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**SENATE**

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**COMMITTEE REPORT No. 525**

Submitted jointly by the Committees on Economic Affairs; Civil Service; Government Reorganization and Professional Regulation; and Finance on NOV 29 2018.

RE: Senate Bill No. 2120

Recommending its approval in substitution of SBN 1938.

Sponsor: Senator Sherwin Gatchalian

**MR. PRESIDENT:**

The Committee on Economic Affairs; Civil Service, Government Reorganization and Professional Regulation; and Finance, to which were referred Senate Bill No. 1938, introduced by Senator Sherwin Gatchalian, entitled:

**"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"**


have considered the same and have the honor to report it back to the Senate with the recommendation that the attached Senate Bill No. 2120, prepared by the Committee, entitled:

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

be approved in substitution of Senate Bill No. 1938., with Sen. Gatchalian as author thereof.

Respectfully submitted:

Chairpersons



**SENATOR SHERWIN GATCHALIAN**

Committee on Economic Affairs  
Member, Committee on Finance



**SENATOR LOREN B. LEGARDA**

Committee on Finance  
Member, Committee on Civil Service,  
Government Reorganization and  
Professional Regulation



**SENATOR ANTONIO "SONNY"  
TRILLANES IV**

Committee on Civil Service, Government  
Reorganization and Professional  
Regulation  
Member, Committee on Economic  
Affairs  
Member, Committee on Finance

Vice-Chairpersons



**SENATOR JOEL VILLANUEVA**  
Committee on Economic Affairs  
Member, Committee on Finance

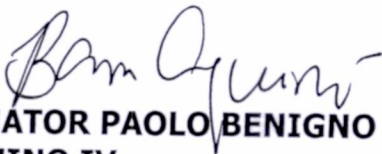
**SENATOR FRANCIS "CHIZ"  
ESCUDERO**

Committee on Civil Service, Government  
Reorganization and Professional  
Regulation  
Member, Committee on Economic  
Affairs



**SENATOR SONNY ANGARA**  
Committee on Finance  
Subcommittee C

**SENATOR CYNTHIA A. VILLAR**  
Committee on Finance  
Subcommittee B  
Member, Civil Service, Government  
Reorganization and Professional  
Regulation



**SENATOR PAOLO BENIGNO "BAM"  
AQUINO IV**  
Committee on Finance  
Subcommittee D  
Member, Civil Service, Government  
Reorganization and Professional  
Regulation



**SENATOR PANFILO "PING" M.  
LACSON**  
Committee on Finance  
Subcommittee E




**SENATOR JOSEPH VICTOR G. EJERCITO**  
Committee on Finance  
Subcommittee F  
Member, Committee on Economic Affairs

Members



**SENATOR AQUILINO "KOKO"  
PIMENTEL III**

Committee on Economic Affairs  
Committee on Finance




**SENATOR GREGORIO B. HONASAN  
II**

Committee on Civil Service, Government  
Reorganization and Professional  
Regulation  
Committee on Finance



**SENATOR RICHARD J. GORDON**

Committee on Economic Affairs  
Committee on Finance




**SENATOR EMMANUEL "MANNY" D.  
PACQUIAO**

Committee on Civil Service, Government  
Reorganization and Professional  
Regulation



**SENATOR MARIA LOURDES NANCY  
S. BINAY**

Committee on Economic Affairs  
Committee on Finance



**SENATOR GRACE POE**

Committee on Finance

**SENATOR FRANCIS "KIKO"  
PANGILINAN**

Committee on Economic Affairs  
Committee on Finance



**SENATOR RISA HONTIVEROS**

Committee on Finance

*May interpellate /  
propose amendments.*



Ex Officio Members

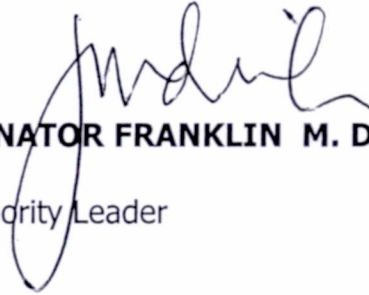
**SENATOR RALPH G. RECTO**

President Pro Tempore

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**SENATOR JUAN MIGUEL "MIGZ" F.  
ZUBIRI**

Majority Leader

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**SENATOR FRANKLIN M. DRILON**

Minority Leader

**SENATOR VICENTE SOTTO III**

Senate President

**SENATE BILL No. 2120**  
(In Substitution of Senate Bill No. 1938)

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Prepared and submitted by the Committees on Economic Affairs, Civil Service,  
Government Reorganization and Professional Regulation, and Finance,  
with Senator Gatchalian as author thereof

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

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

**CHAPTER I**  
**INSTITUTIONALIZATION AND ORGANIZATION OF THE NATIONAL**  
**ECONOMIC AND DEVELOPMENT AUTHORITY**

**ARTICLE I. POWERS AND FUNCTIONS OF THE NATIONAL ECONOMIC AND**  
**DEVELOPMENT AUTHORITY**

1 Section 1. *Short Title.* — This Act shall be known as the "The National  
2 Economic and Development Authority Act of 2018."

