



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Eighteenth Congress
First Regular Session

HOUSE BILL NO. 392

Introduced by Representative Luis A. Ferrer IV

EXPLANATORY NOTE

This bill seeks to institutionalize the position of economic and investment promotion officer in local government units by amending Republic Act No. 7160, otherwise known as the "*Local Government Code of 1991*."

On October 13, 2010, the Department of the Interior and Local Government (DILG) issued Memorandum Circular 2010-113 encouraging all Provincial Governors and City Mayors to designate a Local Economic and Investment Promotion Officer to attract local and foreign investments and provide a conducive environment to generate and enhance economic activities in their respective locality.

As stated in the Memorandum Circular No. 2010-113, the role of the Local Economic and Investment Promotion Officer is to promote and facilitate investments by improving the business and investment environment in their areas through the implementation of investment promotion policies, projects and activities that will attract investors and increase the influx of investments. To capacitate the Local Economic and Investment Promotion Officers and equip them with the necessary skills and competence to perform their roles, the DILG and Department of Trade and Industry (DTI) were instructed to assist them through trainings and seminars.

On January 31, 2011, the DILG issued Memorandum Circular 2011-16 establishing the Private-Public Partnership Sub-Committee in the Local Development Councils of local government units. The said sub-committee shall be headed by the Local Economic and Investment Promotion Officer.

On October 12, 2011, the DILG and DTI jointly issued Memorandum Circular 2011-01 mandating the formulation of the Local Investment and Incentives Code for every local government unit. The formulation and implementation of the Local Investment and Incentives Code will ensure that the local initiatives are consistent with the national investment laws, rules, regulations and policies. There are no better officers or offices to lead the formulation and implementation of the Local Investment and Incentives Code but the Local Economic and Investment Promotion Officers and their offices as the government have capacitated and continuously equip them with the required skills and competencies.

With the abovementioned roles and functions of the Local Economic and Investment Promotion Officers, it is only proper that they be given a permanent position in the local government units. Currently, the economic and investment promotion officers are merely designated in temporary capacity and may be replaced anytime by the appointing authority. Moreover, the status of economic and investment promotion officer is coterminous with the appointing authority. The temporary appointment and coterminous status of the economic and investment promotion officer reflects the instability of the position and the possible discontinuation of the policies and programs of the local government units on economic and investment promotions. Further, in the event of replacement, the new economic and investment promotion officer must again undergo training and capacity building which would be costly for both the national and local governments.

There are local government units which designate other local government officers such as the planning and development coordinator and cooperatives officer as economic and investment promotion officer. The designation results to poor implementation of the economic and investment promotion policies, programs and activities since these officers will prioritize the performance of duties and responsibilities of their respective offices.

It is a must, therefore, that the position of economic and investment promotion officer be made permanent in the local government units. Under this measure, the appointment of economic and investment promotion officer is mandatory for every provincial, city, and first and second class municipal government. For third to sixth class municipalities, the appointment of economic and investment officer is only optional.

In view of the foregoing, the passage of this bill is earnestly sought.


LUIS A. FERRER IV



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AN ACT

INSTITUTIONALIZING THE POSITION OF ECONOMIC AND
INVESTMENT PROMOTION OFFICER IN LOCAL GOVERNMENT
UNITS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF
1991"

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

SECTION 1. Section 443 of Republic Act No. 7160 is hereby amended
to read as follows:

"SEC. 443. *Officials of the Municipal Government.* – (a)

There shall be in each municipality a municipal mayor, a
municipal vice mayor, sangguniang bayan members, a secretary
to the sangguniang bayan, a municipal treasurer, a municipal
assessor, a municipal accountant, a municipal budget officer, a
municipal planning and development coordinator, a municipal

1 engineer/building official, a municipal health officer and a
2 municipal civil registrar. **FOR FIRST AND SECOND**
3 **CLASS MUNICIPALITIES, THERE SHALL ALSO BE A**
4 **MUNICIPAL ECONOMIC AND INVESTMENT**
5 **PROMOTION OFFICER.**

