 5. *Composition of the National Economic and Development***
19 ***Board (NEDB).*** - The powers and functions of the NEDA shall reside in the
20 NEDB, composed of six (6) members.

21 The members are as follows:

- 22 (1) The President of the Philippines, who shall be the Chairperson
23 of the NEDB. Whenever the President is unable to attend a
24 meeting of the Board, the Vice-Chairperson shall act as
25 Chairperson;
- 26 (2) The Secretary of NEDA, who shall be the Vice-Chairperson;
- 27 (3) The Secretary of Finance;
- 28 (4) The Secretary of Budget and Management;
- 29 (5) The Secretary of Interior and Local Government;
- 30 (6) The Secretary of Trade and Industry;
- 31 (7) The Secretary of Public Works and Highways; and
- 32 (8) The Governor of the Bangko Sentral ng Pilipinas (BSP), as a
33 resource institution.

1 All members of the NEDB, except the Governor of the BSP, are voting
2 members.

3 The presence of at least four voting members shall constitute a
4 quorum.

5
6 **SEC. 6. Meetings.** - The NEDB shall meet at least once every quarter.
7 The presence of three (3) voting members shall constitute a quorum,
8 provided that in all cases the Secretary of NEDA shall be present.

9 A special meeting of the NEDB may be convened by the President to
10 address urgent concerns, or emergencies, such as natural disasters,
11 calamities, or other extraordinary circumstances which would affect the
12 economy and national development.

13 All decisions of the NEDB shall require the concurrence of at least a
14 majority of the voting members present at a meeting at which there is a
15 quorum.

16 The NEDA shall maintain and preserve a complete record of the
17 proceedings and deliberations of the NEDB, including the recordings and
18 transcripts, either in their original form, or in any secured digital format.

19
20 **SEC. 7. Withdrawal of Persons Having a Personal Interest.** - In
21 addition to the requirements of Republic Act No. 6713, any member of the
22 NEDB with personal or pecuniary interest in any matter in the agenda of
23 the NEDB shall disclose his interest to the Board and shall withdraw from
24 the meeting when the matter is taken up. The decision taken on the matter
25 shall be made public. The minutes shall reflect the disclosure made and
26 the recusal of the member concerned from the meeting.

27
28 **SEC. 8. Exercise of Authority.** - In the exercise of authority, the
29 NEDB shall:

- 30 (1) Direct the formulation and implementation of policies and
31 strategies that would promote economic development and
32 address development concerns of national importance;

- 1 (2) Issue rules and regulations necessary for the effective discharge
2 of the powers and functions vested upon the NEDA;
- 3 (3) Ensure, together with the Department of Budget and
4 Management and other relevant government oversight agencies,
5 that the annual and multi-year appropriations for programs and
6 projects are aligned with the development strategies in the
7 MTPDP and MTRDPs;
- 8 (4) Approve and endorse to Congress the integrated development
9 plans and programs which will serve as bases for the annual
10 budget review and deliberation;
- 11 (5) Determine the level of annual government expenditures, as well
12 as projections, forecast, resource requirement, and the ceiling of
13 government spending for social and economic development,
14 national defense, government debt service, and the proper
15 allocation of expenditures for each development activity between
16 current operating expenditures and capital outlay;
- 17 (6) Approve or confirm projects, programs, and plans as required
18 under existing laws, orders, rules and regulations, and other
19 issuances; and
- 20 (7) Direct the reorganization, or establishment of inter-agency
21 committees under the NEDB, including the modification of its
22 membership, structures, powers and functions.

23
24 **SEC. 9. Inter-Agency Committees.** - Inter-agency committees shall
25 be created to be the primary advisory bodies to the NEDB. It shall submit
26 recommendations on matters involving their concerns to the NEDB for
27 approval.

28 The NEDB shall designate the Chairperson of these Committees,
29 including the Secretariat, unless otherwise specifically provided herein.

30 The NEDB may create other inter-agency committees, or modify
31 existing ones in respect to their structures, compositions, powers, and
32 functions.

1 The inter-agency committees may create sub-committees, whenever
2 appropriate, for the purpose of dispensing with any of its respective
3 functions.