3  
4 Sec. 2. *Declaration of Policy.* — The State shall adopt and implement  
5 continuing integrated and coordinated long, medium, and short term development

1 plans and policies to achieve the following goals: full employment towards  
2 sustainable and inclusive economic growth; equitable distribution of opportunities,  
3 income and wealth; and increased productivity as a key to raising the quality of life  
4 for all. To this end, it is recognized that the formulation of socioeconomic policies  
5 and plans is a vital process that calls for the participation of the public and private  
6 sectors at the national and sub-national levels. The formulation and adoption of  
7 these policies and plans need to be coordinated and implemented by an independent  
8 economic and planning agency, to be headed by the President, to ensure the  
9 consistency of policies, plans and programs for national development and the  
10 sustainable use of the nation's resources.

11  
12         *Sec. 3. The National Economic and Development Authority.* — There is  
13 hereby established an independent economic and planning agency, which shall be  
14 known as the National Economic and Development Authority, hereafter referred to  
15 as NEDA.

16  
17         The NEDA shall consist of two (2) distinct but functionally related entities,  
18 namely, the National Economic and Development Board and the NEDA, hereafter  
19 referred to as the NEDA Board and the NEDA, respectively. The NEDA Board and the  
20 NEDA shall be structured organizationally and functionally, in accordance with the  
21 provisions of this Act, and shall be drawn from the existing NEDA Board and NEDA  
22 Secretariat, which was reorganized pursuant to Executive Order No. 230, s. 1987.

23  
24         *Sec. 4. Powers and Functions.* — The NEDA shall have the following powers  
25 and functions:

26         (1) Formulate, in consultation with appropriate public agencies, civil  
27 society organizations, non-government organizations, people's organizations, the  
28 academe, the private sector, and local government units, continuing integrated and  
29 coordinated policies, plans and programs for national and regional development,  
30 such as, but not limited to:

31                 (a) Long-term national development plans;



1 (b) Medium-term and short-term national and regional development  
2 plans;

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

4 (d) National and regional physical framework plans; and

5 (e) Sectoral, inter-sectoral and spatial plans and programs.

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

10 (3) Help ensure and coordinate the integration of national, regional, sub-  
11 national and spatial plans and programs for consistency and alignment with the  
12 overall development objectives of the country;

13 (4) Prioritize policies and strategies, with corresponding programs, activities  
14 and projects, and funding from the national government, official development  
15 assistance (ODA), public-private partnerships (PPP), and other viable sources of  
16 funding, as basis for budget expenditure policies and budget formulation, in  
17 coordination with implementing agencies, and for reporting to the NEDA Board and  
18 its committees;

19 (5) Monitor and evaluate national and regional programs and projects of  
20 government, funded by the national government, official development assistance,  
21 public-private partnerships, and other viable sources of funding to ensure their  
22 proper implementation and the achievement of goals for which such programs and  
23 projects were approved;

24 (6) Review, monitor and assess the impact of policies, regulations, and  
25 programs of the government, and recommend to concerned government agencies  
26 and instrumentalities strategies and measures, including proposed legislation, in  
27 collaboration with the Philippine Institute of Development Studies, as necessary, to  
28 achieve sectoral development goals;

29 (7) Recommend policies that would encourage investments to ensure that the  
30 economic and business environments and regulatory frameworks are consistent with  
31 the development agenda and plans of the country;



1 (8) Report to Congress on the economic performance of the country, including  
2 the status and directions of the fiscal and monetary policies of the government – in  
3 coordination with the Bangko Sentral ng Pilipinas and the Department of Finance –  
4 and prospects in the macroeconomy and labor market, and other relevant  
5 information that may be requested, for purposes of transparency and accountability;  
6 and

7 (9) Provide technical, advisory and secretariat support services to the NEDA  
8 Board and its committees, the Regional Development Councils, and other  
9 stakeholders.

## 11 **ARTICLE II.**

### 12 **THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY BOARD**

13 *Sec. 5. Composition of the National Economic and Development Authority*  
14 *Board (NEDA Board).* – The powers and functions of the NEDA shall reside in the  
15 NEDA Board, composed of eight (8) members:

16 (1) The President of the Philippines, who shall be the Chairperson of the NEDA  
17 Board. Whenever the President is unable to attend a meeting of the Board, the Vice-  
18 Chairperson shall act as Chairperson;

19 (2) The Secretary of NEDA, who shall be the Vice-Chairperson;

20 (3) The Secretary of Finance;

21 (4) The Secretary of Budget and Management;

22 (5) The Secretary of Interior and Local Government;

23 (6) The Secretary of Trade and Industry;

24 (7) The Secretary of Public Works and Highways; and

25 (8) The Governor of the Bangko Sentral ng Pilipinas (BSP), as a resource  
26 institution.

27 All members of the NEDA Board, except the Governor of the BSP, are voting  
28 members.

29 The presence of at least four voting members shall constitute a quorum.  
30

1           Sec. 6. *Meetings.* — The NEDA Board shall meet at least once every quarter.  
2   The presence of four (4) voting members shall constitute a quorum, provided that in  
3   all cases the Secretary of NEDA shall be present.

4           A special meeting of the NEDA Board may be convened by the President to  
5   address urgent concerns, or emergencies, such as natural disasters, calamities, or  
6   other extraordinary circumstances which would affect the economy and national  
7   development.

8           All decisions of the NEDA Board shall require the concurrence of at least a  
9   majority of the voting members present at a meeting at which there is a quorum.

