

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



Office of the Secretary

20 APR 16 A8:47

SENATE

S. No. 1424

RECEIVED BY

Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
ESTABLISHING A NATIONAL ECONOMIC DECENTRALIZATION PLAN TO
FACILITATE FURTHER GROWTH IN ALL REGIONS OF THE PHILIPPINES,
AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Article XII Section 1 of the Constitution states that, "The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged." Further, it provides, "In the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop."

It is therefore imperative upon the national government to set up and maintain an economic infrastructure that will guarantee the development not only of its capital city and its neighboring provinces, but *all* of the regions, including the remote communities and the countryside.

Unfortunately, certain indicators show that economic activities are heavily concentrated in the National Capital Region (NCR). In fact, a lion's share (36%) of the national Gross Domestic Product (GDP) for 2018 comes from NCR. Meanwhile, Region IVA (CALABARZON) and Region III (Central Luzon) contribute 17% and 9.8%, respectively to the GDP.¹ Together, the three regions alone contribute to more

than 60% of the country's GDP. Moreover, 20.36% of Micro, Small and Medium Enterprises (MSMEs) are located in the NCR. The capital region, together with CALABARZON, Central Luzon, Central Visayas, and Western Visayas, (i.e. five regions out of seventeen) accounts for 60% of the total number of MSMEs in the country in 2018. ⁱⁱ

On a related note, NCR, Region III, and Region IVA reported the lowest poverty incidence rates among population for 2018.ⁱⁱⁱ

This proposed measure seeks to assist the poorer regions in attaining inclusive and sustained economic growth through a National Economic Decentralization Plan which will explore and implement strategies geared towards industrial relocation and creation of new urban centers. Also, the bill seeks to bring outside Metro Manila quality health care and learning facilities through the creation of specialty hospitals similar to the Philippine Heart Center, Lung Center of the Philippines, and the like across the country, and the establishment of Regional Centers of Excellence for education and skills development.

In this light, the immediate approval of this bill is earnestly sought.


RAMON BONG REVILLA, JR.

ⁱ <https://psa.gov.ph/regional-accounts/grdp/highlights>


ⁱⁱ <https://www.dti.gov.ph/resources/msme-statistics/>

ⁱⁱⁱ https://psa.gov.ph/sites/default/files/2018%20Full%20Year%20Poverty%20Statistics%20_FINAL.pdf

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AN ACT
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Be it enacted by the Senate and House of Representative of the Philippines in Congress assembled:

1 Section 1. *Short Title.* - This Act shall be known as the "*The Progresibong*
2 *Pilipinas Para sa Lahat ng Pilipino Act*".

3 Sec. 2. *Declaration of Policy.* - It is a policy of the State to ensure the
4 equitable distribution of wealth and opportunity to each Filipino through good
5 governance in conjunction with consistent national policies, coordinated regional
6 strategies and a clear blueprint towards a progressive Philippines for every Filipino.

7 Sec. 3. *Philippine Decentralization Committee.* - There is hereby created a
8 Philippine Decentralization Committee (PDC) to be chaired by the Executive
9 Secretary with the following members:

10 (a) Secretary of the Department of Public Works and Highways (DPWH);

11 (b) Secretary of the Department of Finance (DOF);

12 (c) Secretary of the Department of Budget and Management (DBM);

13 (d) Secretary of the Department of Transportation (DOTr);

14 (e) Director General of the National Economic and Development Authority
15 (NEDA);

16 (f) Representative from the League of Governors;

- 1 (g) Representative from the League of Cities; and
2 (h) Experts from the private sector and the academe in the following, but not
3 limited to, fields of expertise: urban planning and management, supply
4 chain management, and agri-business, and industrial growth.

5 **Sec. 4. *Philippine Decentralization Plan (PDP).*** – The PDC shall formulate a 5-
6 year midterm, and a 10-year long-term plan within the One Hundred Eighty (180)
7 days from the effectivity of this Act, containing the following:

- 8 (a) Comprehensive studies focusing on the challenges and opportunities for
9 regional economic development;
10 (b) Proposals on infrastructure and human capital investments in order to
11 create economic opportunities across the regions based on their
12 geography, natural resources, human resources, economic profile,
13 technology, culture and traditions, among others;
14 (c) Assessment of possible relocation sites for industries and enterprises
15 outside Metro Manila and provision of incentives and benefits therefor.