4 The following shall be the NEDB Inter-Agency Committees:
5

6 (1) *Development Budget Coordination Committee (DBCC)* - The DBCC,
7 to be composed of the Secretaries of Budget and Management,
8 National Economic and Development Authority, Finance, and
9 Trade and Industry, the Executive Secretary, and the Governor
10 of the Bangko Sentral ng Pilipinas, shall have the following
11 functions:

12 (a) Recommend for Presidential approval the level of annual
13 government expenditures and the ceiling of government
14 spending for economic and social development, national
15 defense, and government debt service;

16 (b) Recommend to the NEDB the budget to be allocated for
17 current operating expenditures and capital outlays of
18 government programs and projects;

19 (c) Assess the overall economic situation of the country, which
20 includes economic growth, monetary, fiscal, and possible
21 economic risks which may require policy reforms;

22 (d) Conduct periodic review of macroeconomic targets, and the
23 revenue and expenditure projections of the government;
24 and

25 (e) Prepare a strategic multi-year fiscal program which
26 supports the long-term and medium-term development
27 objectives of the country.
28

29 (2) *Investment Coordination Committee (ICC)* - The ICC, to be
30 composed of the Secretaries of Finance, National Economic and
31 Development Authority, Budget and Management, Interior and
32 Local Government, and Trade and Industry, the Executive

1 Secretary, and the Governor of the Bangko Sentral ng Pilipinas
2 as members, shall have the following functions:

- 3 (a) Review and submit to the President a status of the fiscal,
4 monetary and balance of payment (BOP) implications of
5 major capital programs and projects;
- 6 (b) Recommend to the NEDB the timetable of the
7 implementation of major capital programs and projects on
8 a regular basis;
- 9 (c) Review and evaluate specific major capital programs and
10 projects with respect to technical, financial, economic,
11 social, environmental, legal, institutional, feasibility,
12 viability as well as from the context of sectoral plans and
13 geographical strategies, as may be required by law, orders,
14 and other legal issuances;
- 15 (d) Review and approve, for final approval of the NEDB, major
16 capital projects based on a cost threshold as may be set by
17 the NEDB; and
- 18 (e) Recommend to the NEDB a domestic and foreign borrowing
19 program.

20
21 (3) *Infrastructure Committee (INFRACOM)* - The INFRACOM, to be
22 composed of the Secretaries of National Economic and
23 Development Authority, Public Works and Highways, Budget and
24 Management, Finance, Information and Communications
25 Technology, Transportation, Trade and Industry, Energy,
26 Agriculture, and Tourism, and the Executive Secretary, shall
27 have the following functions:

- 28 (a) Formulate a national infrastructure development strategy
29 that will coordinate, integrate and accelerate the
30 development initiatives across all infrastructure subsectors
31 in the country;
- 32 (b) Advise the President and the NEDB, on all matters
33 concerning infrastructure development, including

1 highways, airports, seaports, offshore infrastructure and
2 shore protection; railways and subways; power generation,
3 transmission and distribution; telecommunications;
4 irrigation, flood control and drainage; water supply and
5 sanitation; national buildings for government offices;
6 hospitals and related buildings; state colleges and
7 universities, elementary and secondary school buildings;
8 reclamation; and other public works, whether procured or
9 financed through traditional means, public-private
10 partnership (PPP), or any other method; and

11 (c) Coordinate the activities of agencies, including
12 government-owned and/ or controlled corporations
13 involved in infrastructure development.

14
15 (4) *Social Development Committee (SDC)* - The SDC, to be composed
16 of the Secretaries of Social Welfare and Development, National
17 Economic and Development Authority, Budget and Management,
18 Education, Agrarian Reform, Agriculture, Education, Health,
19 Interior and Local Government, and Labor and Employment, and
20 the Executive Secretary shall have the following functions:

21 (a) Formulate and recommend government policies, programs
22 and projects on social development that are appropriate
23 and consistent with national development and priorities;

24 (b) Advise the NEDB on matters concerning social
25 development, including education, manpower, health and
26 nutrition, population and family planning, housing,
27 human settlements, and the delivery of other social
28 services; and

29 (c) Coordinate the activities of government agencies
30 concerned with social development.

31
32 (5) *Tariff and Related Matters Committee (TRMC)* - The TRMC, to be
33 composed of the Secretaries of Trade and Industry, National

1 Economic and Development Authority, Agriculture, Budget and
2 Management, Environment and Natural Resources, Finance,
3 Foreign Affairs, Information and Communications Technology,
4 Transportation, the Executive Secretary, the Governor of the
5 Bangko Sentral ng Pilipinas, the Commissioner of Internal
6 Revenue, and the Chairman of the Tariff Commission, shall have
7 the following functions:

- 8 (a) Recommend to the NEDB a continuous rationalization
9 policy and program for the country's tariff structure;
- 10 (b) Advise the NEDB on tariff and related matters, as well as
11 the effects of various international developments on the
12 country; and
- 13 (c) Coordinate government agency positions and recommend
14 national positions for international economic negotiations.