10          The NEDA shall maintain and preserve a complete record of the proceedings  
11   and deliberations of the NEDA Board, including the recordings and transcripts, either  
12   in their original form, or in any secured digital format.

13  
14          Sec. 7. *Withdrawal of Persons Having a Personal Interest.* — In addition to  
15   the requirements of Republic Act No. 6713, any member of the NEDA Board with  
16   personal or pecuniary interest in any matter in the agenda of the NEDA Board shall  
17   disclose his interest to the Board and shall withdraw from the meeting when the  
18   matter is taken up. The decision taken on the matter shall be made public. The  
19   minutes shall reflect the disclosure made and the recusal of the member concerned  
20   from the meeting.

21  
22          Sec. 8. *Exercise of Authority.* — In the exercise of authority, the NEDA Board  
23   shall:

24          (1)   Direct the formulation and implementation of policies and strategies  
25   that would promote economic development and address development concerns of  
26   national importance;

27          (2)   Issue rules and regulations necessary for the effective discharge of the  
28   powers and functions vested upon the NEDA;

29          (3)   Ensure, together with the Department of Budget and Management and  
30   other relevant government oversight agencies, that the annual and multi-year  
31   appropriations for programs and projects are aligned with the development  
32   strategies in the MTPDP and MTRDPs;



1           (4)    Approve and endorse to Congress the integrated development plans  
2 and programs which will serve as bases for the annual budget review and  
3 deliberation;

4           (5)    Determine the level of annual government expenditures, as well as  
5 projections, forecast, resource requirement, and the ceiling of government spending  
6 for social and economic development, national defense, government debt service,  
7 and the proper allocation of expenditures for each development activity between  
8 current operating expenditures and capital outlay;

9           (6)    Approve or confirm projects, programs and plans as required under  
10 existing laws, orders, rules and regulations, and other issuances; and

11          (7)    Direct the reorganization, or establishment of inter-agency committees  
12 under the NEDA Board, including the modification of its membership, structures,  
13 powers and functions.

14  
15          Sec. 9. *Inter-Agency Committees.* — Inter-agency committees shall be created  
16 to be the primary advisory bodies to the NEDA Board. It shall submit  
17 recommendations on matters involving their concerns to the NEDA Board for  
18 approval.

19          The NEDA Board shall designate the respective Chairpersons of these  
20 Committees, including the Secretariat, unless otherwise specifically provided herein.

21          The NEDA Board may create other inter-agency committees, or modify  
22 existing ones, in respect to their structures, compositions, powers, and functions.

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

25          The composition of the inter-agency committees shall be without prejudice to  
26 the participation of representatives of other government agencies or bodies, or of  
27 authorized representatives of major organizations of local government officials, civil  
28 society organizations, non-government organizations, people's organizations, the  
29 academe, or other private organizations as may be considered desirable by the  
30 committee in its deliberations.

31          The following shall be the NEDA Board Inter-Agency Committees:

1           (1)     *Development Budget Coordination Committee (DBCC)* - The DBCC, to  
2 be composed of the Secretaries of Budget and Management, National Economic and  
3 Development Authority, Finance, and Trade and Industry, the Executive Secretary,  
4 and the Governor of the Bangko Sentral ng Pilipinas, shall have the following  
5 functions:

6           (a)     Recommend for Presidential approval the level of annual  
7 government expenditures and the ceiling of government spending for  
8 economic and social development, national defense, and government debt  
9 service;

10          (b)     Recommend the budget to be allocated for current operating  
11 expenditures and capital outlays of government programs and projects;

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

15          (d)     Conduct periodic review of fiscal and macroeconomic targets, and the  
16 revenue and expenditure projections of the government;

17          (e)     Prepare a strategic multi-year fiscal program which supports the long-  
18 term and medium-term development objectives of the country; and

19          (f)     Formulate and monitor the implementation of the framework for  
20 regional development of the medium-term development plan.

21       (2)     *Investment Coordination Committee (ICC)* - The ICC, to be composed  
22 of the Secretaries of Finance, National Economic and Development Authority, Budget  
23 and Management, Interior and Local Government, and Trade and Industry, the  
24 Executive Secretary, and the Governor of the Bangko Sentral ng Pilipinas, shall have  
25 the following functions:

26          (a)     Review and submit to the President a status of the fiscal,  
27 monetary and balance of payment implications of major capital programs and  
28 projects;

29          (b)     Recommend the timetable of the implementation of major  
30 capital programs and projects on a regular basis;

31          (c)     Review and evaluate specific major capital programs and  
32 projects with respect to technical, financial, economic, social, environmental,  
33 legal, institutional, feasibility, viability as well as from the context of sectoral



1 plans and geographical strategies, as may be required by law, orders, and  
2 other legal issuances;

3 (d) Review and approve major capital projects based on a cost  
4 threshold as may be set by the NEDA Board; and

5 (e) Recommend a domestic and foreign borrowing program.