6 (b) In addition thereto, the mayor may appoint a
7 municipal administrator, a municipal legal officer, a municipal
8 agriculturist, a municipal environment and natural resources
9 officer, a municipal social welfare and development officer, a
10 municipal architect, a municipal information officer. **THE**
11 **MAYOR OF THIRD TO SIXTH CLASS**
12 **MUNICIPALITIES MAY ALSO APPOINT A**
13 **MUNICIPAL ECONOMIC AND INVESTMENT**
14 **PROMOTION OFFICER.**

15 (c)

16 (d)

17 (e) xxx.”

18 SEC. 2. Section 454 of the same Act is hereby amended to read as
19 follows:

20 “SEC. 454. *Officials of the City Government.* – (a) There
21 shall be in each city a mayor, a vice mayor, sangguniang
22 panlungsod members, a secretary to the sangguniang
23 panlungsod, a city treasurer, a city assessor, a city accountant, a

1 city engineer, a city health officer, a city civil registrar, a city
2 administrator, a city legal officer, a city veterinarian, a city
3 social welfare and development officer, [~~and~~] a city general
4 services officer **AND A CITY ECONOMIC AND**
5 **INVESTMENT PROMOTION OFFICER.**

6 (b)

7 (c)

8 (d)

9 (e) xxx.”

10 SEC. 3. Section 463 of the same Act is hereby amended to read as
11 follows:

12 “SEC. 463. *Officials of the Provincial Government.* – (a)
13 There shall be in each province a governor, a vice governor,
14 members of the sangguniang panlalawigan, a secretary to the
15 sangguniang panlalawigan, a provincial treasurer, a provincial
16 assessor, a provincial accountant, a provincial engineer, a
17 provincial budget officer, a provincial planning and
18 development coordinator, a provincial legal officer, a provincial
19 administrator, a provincial health officer, a provincial social
20 welfare and development officer, a provincial general services
21 officer, a provincial agriculturist, [~~and~~] a provincial veterinarian
22 **AND A PROVINCIAL ECONOMIC AND INVESTMENT**
23 **PROMOTION OFFICER.**

1 (b)

2 (c)

3 (d)

4 (e) xxx.”

5 SEC. 4. A new section to be denominated as Section 490-A under the
6 new Article Twenty-One of Book III, Title Five, of the same Act is hereby
7 inserted to read as follows:

8 **“ARTICLE TWENTY-ONE. – THE ECONOMIC**
9 **AND INVESTMENT PROMOTION OFFICER**

10 **SEC. 490-A. QUALIFICATIONS, POWERS AND**
11 **DUTIES. – (A) NO PERSON SHALL BE APPOINTED**
12 **ECONOMIC AND INVESTMENT PROMOTION**
13 **OFFICER UNLESS THE PERSON IS A CITIZEN OF**
14 **THE PHILIPPINES, A RESIDENT OF THE PROVINCE,**
15 **CITY OR MUNICIPALITY WHERE SUCH PERSON**
16 **WILL BE APPOINTED, OF GOOD MORAL**
17 **CHARACTER, A HOLDER OF A COLLEGE DEGREE**
18 **PREFERABLY IN ECONOMICS, BUSINESS**
19 **ADMINISTRATION OR BUSINESS MANAGEMENT,**
20 **OR ANY RELATED COURSE FROM A RECOGNIZED**
21 **COLLEGE OR UNIVERSITY, AND A FIRST GRADE**
22 **CIVIL SERVICE ELIGIBLE OR ITS EQUIVALENT.**
23 **THE ECONOMIC AND INVESTMENT PROMOTION**

1 OFFICER MUST HAVE ACQUIRED EXPERIENCE IN
2 ECONOMIC OR INVESTMENT POLICY MAKING OR
3 MANAGEMENT OR RELATED FIELD FOR AT LEAST
4 FIVE (5) YEARS IN THE CASE OF THE PROVINCIAL
5 AND CITY ECONOMIC AND INVESTMENT OFFICER,
6 AND THREE (3) YEARS IN THE CASE OF THE
7 MUNICIPAL ECONOMIC AND INVESTMENT
8 OFFICER.