15
16 (6) *Regional Development Committee (RDCOM)* - The RDCOM, to be
17 composed of the Secretaries of National Economic and
18 Development Authority, Interior and Local Government, Budget
19 and Management, and Trade and Industry, three (3) Regional
20 Development Council Chairpersons representing Luzon,
21 Visayas and Mindanao, and one (1) representative from the
22 Union of Local Authorities of the Philippines, shall have the
23 following functions:

- 24 (a) Formulate and monitor the implementation of policies that
25 reduce regional growth disparities, and promote equitable
26 allocation of resources among regions;
- 27 (b) Serve as a clearinghouse for key regional development
28 policy proposals that have impacts on at least two (2)
29 regions;
- 30 (c) Formulate and monitor the implementation of the
31 framework for regional development of the Medium-Term
32 Development Plan;

- 1 (d) Direct the formulation of and review the guidelines for the
2 regional allocation of agency budgetary resources; and
3 (e) Periodically review the viability of the regional
4 configuration of the country, and recommend to the NEDB
5 the re-delineation of regions, as may be necessary.
6

7 The composition of the Committee shall be without
8 prejudice to the participation of representatives of other
9 government agencies or bodies, or of authorized representatives
10 of major organizations of local government officials, civil society
11 organizations, non-government organizations, people's
12 organizations, the academe, or other private organizations as
13 may be considered desirable by the Committee in its
14 deliberations.
15

- 16 (7) *National Land Use Committee (NLUC)* - The NLUC, to be composed
17 of the Secretaries of National Economic and Development
18 Authority, Agrarian Reform, Agriculture, Energy, Environment
19 and Natural Resources, Information and Communications
20 Technology, Interior and Local Government, Justice, Public
21 Works and Highways, Science and Technology, Trade and
22 Industry, Transportation, and Tourism, the Chairperson of the
23 Housing and Urban Development Coordinating Council or the
24 Housing and Land Use Regulatory Board, the Chairperson of the
25 National Commission on Indigenous Peoples, and the presidents
26 of Leagues of provinces, municipalities and cities:

- 27 (a) Advise the NEDB on matters concerning land use and
28 physical planning;
29 (b) Formulate a national physical framework plan and other
30 inter-sectoral policies and programs that guide the rational
31 utilization and management of the country's land and
32 other physical resources, and the preparation of sub-
33 national physical framework plans;

- 1 (c) Ensure the integration of land use and physical planning
2 policies, plans, and programs, including disaster risk
3 management, into national socioeconomic plans and
4 programs;
- 5 (d) Recommend resolutions concerning land use policy
6 conflicts among agencies of the national government;
- 7 (e) Oversee the establishment and maintenance, in
8 conjunction with appropriate government agencies, a
9 database system that will identify and classify the present
10 and possible uses of specific land areas, public and
11 private, comprising the total land resource of the country;
12 and
- 13 (f) Provide policy directions to the Regional Land Use
14 Committees in the performance of their respective physical
15 planning functions.
16

17 The NLUC may call on any Department, Bureau, Office, or
18 Agency for support or assistance in the performance of its
19 function.

20 The composition of the Committee shall be without
21 prejudice to the participation of representatives of other
22 government agencies or bodies, or of authorized representatives
23 of major organizations of local government officials, civil society
24 organizations, non-government organizations, people's
25 organizations, the academe, or other private organizations as
26 may be considered desirable by the Committee in its
27 deliberations.
28

- 29 (8) *Economic Development Committee (EDC)* - The EDC shall be
30 composed of the Secretaries of Finance, National Economic and
31 Development Authority, Trade and Industry, Budget and
32 Management, Public Works and Highways, Transportation,
33 Information and Communications Technology, Energy, Science

1 and Technology, Tourism, Agriculture, and Interior and Local
2 Government, the Governor of the Bangko Sentral, and the
3 Executive Secretary. It shall be the main coordinating
4 mechanism that ensures that the policy environment is
5 conducive to the promotion of rapid, inclusive, and sustained
6 economic growth. In particular, the EDC shall:

- 7 (a) Formulate policies that promote sustainable economic
8 development and inclusive growth;
- 9 (b) Promote an environment conducive to growth and
10 competitiveness of private enterprises and human capital
11 resources, and the creation of jobs that will empower
12 people and provide them with opportunities to rise above
13 poverty;
- 14 (c) Recommend to the President and NEDB policies that would
15 ensure equitable distribution of economic opportunities
16 and benefits to Filipinos;
- 17 (d) Recommend policy directions towards the development of
18 farms and rural enterprises which are vital to achieving
19 food security and more equitable growth; and
- 20 (e) Monitor and evaluate continuous improvements in
21 national productivity and competitiveness of domestic
22 products and services.