6 (3) *Infrastructure Committee (INFRACOM)* - The INFRACOM, to be  
7 composed of the Secretaries of National Economic and Development Authority,  
8 Public Works and Highways, Budget and Management, Finance, Information and  
9 Communications Technology, Transportation, Trade and Industry, Energy,  
10 Agriculture, and Tourism, and the Executive Secretary, shall have the following  
11 functions:

12 (a) Formulate a national infrastructure development strategy that  
13 will coordinate, integrate and accelerate the development initiatives across all  
14 infrastructure subsectors in the country;

15 (b) Advise the President and the NEDA Board, on all matters  
16 concerning infrastructure development, including highways, airports,  
17 seaports, offshore infrastructure and shore protection; railways and subways;  
18 power generation, transmission and distribution; telecommunications;  
19 irrigation, flood control and drainage; water supply and sanitation; national  
20 buildings for government offices; hospitals and related buildings; state  
21 colleges and universities, elementary and secondary school buildings;  
22 reclamation; and other public works, whether procured or financed through  
23 traditional means, public-private partnership (PPP), or any other method; and

24 (c) Coordinate the activities of agencies, including government-  
25 owned and/ or controlled corporations involved in infrastructure  
26 development.

27 (4) *Social Development Committee (SDC)* - The SDC, to be composed of  
28 the Secretaries of Social Welfare and Development, National Economic and  
29 Development Authority, Budget and Management, Education, Agrarian Reform,  
30 Agriculture, Health, Interior and Local Government, and Labor and Employment, the  
31 Executive Secretary, and the Lead Convenor of the National Anti-Poverty  
32 Commission, shall have the following functions:

1 (a) Formulate and recommend government policies, programs and  
2 projects on social development that are appropriate and consistent with  
3 national development and priorities;

4 (b) Advise the NEDA Board on matters concerning social  
5 development, including education, manpower, health and nutrition,  
6 population and family planning, housing, human settlements, and the  
7 delivery of other social services; and

8 (c) Coordinate the activities of government agencies concerned with social  
9 development.

10 (5) *Tariff and Related Matters Committee (TRMC)* - The TRMC, to be  
11 composed of the Secretaries of Trade and Industry, National Economic and  
12 Development Authority, Agriculture, Budget and Management, Environment and  
13 Natural Resources, Finance, Foreign Affairs, Information and Communications  
14 Technology, Transportation, the Executive Secretary, the Governor of the Bangko  
15 Sentral ng Pilipinas, and the Chairperson of the Tariff Commission, shall have the  
16 following functions:

17 (a) Recommend to the NEDA Board a continuous rationalization  
18 policy and program for the country's tariff structure;

19 (b) Advise the NEDA Board on tariff and related matters, as well as  
20 the effects of various international developments on the country; and

21 (c) Coordinate government agency positions and recommend  
22 national positions for international economic negotiations.

23 (6) *Regional Development Committee (RDCOM)* - The RDCOM, to be  
24 composed of the Secretaries of National Economic and Development Authority,  
25 Interior and Local Government, Budget and Management, and Trade and Industry,  
26 three (3) Regional Development Council Chairpersons representing Luzon, Visayas  
27 and Mindanao, and one (1) representative from the Union of Local Authorities of the  
28 Philippines, shall have the following functions:

29 (a) Advise the NEDA Board on matters concerning regional  
30 development;

31 (b) Formulate and monitor the implementation of policies that  
32 reduce regional growth disparities;



1 (c) Promote equitable allocation of resources among regions by  
2 strengthening the linkage between national and regional/local planning,  
3 investment programming and budgeting, and providing recommendations to  
4 the DBCC on the guidelines for the regional allocation of budgetary  
5 resources;

6 (d) Serve as a clearinghouse for key regional development policy  
7 proposals that have impacts on at least two (2) regions;

8 (e) Formulate and monitor the implementation of the framework for  
9 regional development of the medium-term development plan; and

10 (f) Periodically review the viability of the regional configuration of  
11 the country, and recommend to the NEDA Board the re-delineation of  
12 regions, as may be necessary.

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

23 (a) Advise the NEDA Board on matters concerning land use and  
24 physical planning;

25 (b) Formulate a national physical framework plan and other inter-  
26 sectoral policies and programs that guide the rational utilization and  
27 management of the country's land and other physical resources, and the  
28 preparation of sub-national physical framework plans;

29 (c) Ensure the integration of land use and physical planning  
30 policies, plans and programs, including disaster risk management, into  
31 national socioeconomic plans and programs;

1 (d) Recommend resolutions concerning land use policy conflicts  
2 among agencies of the national government;

3 (e) Oversee the establishment and maintenance, in conjunction with  
4 appropriate government agencies, a database system that will identify and  
5 classify the present and possible uses of specific land areas, public and  
6 private, comprising the total land resource of the country; and

7 (f) Provide policy directions to the Regional Land Use Committees  
8 in the performance of their respective physical planning functions.

9 The NPRUC may call on any Department, Bureau, Office, or Agency for  
10 support or assistance in the performance of its function.

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

17 (8) *Economic Development Committee (EDC)* - The EDC shall be composed  
18 of the Secretaries of Finance, National Economic and Development Authority, Trade  
19 and Industry, Budget and Management, Public Works and Highways, Transportation,  
20 Information and Communications Technology, Energy, Science and Technology,  
21 Tourism, Agriculture, and Interior and Local Government, the Governor of the  
22 Bangko Sentral, and the Executive Secretary. It shall be the main coordinating  
23 mechanism that ensures that the policy environment is conducive to the promotion  
24 of rapid, inclusive, and sustained economic growth. In particular, the EDC shall:

25 (a) Formulate policies that promote sustainable economic  
26 development and inclusive growth;

27 (b) Promote an environment conducive to growth and  
28 competitiveness of private enterprises and human capital resources, and the  
29 creation of jobs that will empower people and provide them with  
30 opportunities to rise above poverty;



1 (c) Recommend to the President and NEDA Board policies that  
2 would ensure equitable distribution of economic opportunities and benefits to  
3 Filipinos;

4 (d) Recommend policy directions towards the development of farms  
5 and rural enterprises which are vital to achieving food security and more  
6 equitable growth; and

7 (e) Monitor and evaluate continuous improvements in national  
8 productivity and competitiveness of domestic products and services.