9 FOR THE PROVINCIAL, CITY, AND FIRST AND
10 SECOND CLASS MUNICIPAL GOVERNMENTS, THE
11 APPOINTMENT OF AN ECONOMIC AND
12 INVESTMENT PROMOTION OFFICER IS
13 MANDATORY AND OPTIONAL FOR THIRD TO
14 SIXTH CLASS MUNICIPAL GOVERNMENTS.

15 (B) THE ECONOMIC AND INVESTMENT
16 PROMOTION OFFICER SHALL TAKE CHARGE OF
17 THE ECONOMIC AND INVESTMENT PROMOTION
18 OFFICE AND SHALL:

19 1. FORMULATE AND IMPLEMENT THE
20 LOCAL INVESTMENT AND INCENTIVES CODE;

21 2. FACILITATE THE PREPARATION,
22 COORDINATION AND EXECUTION OF LOCAL
23 ECONOMIC AND INVESTMENT PROMOTION

1 POLICIES, PROJECTS, AND ACTIVITIES OF THE
2 LOCAL GOVERNMENT UNIT;

3 3. FACILITATE THE ESTABLISHMENT OF
4 SYSTEMATIC, COORDINATED AND SUSTAINED
5 PROMOTION AND MARKETING OF THE LOCAL
6 GOVERNMENT UNIT AS AN INVESTMENT
7 LOCATION;

8 4. PROVIDE BASIC INFORMATION ON THE
9 BUSINESS POTENTIALS OF THE LOCAL
10 GOVERNMENT UNIT TO PROSPECTIVE
11 INVESTORS TO ATTRACT MORE INVESTMENTS
12 TO FLOW IN THE COMMUNITY;

13 5. ADVISE THE SANGGUNIAN, THE
14 GOVERNOR OR MAYOR AND OTHER LOCAL
15 GOVERNMENT OFFICIALS ON THE
16 GENERATION OF INVESTMENTS AND ON SUCH
17 OTHER MATTERS RELATIVE TO ECONOMIC
18 DEVELOPMENT;

19 6. ESTABLISH, MAINTAIN AND UPDATE A
20 LOCAL ECONOMIC DATABASE CONTAINING
21 RELEVANT FACTS AND FIGURES;

7. COORDINATE WITH THE LOCAL AND NATIONAL GOVERNMENT OFFICES IN THE PROMOTION OF ECONOMIC ACTIVITIES;

**8. COORDINATE WITH THE PRIVATE
SECTOR IN CARRYING OUT INVESTMENT
PROMOTION CAMPAIGNS;**

9. CONDUCT INFORMATION
DISSEMINATION ON LOCAL AND NATIONAL
GOVERNMENT POLICIES ON INVESTMENTS;
AND

**10. EXERCISE SUCH OTHER POWERS AND
PERFORM SUCH OTHER DUTIES AND
FUNCTIONS AS MAY BE PRESCRIBED BY LAW
OR ORDINANCE.**

SEC. 5. Within ninety (90) days from the approval of this Act, the Secretary of Interior and Local Government, in coordination with the Presidents of the League of Provinces, League of Cities and League of Municipalities and the Secretary of Budget and Management, shall promulgate the rules and regulations implementing the provisions of this Act. The implementing rules and regulations issued pursuant to this section shall take effect thirty (30) days after its publication in two (2) newspapers of general circulation.

1 SEC. 6. This Act shall take effect fifteen (15) days after its publication
2 in the *Official Gazette* or in a newspaper of general circulation.

3 Approved,