23
24 (9) *Science, Technology and Innovation Committee (STIC)* - The STIC,
25 to be composed of the Secretaries of Science and Technology,
26 National Economic and Development Authority, Information and
27 Communications Technology, Trade and Industry, Finance,
28 Budget and Management, Interior and Local Government, and
29 Education, the Chairperson of the Commission on Higher
30 Education, and the Executive Secretary, shall have the following
31 functions:

- 32 (a) Recommend to the President and NEDB policies and
33 programs that will promote a culture of research, planning

1 and innovation, and encourage knowledge creation,
2 dissemination and utilization to support the country's
3 sustainable economic development and competitiveness;
4 and

5 (b) Oversee and coordinate the preparation of a national
6 agenda that would provide the framework and strategies
7 for research and development, and innovation in the
8 country.

9
10 (10) *Environment and Sustainable Development Committee (ESDC)* -

11 The ESDC, to be composed of the Secretaries of Environment and
12 Natural Resources, National Economic and Development
13 Authority, Agrarian Reform, Agriculture, Energy, Interior and
14 Local Government, and Science and Technology, and the
15 Chairperson of the Climate Change Commission, shall have the
16 following functions:

- 17 (a) Recommend to the President and NEDB policies that will
18 promote the conservation of the environment and the
19 sustainable utilization of the country's natural resources;
20 (b) Oversee the preparation of policies, strategies and other
21 measures to adapt to and mitigate the effects of climate
22 change;
23 (c) Monitor and evaluate the impact of environmental
24 programs and projects to the Philippine economy in
25 general, and the utilization of the nation's resources; and
26 (d) Recommend measures to resolve conflicting policies and
27 programs concerning the environment and natural
28 resources sector.

29
30 (11) *Governance Committee (GC)* - The GC, to be composed of the
31 Secretaries of Interior and Local Government, National Economic and
32 Development Authority, Budget and Management, Finance, Trade and
33 Industry, and Justice, the Chairperson of the Commission on Audit, and

1 the Chairman of the Governance Commission for Government Owned or
2 Controlled Corporations, shall:

- 3 (a) Formulate and recommend policies that promote
4 transparency, accountability, and participatory
5 governance, and strengthen public institutions to
6 effectively and efficiently implement their respective
7 mandates;
- 8 (b) Recommend policies that would capacitate national
9 government agencies in linking its respective budget with
10 performance outcomes;
- 11 (c) Recommend policies, plans and programs that would
12 ensure an improved policy and regulatory environment to
13 reduce cost of doing business in the country and improve
14 market competition; and
- 15 (d) Facilitate the resolution of governance issue in development
16 planning, the participation of various sectors in the
17 governance processes, and the development of capacities in
18 the identification, development, implementation and
19 evaluation of critical governance reforms.

20
21 **SEC. 10. *Meetings and Reports of the Inter-Agency Committees.***

22 - The inter-agency committees shall meet regularly, but may be convened
23 to such special meetings as may be necessary. The members of the inter-
24 agency committees shall be duly notified of any meeting in advance.

25 The inter-agency committees shall furnish the NEDB their respective
26 reports and outputs during such meetings.

27
28 **ARTICLE III. THE SECRETARY AND OFFICES OF THE NATIONAL**
29 **ECONOMIC AND DEVELOPMENT AUTHORITY**

30
31 **SEC. 11. *Organization, Composition, Staffing, and***
32 ***Compensation.*** - The NEDA shall determine its organizational structure,
33 composition and staffing, as well as the responsibilities and functions of

1 each office therein as provided for in SEC. 11, SEC. 12, SEC. 13, SEC. 14,
2 SEC. 15, and SEC. 16, according to applicable laws. It shall establish a
3 human resource management system, in accordance with Civil Service
4 rules, which shall govern the selection, hiring, appointment, transfer,
5 promotion, or dismissal of all personnel with the aim of establishing
6 integrity, professionalism and excellence at all levels. It shall adopt a
7 position classification and compensation structure based on job evaluation
8 studies, talent retention strategies, and wage surveys, that shall thereafter
9 be subjected to the approval of the NEDB. The salaries and other
10 remuneration of officials and permanent employees of NEDA shall at least
11 be one salary grade higher than the standard provided under Republic Act
12 No. 6758.