9 (9) *Science, Technology and Innovation Committee (STIC)* - The STIC, to  
10 be composed of the Secretaries of Science and Technology, National Economic and  
11 Development Authority, Information and Communications Technology, Trade and  
12 Industry, Finance, Budget and Management, and Education, Labor and Employment,  
13 Agriculture, and the Chairperson of the Commission on Higher Education, and the  
14 Executive Secretary, shall have the following functions:

15 (a) Recommend policies and programs that will promote a culture of  
16 research, planning and innovation, and encourage knowledge creation,  
17 dissemination and utilization to support the country's sustainable economic  
18 development, food security and safety, industrialization, defense and  
19 security, and competitiveness; and

20 (b) Oversee and coordinate the preparation of a national agenda  
21 that would provide the framework and strategies for research and  
22 development, and innovation in the country.

23  
24 Sec. 10. *Meetings and Reports of the Inter-Agency Committees.* – The inter-  
25 agency committees shall meet regularly, but may be convened to such special  
26 meetings as may be necessary. The members of the inter-agency committees shall  
27 be duly notified of any meeting in advance.

28 The inter-agency committees shall furnish the NEDA Board their respective  
29 reports and outputs during such meetings.

1                   **ARTICLE III. THE SECRETARY AND OFFICES OF THE NATIONAL**  
2                   **ECONOMIC AND DEVELOPMENT AUTHORITY**

3           Sec. 11. *Organization, Composition, Staffing, and Compensation.* – The NEDA  
4 shall determine its organizational structure, composition and staffing, as well as the  
5 responsibilities and functions of each office therein as provided for in Sections 12,  
6 13, 14, 15, 16, 17 and 18 according to applicable laws. It shall establish a human  
7 resource management system, in accordance with Civil Service rules, which shall  
8 govern the selection, hiring, appointment, transfer, promotion, or dismissal of all  
9 personnel with the aim of establishing integrity, professionalism and excellence at all  
10 levels.

11           It shall adopt a position classification and compensation structure based on  
12 job evaluation studies, talent retention strategies, and wage surveys, that shall  
13 thereafter be subjected to the approval of the NEDA Board. The salaries and other  
14 remuneration of officials and permanent employees of NEDA shall at least be one  
15 salary grade higher than the standard provided under Republic Act No. 6758.

16  
17           Sec. 12. *Organization of NEDA.* – The NEDA shall consist of the Office of the  
18 Secretary, the Offices of the Undersecretaries and Assistant Secretaries, technical  
19 and sectoral staffs, operations support staffs, and regional offices.

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

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

27           (1)   Provide executive direction and supervision over the entire operations  
28 of the NEDA;

29           (2)   Establish policies and standards for the effective, efficient, and  
30 economical operations of the NEDA, in accordance with the programs of the  
31 government;



1           (3)     Promulgate rules, regulations, and other issuances as necessary in  
2 carrying out the NEDA's mandate, objectives, policies, plans, programs and projects;

3           (4)     Establish effective linkages with regional and provincial planning and  
4 development offices;

5           (5)     Advise the President, thru the NEDA Board, on the promulgation of  
6 executive or administrative orders, and the formulation of regulatory and legislative  
7 proposals, pertaining to matters of national economic and social development;

8           (6)     Promulgate such rules and regulations, and exercise such other powers  
9 as may be required to implement the objectives of this Act; and

10          (7)     Perform such other tasks as may be provided by law or assigned by  
11 the President.

12  
13          Sec. 15. *Term of Office of the Secretary.* — The Secretary of National  
14 Economic and Development Authority shall be appointed by the President who shall  
15 serve until the expiration of the President's term unless sooner terminated.

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

18  
19          Sec. 16. *Undersecretaries and Assistant Secretaries.* — The Secretary shall be  
20 assisted by four (4) Undersecretaries and eight (8) Assistant Secretaries, who are  
21 appointed by the President, upon recommendation by the Secretary.

22          The Secretary shall have the flexibility to determine the respective  
23 assignments of the Undersecretaries and Assistant Secretaries, depending on the  
24 Secretary's strategic directions and/or on emerging development trends affecting the  
25 country's economy.