16 **Sec. 5. *Philippine Healthcare Development Program.*** – There is hereby
17 established a Philippine Healthcare Development Program, which provides for an
18 integrated and comprehensive approach to health development by ensuring
19 adequate health facilities to support the improvement and sustainability of the
20 healthcare system with the goal of providing effective and affordable services for the
21 entire Philippine population and improving health outcomes. The program shall also
22 provide for the establishment of specialty hospitals within Northern and Southern
23 Luzon, Visayas and Mindanao similar to those currently existing in Metro Manila such
24 as the Philippine Heart Center, Lung Center of the Philippines, National Kidney and
25 Transplant Institute, and Philippine Orthopedic Center.

26 **Sec. 6. *Regional Centers for Excellence Development Program.*** – There is
27 hereby established Regional Centers for Excellence Development Program, which
28 provides assured funding in the amount of 100 Billion Philippine Pesos (Php 100
29 Billion) for the establishment and development of Regional Centers for Excellence
30 outside of Metro Manila focusing on education and skills development to be
31 determined by the Secretary of the Department of Education (DepEd), the

1 Chairperson of the Commission on Higher Education (CHED), and the Director
2 General of the Technical Education and Skills Development Authority (TESDA).

3 *Sec. 7. Decentralization of Procurement Procedures for Major Projects.* For
4 major projects located in areas outside Metro Manila, bidding and procurement
5 mechanisms must be established to allow the aforementioned procedures to take
6 place in the region/s involved.

7 *Sec. 8. Provision of Tax Incentives for Industries Located Outside NCR.* With
8 purposes of attracting investments and dispersing industries to all regions outside
9 NCR, the DOF shall be responsible for providing appropriate incentives to locators
10 and investors who situate or relocate their businesses or enterprises outside Metro
11 Manila.

12 *Sec. 9. Appropriation and Period of Implementation.* The PDP under this Act
13 shall be implemented over a period of ten (10) years. Within ninety (90) days from
14 the effectivity of this Act, and every year thereafter, the President, upon the
15 recommendation of the PDC, shall prepare the list of specific priority programs,
16 projects and activities that need to be funded for the year, and submit the same to
17 Congress for its consideration and approval in a joint resolution of the House of
18 Representatives and the Senate.

19 The annual appropriations for the PDP shall be included in the National
20 Expenditure Program which reflects the amounts necessary to support the funding
21 requirements for all programs, activities and projects approved by Congress under
22 the preceding paragraph. The funds to be appropriated by Congress under this Act
23 shall be treated as a distinct and separate budget item from the regular
24 appropriation of the implementing agencies and shall be administered by the heads
25 thereof. For the next five (5) years there shall be a periodic review of funding
26 requirements to determine the need for adjustments as necessary.

27 The PDC shall have an initial funding of 100 Million Philippine pesos (Php 100
28 Million) to conduct a comprehensive study referred to in Section 4 of this Act.

29 *Sec. 10. Annual Reports.* The PDC shall coordinate with the relevant national
30 government agencies and local government units and prepare a consolidated
31 progress report of the implementation of all priority programs, projects and activities
32 funded under this Act.

1 Within the first quarter of the succeeding year, the PDC shall submit an
2 annual report to the Office of the President, the Senate, and the House of
3 Representatives. Such report shall be made available to the public for scrutiny,
4 copying, and reproduction, and shall also be uploaded in the PDC's website.

5 Sec. 11. *Congressional Oversight Committee.* There is hereby created a
6 Congressional Oversight Committee to monitor and oversee the implementation of
7 the provisions of this Act. The Committee shall be composed of six (6) members
8 from the Senate and six (6) members from the House of Representatives with the
9 Chairpersons of the Committee on Economic Affairs of the Senate and the House of
10 Representatives as joint Chairpersons of this Committee. The five (5) other members
11 from each Chamber are to be designated by the Senate President and the Speaker
12 of the House of Representatives, respectively. The minority shall be entitled to *pro*
13 *rata* representation but shall have at least (2) representatives from each Chamber.

14 Sec. 12. *Separability Clause.* – If any provision or part hereof is held invalid or
15 unconstitutional, the remainder of the law or the provision or part not otherwise
16 affected shall remain valid and subsisting.

17 Sec. 13. *Repealing Clause.* – Any law, presidential decree or issuance,
18 executive order, letter of instruction, administrative order, rule, or regulation
19 contrary to or inconsistent with the provisions of this Act are hereby repealed,
20 modified, or amended accordingly.

21 Sec. 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its
22 publication in the *Official Gazette* or in a newspaper of general circulation.

23

24 *Approved,*