13
14 **SEC. 12. Organization of NEDA.** - The NEDA shall consist of the
15 Office of the Secretary, the Offices of the Undersecretaries and Assistant
16 Secretaries, technical and sectoral staffs, operations support staffs, and
17 regional offices.

18
19 **SEC. 13. Office of the Secretary of NEDA.** - The Office of the
20 Secretary of NEDA shall consist of the Secretary, four (4) Undersecretaries,
21 eight (8) Assistant Secretaries, the Internal Audit Service, and the
22 Legislative Liaison Office.

23
24 **SEC. 14. Functions of the Secretary of NEDA.** - The Secretary of
25 the National Economic and Development Authority shall have the following
26 functions:

- 27 (1) Provide executive direction and supervision over the entire
28 operations of the NEDA and its attached agencies;
29 (2) Establish policies and standards for the effective, efficient, and
30 economical operations of the NEDA, in accordance with the
31 programs of the government;

- 1 (3) Promulgate rules, regulations, and other issuances as necessary
2 in carrying out the NEDA's mandate, objectives, policies, plans,
3 programs and projects;
- 4 (4) Establish effective linkages with regional and provincial planning
5 and development offices;
- 6 (5) Advise the President on the promulgation of executive or
7 administrative orders, and the formulation of regulatory and
8 legislative proposals, pertaining to matters of national economic
9 development;
- 10 (6) Promulgate such rules and regulations, and exercise such other
11 powers as may be required to implement the objectives of this
12 Act; and
- 13 (7) Perform such other tasks as may be provided by law or assigned
14 by the President.
- 15

16 **SEC. 15. Term of Office of the Secretary.** - The Secretary of
17 National Economic and Development Authority shall be appointed by the
18 President who shall serve until the expiration of the President's term unless
19 sooner terminated.

20 The Secretary may be re-appointed or extended beyond his or her
21 term, upon the discretion of the newly elected President.

22

23 **SEC. 16. Undersecretaries and Assistant Secretaries.** - The
24 Secretary shall be assisted by four (4) Undersecretaries and eight (8)
25 Assistant Secretaries, who are appointed by the President, upon
26 recommendation by the Secretary.

27 The Secretary shall have the flexibility to determine the respective
28 assignments of the Undersecretaries and Assistant Secretaries, depending
29 on the Secretary's strategic directions and/or on emerging development
30 trends affecting the country's economy.

31

1 **SEC. 17. Staffs and Offices.** - The NEDA shall be composed of the
2 following technical and sectoral staffs, administrative and support staffs,
3 and regional offices:

- 4 (1) National Policy and Planning Staff;
- 5 (2) Public Investment Staff;
- 6 (3) Monitoring and Evaluation Staff;
- 7 (4) Regional Development Staff;
- 8 (5) Agriculture, Natural Resources, and Environment Staff;
- 9 (6) Governance Staff;
- 10 (7) Social Infrastructure Staff;
- 11 (8) Connectivity Infrastructure Staff;
- 12 (9) Social Development Staff;
- 13 (10) Trade, Services, and Industry Staff;
- 14 (11) Administrative Staff;
- 15 (12) Development Information Staff;
- 16 (13) Financial Planning and Management Staff;
- 17 (14) Information and Communications Technology Staff;
- 18 (15) Legal Staff;
- 19 (16) Internal Audit Service;
- 20 (17) Legislative and Liaison Office; and
- 21 (18) Regional Offices in all the administrative regions of the country,
22 except those with planning offices created by law.

23 The Secretary may recommend for NEDB approval, the creation of
24 additional staffs or modification of existing staffs relative to their
25 structures, compositions, powers, and functions.