26  
27          Sec. 17. *Staffs and Offices.* — The NEDA shall be composed of the following  
28 technical and sectoral staffs, administrative and support staffs, and regional offices:

29           (1)     National Policy and Planning Staff;

30           (2)     Public Investment Staff;

31           (3)     Monitoring and Evaluation Staff;

32           (4)     Regional Development Staff;

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

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

Sec. 18. *NEDA Regional Offices (NROs)*. – The NROs shall have the following functions:

(1) Oversee the integration of plans and programs of regional agencies, state universities and colleges (SUCs), government owned and controlled corporations (GOCCs), and local government units (LGUs) into the regional and national plans. The NROs shall provide assistance to regional line agencies, LGUs, SUCs and GOCCs in identifying and developing programs and projects;

(2) Evaluate and review proposed policies, land use plans, programs and projects in the region;

(3) Monitor and evaluate the implementation of plans, policies, programs and projects;

(4) Provide technical and secretariat services to their respective Regional Development Councils;



1           (5)     Undertake research and ensure knowledge utilization for regional  
2 development and productivity;

3           (6)     Provide technical assistance to development partners in the region in  
4 accordance with NEDA's functions; and

5           (7)     Provide technical assistance to local government units through relevant  
6 agencies such as the Commission on Population in their development planning  
7 processes, taking into account population factors and the concept of population and  
8 development.

9  
10           Sec. 19. *Attached Agencies.* — The agencies attached to the NEDA as of the  
11 effectivity of this Act shall continue to be attached in the performance of their  
12 respective functions, pursuant to the pertinent provisions of their respective charters  
13 or enabling laws, unless otherwise provided.

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

- 16           (1)     Philippine Institute for Development Studies (PIDS);  
17           (2)     Philippine National Volunteer Service Coordinating Agency (PNVSCA);  
18           (3)     Philippine Statistics Authority (PSA);  
19           (4)     Philippine Statistical Research and Training Institute (PSRTI); and  
20           (5)     Commission on Population and Development (POPDEVCOM).

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

- 23           (1)     Public-Private Partnership Center (PPPC); and  
24           (2)     Tariff Commission (TC)

25  
26           Sec. 20. *Functions of the Attached Agencies.* — The agencies attached to the  
27 NEDA shall continue to operate and function in accordance with the respective  
28 charters, laws, or order creating them, except as otherwise provided in this Act, the  
29 Administrative Code of 1987, and subsequent laws. The NEDA shall review the  
30 mandate, objectives, and functions of the attached agencies in order to recommend  
31 dispositions or revisions in their respective charters, whenever appropriate and  
32 deemed advisable.

1       Sec. 21. *Legislative-Executive Development Advisory Council (LEDAC)*. – The  
2 NEDA shall continue to serve as the principal secretariat of the LEDAC, consistent  
3 with Republic Act No. 7640. It shall perform the following functions under Section 3  
4 thereof, including the preparation of the budget and administration of the funds of  
5 the Council:

6       (1) Determine and recommend socioeconomic development goals in  
7 pursuance of established policies which shall guide the formulation and  
8 implementation of the national development plan;

9       (2) Provide policy advice to the President on vital issues affecting the  
10 socioeconomic development of the country;

11       (3) Direct the study of measures to ensure that regional development  
12 plans and programs are integrated into the national development plan;

13       (4) Receive, and in appropriate cases, require reports on, and study  
14 measures to improve, the implementation of official development assistance from  
15 multilateral and bilateral entities;

16       (5) Assess effectiveness of implementation of the national development  
17 plan;

18       (6) Integrate environmental concepts, principles and practices into the  
19 national development plan for a balanced and cohesive approach to national  
20 development;

21       (7) Review the relationship of the legislative agenda to the national  
22 development plan to ensure the integration of both; and

23       (8) Study and recommend to the President and to Congress sources of  
24 revenue as well as measures to reduce unnecessary expenditures to the end that the  
25 resources of the government will be used to the optimum.

#### 26       **ARTICLE IV. DEVELOPMENT PLANS AND PROGRAMS, REPORTS AND** 27       **PUBLICATIONS**

28       Sec. 22. *Long-Term Development Plan*. – The NEDA, in consultation with  
29 regional, local, and other stakeholders, shall formulate a Long-Term National,  
30 Regional, and Local development plans which will provide the overall direction to the  
31 medium-term and short-term development plans of the country, to ensure



1 consistency of government strategies, policies, programs, and projects across  
2 political administrations. The long-term development plan shall contain the  
3 development goals and milestones each administration should attain to realize the  
4 long-term vision of the Filipino people.

5  
6       *Sec. 23. Medium-Term Philippine Development Plan (MTPDP) and Medium-*  
7 *Term Regional Development Plans (MTRDPs).* – The NEDA, in consultation with  
8 appropriate public agencies, various private sector and local government units, shall  
9 prepare an economic development blueprint for the next six years, which shall be  
10 known as the Medium-Term Philippine Development Plan. The MTPDP shall embody  
11 the government's socio-economic policies, strategies and programs in support to and  
12 consistent with the development agenda of the President, and geared towards the  
13 attainment of the development goals and objectives in the long-term development  
14 plan.

15       At the regional level, the NEDA Regional Offices shall coordinate the  
16 preparation of their respective regional development plans, consistent with the  
17 MTPDP. The MTRDPs shall define the region's development direction and identify  
18 policies, strategies and programs.

19  
20       *Sec. 24. Medium-Term Public Investment Program (MTPIP) and Regional*  
21 *Medium-Term Development Investment Programs (RMTDIPs).* – The preparation of  
22 the MTPIP and RMTDIPs shall be formulated in support of PDPs and RDPs. The  
23 NEDA shall prepare a list of priority programs and projects to be implemented by the  
24 national government, government-owned and/or controlled corporations (GOCCs),  
25 government financial institutions (GFIs), and other national government offices and  
26 instrumentalities that will contribute to the attainment of the sectoral goals and  
27 outcomes in the MTPDP and MTRDPs.