26
27 **SEC. 18. NEDA Regional Offices (NROs).** - The NROs shall have the
28 following functions:

- 29 (1) Oversee the integration of plans and programs of regional
30 agencies, state universities and colleges (SUCs), government
31 owned and controlled corporations (GOCCs), and local government
32 units (LGUs) into the regional and national plans. The NROs

- 1 shall provide assistance to regional line agencies, LGUs, SUCs and
2 GOCCs in identifying and developing programs and projects;
- 3 (2) Evaluate and review proposed policies, land use plans, programs
4 and projects in the region;
- 5 (3) Monitor and evaluate the implementation of plans, policies,
6 programs and projects;
- 7 (4) Provide technical and secretariat services to their respective
8 Regional Development Councils;
- 9 (5) Undertake research and ensure knowledge utilization for regional
10 development and productivity; and
- 11 (6) Provide technical assistance to development partners in the region
12 in accordance with NEDA's functions.
- 13

14 **SEC. 19. Attached Agencies.** - The agencies attached to the NEDA
15 as of the effectiveness of this Act shall continue to be attached in the
16 performance of their respective functions, pursuant to the pertinent
17 provisions of their respective charters or enabling laws, unless otherwise
18 provided.

19 The following agencies are attached to the NEDA for purposes of
20 policy and program coordination:

- 21 (1) Philippine Institute for Development Studies (PIDS);
- 22 (2) Philippine National Volunteer Service Coordinating Agency
23 (PNVSCA);
- 24 (3) Philippine Statistics Authority (PSA);
- 25 (4) Philippine Statistical Research and Training Institute (PSRTI);
26 and
- 27 (5) Commission on Population and Development (POPDEVCOM).

28 Other agencies, which are attached to the NEDA for budgetary
29 purposes and administrative supervision, include:

- 30 (1) Public-Private Partnership Center (PPPC); and
31 (2) Tariff Commission (TC).
- 32

1 **SEC. 20. *Functions of the Attached Agencies.*** - The agencies
2 attached to the NEDA shall continue to operate and function in accordance
3 with the respective charters, laws, or order creating them, except as
4 otherwise provided in this Act, the Administrative Code of 1987, and
5 subsequent laws. The NEDA shall review the mandate, objectives and
6 functions of the attached agencies in order to recommend dispositions or
7 revisions in its respective charters, whenever appropriate and deemed
8 advisable.

9
10 **SEC. 21. *Legislative-Executive Development Advisory Council***
11 **(LEDAC).** - The NEDA shall continue to serve as the principal secretariat of
12 the LEDAC, consistent with Republic Act No. 7640. It shall perform the
13 following functions under Sec. 3 thereof, including the preparation of the
14 budget and administration of the funds of the Council:

- 15 (1) Determine and recommend socioeconomic development goals in
16 pursuance of established policies which shall guide the
17 formulation and implementation of the national development plan;
- 18 (2) Provide policy advice to the President on vital issues affecting the
19 socioeconomic development of the country;
- 20 (3) Direct the study of measures to ensure that regional development
21 plans and programs are integrated into the national development
22 plan;
- 23 (4) Receive, and in appropriate cases, require reports on, and study
24 measures to improve, the implementation of official development
25 assistance from multilateral and bilateral entities;
- 26 (5) Assess effectiveness of implementation of the national development
27 plan;
- 28 (6) Integrate environmental concepts, principles and practices into the
29 national development plan for a balanced and cohesive approach
30 to national development;
- 31 (7) Review the relationship of the legislative agenda to the national
32 development plan to ensure the integration of both; and

1 (8) Study and recommend to the President and to Congress sources of
2 revenue as well as measures to reduce unnecessary expenditures
3 to the end that the resources of the Government will be used to the
4 optimum.
5

6 **ARTICLE IV. DEVELOPMENT PLANS AND PROGRAMS, REPORTS AND**
7 **PUBLICATIONS**
8

9 **SEC. 22. Long-Term Development Plan.** - The NEDA shall formulate
10 a twenty-five-year development plan which will provide the overall direction
11 to the medium-term and short-term development plans of the country, to
12 ensure consistency of government strategies, policies, programs, and
13 projects across political administrations. The long-term development plan
14 shall contain the development goals and milestones each administration
15 should attain to realize the long-term vision of the Filipino people.
16

17 **SEC. 23. Medium-Term Philippine Development Plan (MTPDP)**
18 **and Medium-Term Regional Development Plans (MTRDPs).** - The NEDA,
19 in consultation with appropriate public agencies, various private sector and
20 local government units, shall prepare an economic development blueprint
21 for the next six years, which shall be known as the Medium-Term
22 Development Plan. The MTPDP shall embody the government's socio-
23 economic policies, strategies and programs in support to and consistent
24 with the development agenda of the President, and geared towards the
25 attainment of the development goals and objectives in the long-term
26 development plan.

27 At the regional level, the NEDA Regional Offices shall coordinate the
28 preparation of their respective regional development plans, consistent with
29 the MTPDP. The MTRDPs shall define the region's development direction
30 and identify policies, strategies and programs.
31

32 **SEC. 24. Medium-Term Public Investment Program (MTPIP) and**
33 **Regional Medium-Term Development Investment Programs (RMTDIPs).**

1 - The preparation of the MTPIP and RMTDIPs shall coincide with the
2 formulation and preparation of the MTPDP and MTRDPs, respectively. The
3 NEDA shall prepare a list of priority programs and projects to be
4 implemented by the national government, government-owned and/or
5 controlled corporations (GOCCs), government financial institutions (GFIs),
6 and other national government offices and instrumentalities that will
7 contribute to the attainment of the sectoral goals and outcomes in the
8 MTPDP and MTRDPs.

9 The MTPIP and RMTDIPs shall be regularly updated. The NEDA, in
10 consultation with appropriate government agencies and stakeholders, shall
11 prioritize sectoral and geographic programs, projects and activities to be
12 funded from government appropriations, ODA, PPP, revenue sources
13 generated by GOCCs, GFIs, and other government bodies and
14 instrumentalities, and other viable sources of funding.

15
16 **SEC. 25. National Physical Framework Plan (NPFPP).** - The NEDA
17 shall prepare a framework which provides analytical parameters for the
18 planned allocation, use and management of the country's land and other
19 physical resources. The NPFPP shall help plan and manage these resources
20 at the national and subnational levels.

21 The NEDA Regional Offices shall coordinate the preparation of the
22 sub-national physical framework or physical development plans for the
23 approval of their respective RDCs.

24 The NPFPP and sub-national physical framework or physical
25 development plans shall serve as the main reference documents in the
26 preparation of the physical plans and land use plans of provinces, cities,
27 and municipalities in the country.

28
29 **SEC. 26. Socioeconomic Report (SER) and Regional Development**
30 **Reports (RDRs).** - To monitor the implementation of the MTPDP and
31 MTRDPs, the NEDA shall prepare periodic socioeconomic reports. The SER
32 and RDRs shall serve as inputs to policy and decision makers in the

1 formulation of policies, budgeting and implementation of programs and
2 projects, based on the development plans of the country.

3
4 **SEC. 27. ODA Portfolio Review.** - Consistent with RA No. 8182 or
5 the ODA Act of 1996, as amended by RA No. 8555, the NEDA shall conduct
6 an annual review of the status of all projects financed by ODA and identify
7 causes of implementation and completion delays or reasons for bottlenecks,
8 cost overruns (actual and prospective), and continued program or project
9 viability. The NEDA is required to submit to the President and Congress a
10 report on the outcome of the review not later than June 30 of each year.

11
12 **SEC. 28. Knowledge Management.** - The NEDA shall establish a
13 repository of data and information, publications, research and analyses,
14 and other information concerning the Philippine economy and
15 development, in general. It shall manage, maintain, and make available
16 such information and documents to the public for the purpose of knowledge
17 sharing.

18 19 **CHAPTER II**

20 21 **HARMONIZATION AND SYNCHRONIZATION OF DEVELOPMENT** 22 **PLANNING, INVESTMENT PROGRAMMING, BUDGETING, AND** 23 **MONITORING PROCESSES OF GOVERNMENT**

24 25 **ARTICLE I. LINKAGE AND ALIGNMENT OF PLANS AND PROGRAMS**

26
27 **SEC. 29. Planning and Program Formulation.** - The NEDB shall
28 issue the Planning Call not later than two months after the newly elected
29 President has assumed office. The NEDA shall prescribe the standards and
30 guidelines in the preparation of the MTPDP, MTRDPs, MTPIP and RMTDIPs,
31 including a planning and investment programming timetable aligned with
32 the budget calendar.

1 The NEDA, in coordination with concerned government agencies and
2 other government instrumentalities, shall determine a timetable for the
3 preparation and formulation of sectoral plans and programs, to ensure that
4 the policies and strategies contained in the respective sectoral plans are
5 considered and incorporated in the MTPDP. The timetable for the
6 formulation of the MTPDP and MTPIP shall coincide with the budgeting
7 timetable to ensure that the strategic programs and projects identified are
8 provided with the required funding allocation.

9
10 **SEC. 30. Planning, Programming and Budgeting Linkage.** - The
11 NEDA shall ensure that the linkage between development planning,
12 programming and budgeting shall be the highest priority in the planning
13 and budgeting activities of the government, consistent with provisions of
14 the Administrative Code of the Philippines.