28       The MTPIP and RMTDIPs shall be regularly updated. The NEDA, in  
29 consultation with appropriate government agencies and stakeholders, shall prioritize  
30 sectoral and geographic programs, projects and activities to be funded from  
31 government appropriations, ODA, PPP, revenue sources generated by GOCCs, GFIs,

1 and other government bodies and instrumentalities, and other viable sources of  
2 funding.

3  
4       Sec. 25. *National Physical Framework Plan (NPFP)*. – The NEDA shall prepare  
5 a framework which provides analytical parameters for the planned allocation, use  
6 and management of the country's land and other physical resources. The NPFP shall  
7 help plan and manage these resources at the national and sub-national levels.

8       The NEDA Regional Offices shall coordinate the preparation of the sub-  
9 national physical framework or physical development plans for the approval of their  
10 respective RDCs.

11       The NPFP and sub-national physical framework or physical development plans  
12 shall serve as the main reference documents in the preparation of the physical plans  
13 and land use plans of provinces, cities, and municipalities in the country.

14  
15       Sec. 26. *Socioeconomic Report (SER) and Regional Development Reports*  
16 *(RDRs)*. – To monitor the implementation of the MTPDP and MTRDPs, the NEDA  
17 shall prepare periodic socioeconomic reports. The SER and RDRs shall serve as  
18 inputs to policy and decision makers in the formulation of policies, budgeting, and  
19 implementation of programs and projects based on the development plans of the  
20 country.

21  
22       Sec. 27. *ODA Portfolio Review*. – Consistent with RA No. 8182 or the ODA Act  
23 of 1996, as amended by RA No. 8555, the NEDA shall conduct an annual review of  
24 the status of all projects financed by ODA and identify causes of implementation and  
25 completion delays or reasons for bottlenecks, cost overruns, and continued program  
26 or project viability. The NEDA is required to submit to the President and Congress a  
27 report on the outcome of the review not later than June 30 of each year.

28  
29       Sec. 28. *Knowledge Management*. – The NEDA shall establish a repository of  
30 data and information, publications, research and analyses, and other information  
31 concerning the Philippine economy and development, in general. It shall manage,



1 maintain, and make available such information and documents to the public for the  
2 purpose of knowledge sharing.

3  
4 **CHAPTER II**  
5 **HARMONIZATION AND SYNCHRONIZATION OF DEVELOPMENT**  
6 **PLANNING, INVESTMENT PROGRAMMING, BUDGETING, MONITORING**  
7 **AND EVALUATION PROCESSES OF GOVERNMENT**  
8

9 **ARTICLE I. LINKAGE AND ALIGNMENT OF PLAN AND PROGRAM**  
10 **FORMULATION**

11 *Sec. 29. Plan and Program Formulation.* – The NEDA Board shall issue the  
12 Planning Call not later than two months after the newly elected President has  
13 assumed office. The NEDA shall prescribe the standards and guidelines in the  
14 preparation of the MTPDP, MTRDPs, MTPIP and RMTDIPs, including a planning and  
15 investment programming timetable aligned with the budget calendar.

16 The NEDA, in coordination with concerned government agencies and other  
17 government instrumentalities, shall determine a timetable for the preparation and  
18 formulation of sectoral plans and programs, to ensure that the policies and  
19 strategies contained in the respective sectoral plans are considered and incorporated  
20 in the MTPDP. The timetable for the formulation of the MTPDP and MTPIP shall align  
21 with the budgeting timetable to ensure that the strategic programs and projects  
22 identified are provided with the required funding allocation.

23  
24 *Sec. 30. Planning, Programming and Budgeting Linkage.* – The NEDA shall  
25 ensure a strong, efficient and effective linkage between development planning,  
26 programming and budgeting.

27 The NEDA, together with the Department of Budget and Management and  
28 other relevant government oversight agencies, shall ensure that the annual  
29 appropriations for programs and projects are aligned with the development  
30 strategies in the MTPDP and MTRDPs.

1       Sec. 31. *Adoption and Implementation of Plans and Investment Programs.* –

2       The RDCs shall approve their respective MTRDPs and RMTDIPs for consideration in  
3       the MTPDP and MTPIP. The NEDA Board shall approve the MTPDP and MTPIP for  
4       adoption and implementation of government agencies.

5  
6       Sec. 32. *Integration of National, Regional and Local Plans and Programs.* –

7       The NEDA shall ensure the integration of major regional and local development  
8       priorities into the MTPDP and MTRDPs, respectively. Furthermore, the NEDA,  
9       through the NEDA Regional Offices, shall provide oversight in the formulation of  
10      provincial development and physical framework plans so that local development  
11      thrusts are aligned with and contribute to the national and regional level plans and  
12      programs.

13      The NEDA shall likewise institute processes to enable the inclusion of regional  
14      priorities in the programs and projects of the national government agencies, and  
15      subsequently, in the respective budgets of national agencies.

16      The NEDA Board, through the DBCC, shall identify and determine the level of  
17      expenditure program of national government agencies by region, in accordance with  
18      the approved regional medium-term development plans and regional medium-term  
19      development investment programs.