15 The NEDA, together with the Department of Budget and Management
16 and other relevant government oversight agencies, shall ensure that the
17 annual and multi-year appropriations for programs and projects are
18 aligned with the development strategies in the MTPDP and MTRDPs.

19
20 **SEC. 31. Adoption and Implementation of Plans and Investment**
21 **Programs.** - The RDCs shall approve their respective MTRDPs and
22 RMTDIPs for consideration in the MTPDP and MTPIP. The NEDB shall
23 approve the MTPDP and MTPIP for adoption and implementation of
24 government agencies.

25
26 **SEC. 32. Integration of National, Regional and Local Plans and**
27 **Programs.** - The NEDA shall ensure the integration of major regional and
28 local development priorities into the MTPDP and MTRDPs, respectively.
29 Furthermore, the NEDA, through the NEDA Regional Offices, shall provide
30 oversight in the formulation of provincial development plans so that local
31 development thrusts are aligned and contribute to the national and regional
32 level plans and programs.

1 The NEDA shall likewise institute processes to enable the inclusion
2 of regional priorities in the programs and projects of the national
3 government agencies, and subsequently, in the respective budgets of
4 national agencies.

5 The NEDB, through the DBCC, shall identify and determine the level
6 of expenditure program of national government agencies by region, in
7 accordance with the approved regional medium-term development plans
8 and regional medium-term development investment programs.

9
10 **SEC. 33. Consultations and Technical Assistance.** - There shall
11 be maximum participation by and consultation with concerned local
12 government units, community organizations and beneficiaries, civil society
13 organizations, non-government organizations, people's organizations, the
14 academe, or other private organizations in order to ensure that the priority
15 needs are incorporated into the formulation of policies, plans, programs
16 and projects.

17 The NEDA shall provide technical assistance to the local government
18 units on how to localize national development strategies, particularly in
19 planning and investment programming to ensure alignment of local
20 development plans and strategies with the MTPDP and MTRDPs. It shall
21 also assist local government units in identifying and developing programs
22 and projects, and redirecting resources into more productive activities to
23 achieve the intended development outcomes in their respective areas.

24
25 **SEC. 34. Coordination with Autonomous and Administrative**
26 **Regions.** - The NEDA shall ensure effective coordination with autonomous
27 and administrative regions with separate planning offices in the
28 formulation of the MTPDP and in other relevant planning activities affecting
29 said regions.

30
31 **ARTICLE II. MONITORING AND EVALUATION OF PLANS AND**
32 **PROGRAMS**

1 the corresponding funds from the National Government shall have been
2 appropriated and released to the NEDA.

3
4 **SEC. 37. *Transfer of Rights and Obligations.*** - The NEDA shall,
5 by virtue of this Act, be subrogated to all the rights and assume all the
6 obligations of the current NEDA Secretariat, and all its liabilities that
7 pertain to its pertinent funds and appropriations, records, files, equipment,
8 facilities, supplies, property, and personnel, including unexpended
9 portions of its members' respective salaries.

10
11 **SEC. 38. *Funding.*** - The amount needed to carry out the initial
12 implementation of this Act shall be charged against the current operative
13 budget sourced from the funds currently available for the NEDA
14 Secretariat. Thereafter, the necessary budget for the continued operation
15 and maintenance of the NEDA shall be included in the annual GAA.

16
17 **SEC. 39. *Implementing Rules and Regulations.*** - Within ninety
18 (90) days from the effectiveness of this Act, the NEDB shall promulgate the
19 rules and regulations, as well as the issuances, necessary to ensure the
20 proper implementation of the provisions of this Act. These implementing
21 rules and regulations shall take effect fifteen (15) days after the completion
22 of their publication in two (2) newspapers of general circulation.

23
24 **SEC. 40. *Separability Clause.*** - If any provision or portion of this
25 Act is declared unconstitutional, the remainder of this Act or any provision
26 not thereby affected shall remain in full force and effect.

27
28 **SEC. 41. *Repealing Clause.*** - All laws, decrees, executive orders,
29 ordinances, rules, regulations, and other issuances, or parts thereof, which
30 are inconsistent with any provision of this Act, are hereby repealed,
31 amended, and/ or modified accordingly.

1 **SEC. 42. *Effectivity.*** - This Act shall take effect fifteen (15) days after
2 completion of its publication in the Official Gazette or in at least two (2)
3 newspapers of general circulation.

4

5 **Approved,**