20  
21      SEC. 33. *Consultations and Technical Assistance.* – There shall be maximum

22      participation by and consultation with concerned local government units, community  
23      organizations and beneficiaries, civil society organizations, non-government  
24      organizations, people's organizations, the academe, or other private organizations in  
25      order to ensure that the priority needs are incorporated into the formulation of  
26      policies, plans, programs and projects.

27      The NEDA shall provide technical assistance to the local government units on  
28      how to localize national development strategies, particularly in planning and  
29      investment programming to ensure alignment of local development plans and  
30      strategies with the MTPDP and MTRDPs. It shall also assist local government units in  
31      identifying and developing programs and projects, and redirecting resources into



1 more productive activities to achieve the intended development outcomes in their  
2 respective areas.

3  
4 SEC. 34. *Coordination with Autonomous and Administrative Regions.* – The  
5 NEDA shall ensure effective coordination with autonomous and administrative  
6 regions with separate planning offices in the formulation of the MTPDP and in other  
7 relevant planning activities affecting said regions.

8  
9 **ARTICLE II. MONITORING AND EVALUATION OF PLANS AND PROGRAMS**

10 SEC. 35. *Monitoring and Reporting on the Implementation of Plans and*  
11 *Programs.* – The relevant inter-agency committees shall monitor the implementation  
12 of the MTPDP, MTRDPs, MTPIP and RMTDIPs, including sectoral plans and programs  
13 on an annual basis, to determine if the targets identified in the plans and programs  
14 were achieved. The monitoring results shall be reported to the NEDA Board,  
15 Congress, and other concerned agencies for purposes of adjustments in policies,  
16 programs and projects.

17 The NEDA shall facilitate the conduct of monitoring and evaluation of  
18 programs and projects at the national level, complemented by the Regional Project  
19 Monitoring and Evaluation System at the regional levels. The Department of the  
20 Interior and Local Government shall complement NEDA's monitoring, reporting and  
21 facilitation of programs and projects at the sub-regional level through the Local  
22 Project Monitoring Committees.

23  
24 SEC. 36. *Evaluation of the Implementation of Plans and Programs.* –  
25 Consistent with a National Evaluation Framework, which provides for the purposive  
26 conduct of evaluation in the public sector, a national evaluation agenda shall be  
27 formulated. The relevant inter-agency committees shall identify and commission, or  
28 instruct agencies to conduct public sector evaluation studies in support of good  
29 governance, transparency, accountability, and evidence-based decision making.

### CHAPTER III

#### TRANSITORY AND OTHER MISCELLANEOUS PROVISIONS

SEC. 37. *Transitory Provision.* – The powers and functions, applicable funds and appropriations, records, files, equipment, facilities, supplies, property, and personnel of the current NEDA Secretariat are hereby transferred to the new NEDA.

The present career officials and employees of the current NEDA Secretariat shall enjoy security of tenure and be absorbed by the new NEDA, in accordance with its staffing pattern and selection process as prescribed under Republic Act No. 6656 and by the NEDA Board, unless they are separated from service by virtue of the reorganization resulting from this Act, or opt and are qualified to retire from service. The affected officials and employees shall be entitled to a separation package in accordance with existing laws.

Unless absolutely required, no officer or employee shall be separated from service as a result of any reorganization or consolidation under the provisions of this Act. In addition, those who desire and are qualified to retire shall be entitled to all the benefits provided under existing laws.

Current officials and employees of the NEDA Secretariat shall continue to draw their salaries, benefits, and other emoluments until such time, but not later than one (1) year from the effectivity of this Act, that the corresponding funds from the National Government shall have been appropriated and released to the NEDA.

SEC. 38. *Transfer of Rights and Obligations.* – The NEDA shall, by virtue of this Act, be subrogated to all the rights and assume all the obligations of the current NEDA Secretariat, and all its liabilities that pertain to its pertinent funds and appropriations, records, files, equipment, facilities, supplies, property, and personnel, including unexpended portions of its members' respective salaries.

SEC. 39. *Funding.* – The amount needed to carry out the initial implementation of this Act shall be charged on the current year's budget of NEDA. Thereafter, the necessary budget for the continued operation and maintenance of the NEDA shall be included in the annual General Appropriations Act (GAA).



1        SEC. 40. *Implementing Rules and Regulations.* – Within ninety (90) days from  
2 the effectivity of this Act, the NEDA Board shall promulgate the rules and  
3 regulations, as well as the issuances, necessary to ensure the proper implementation  
4 of the provisions of this Act. These implementing rules and regulations shall take  
5 effect fifteen (15) days after the completion of their publication in two (2)  
6 newspapers of general circulation.

7  
8        SEC. 41. *Separability Clause.* – If any provision or portion of this Act is  
9 declared unconstitutional, the remainder of this Act or any provision not thereby  
10 affected shall remain in full force and effect.

11  
12        SEC. 42. *Repealing Clause.* – All laws, decrees, executive orders, ordinances,  
13 rules, regulations, and other issuances, or parts thereof, which are inconsistent with  
14 any provision of this Act, are hereby repealed, amended, and/ or modified  
15 accordingly.

16  
17        SEC. 43. *Effectivity.* – This Act shall take effect fifteen (15) days after  
18 completion of its publication in the Official Gazette or in at least two (2) newspapers  
19 of general circulation.

20        Approved,