

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session



HOUSE BILL NO. 1801

Introduced by Honorable Deogracias Victor "DV" B. Savellano

EXPLANATORY NOTE

This bill seeks to create the Northern Luzon Growth Quadrangle Development Authority, herein referred to as the Authority, covering the provinces, cities and municipalities of Ilocos Region, Cagayan Valley Region and the Cordillera Administrative Region (CAR).

As a backdrop of the proposed bill, precursor offices of the proposed Authority were created in the past: The Northwestern Luzon Growth Quadrangle Commission, created under Executive Order No. 175 (Series of 1994), as amended by Executive Order No. 223 (Series of 1995), Executive Order No. 229 (Series of 1995), Executive Order No. 259 (Series of 1995) and Executive Order No. 373 (Series of 1996) under the Ramos Administration, and Executive Order No. 114 under the Estrada Administration. Executive Order No. 147 (Series of 2002), creating the North Luzon Development Plan Management Office and Executive Order No. 239 (Series of 2003) rationalizing the Office of North Luzon Growth Quadrangle Area and Defining its Powers, Functions and Responsibilities were likewise issued under the Arroyo Administration.

In 2004, however, former President Gloria Macapagal-Arroyo issued Executive Order No. 357 (Series of 2004) abolishing the North Luzon Development Plan Management Office, and transferred the office and functions together with its personnel to the Office of the Presidential Adviser for North Luzon. Thereafter, President Benigno C. Aquino III issued Executive Order No. 18 (Series of 2010) abolishing the Office of the North Luzon Quadrangle Area attached to the Office of the President. This author feels the necessity to bring back the office, hence this bill.

The proposed Authority will be responsible for the overall policy direction, coordination and supervision of the entire development efforts of Ilocos Region, Cagayan Valley Region and CAR. The proposed Authority has a land area totalling 57,971.60 square kilometres representing about 20% of the total land area of the Philippines. The contiguous provinces and cities of Ilocos Region, Cagayan Valley Region and CAR are bound by historical and socio-cultural ties creating interdependence where day to day activities of the Cordilleras affect those of the lowlands of Ilocos and Cagayan Valley Regions. The people of Ilocos Region, Cagayan Valley Region and CAR are rich with skilled manpower that can be tapped for economic growth and development for the area. With the skilled manpower, the proposed Authority is aimed to stimulate trade, investment and tourism activities, generate jobs, expand businesses and create export and domestic markets for local produce of the Ilocos and Cagayan Valley Regions and CAR with the hope of reducing poverty incidence and for advancement and progress.

The three regions above, if developed together under a common framework of integrated and sustainable development, require a main coordinating body such as this Authority to effectively mobilize people in improving local industries. This will support the national leadership in achieving continuous programs and projects that would ensure sustained development for the three regions. Hopefully, the proposed Authority will open avenues to expand its growth towards dealings with Asian countries and other parts of the globe through trade, exchange programs, joint ventures and international discourse.

Early approval of this bill is earnestly sought.



DEOGRACIAS VICTOR "DV" B. SAVELLANO

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AN ACT
CREATING THE NORTHERN LUZON GROWTH QUADRANGLE
DEVELOPMENT AUTHORITY, PRESCRIBING ITS POWERS AND
FUNCTIONS AND APPROPRIATING FUNDS THEREFOR

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

SECTION. 1. ***Short Title.*** – This Act shall be known as the “*Northern Luzon Growth Quadrangle Development Authority Act.*”

SEC. 2. ***Declaration of Principles and Policies.*** – It is hereby declared a policy of the State to hasten the socioeconomic development of the provinces and cities of Ilocos Region, Cagayan Valley Region and the Cordillera Administrative Region (CAR), increasing trade, tourism and investments; encouraging private enterprise; generate jobs, develop infrastructures and advancing efforts towards peace and expansion. Towards this end, the State shall promote sustainable development by building a globally competitive and ecology conscious community of self-reliant and highly efficient people. The State shall likewise formulate and implement a framework to enhance the capabilities of the people where they are given equitable access to local resources, basic social services and economic opportunities. It shall ensure the implementation, management and oversight of the necessary measures and programs and an effective institutional mechanism to

be established to address the need for a coordinated and integrated approach in the formulation and implementation of various inter-regional development plans, programs and projects in Ilocos Region, Cagayan Valley Region and the Cordillera Administrative Region (CAR).

SEC. 3. ***Northern Luzon Growth Quadrangle Development Authority.*** – There is hereby created the Northern Luzon Growth Quadrangle Development Authority, hereinafter referred to as the Authority, to be headed by a Chairperson appointed by the President. It shall be organized within one hundred twenty (120) days after the approval of this Act. The Authority shall promote, coordinate and facilitate the active and extensive participation of all sectors to effect the socioeconomic development of the Ilocos Region, Cagayan Valley Region and the CAR. It shall be responsible in close cooperation with the local government units (LGUs) and line agencies for the overall policy direction and coordination of the efforts of the authority, execute the powers and functions herein vested.

SEC. 4. ***Coverage.*** – The Authority covers all the provinces and cities of Ilocos Region, Cagayan Valley Region and the CAR.

SEC. 5. ***Principal Office and Term.*** – The Authority shall have its main office in San Fernando City, La Union in the Ilocos Region. In order to achieve the objectives of this Act, satellite management offices may be established in Tuguegarao, Cagayan for Cagayan Valley Region and Baguio City for CAR and such other satellite offices as the Authority may establish taking into consideration the accessibility of their offices to the public. The Authority shall also have a term of fifty (50) years from the effectivity of this Act and renewable for the same period unless otherwise provided by law.

SEC. 6. ***Powers and Functions of the Authority.*** – The Authority shall exercise the following powers and functions:

- a) Formulate an integrated development framework for Ilocos Region, Cagayan Valley Region and CAR that is consistent with the peace and development initiatives of the National Government;
- b) Review and submit to the President, for approval, a master plan for the Authority;
- c) Cause the update, periodic review refinement and endorsement of the Authority plans, investment programs and development activities within the context of the master plan of the component regions;
- d) Transform regions in the Authority into highly developed and sustainable centers of agriculture, natural resources, commerce, education, tourism, banking, investment and finance, information and communications technology (ICT) knowledge-based industries and other appropriate industries of the region;
- e) Recommend to and, whenever necessary, call upon the proper agencies on the technical support, physical assistance and, generally, the level of priority to be accorded to agricultural, industrial, commercial, infrastructure, environmental, and technological programs and projects soliciting or requiring direct or indirect help from or through the National Government or any of its instrumentalities;
- f) Educate and inform the constituents of Ilocos Region, Cagayan Valley Region and CAR, about national policies that foster the integrated and balanced development of the area to encourage their full participation;
- g) Promote and facilitate investments in any field which enhance the socioeconomic development of Ilocos Region, Cagayan Valley Region and CAR and uplift the living standards of the people and their socio-political activities in close coordination with agencies primarily mandated to undertake such functions;
- h) Explore sources for financing priority for inter-regional programs, projects and activities of Ilocos Region, Cagayan Valley Region and CAR that

encourage economic and social development through programs, projects and activities;

i) Coordinate and facilitate the extension of necessary planning, management and technical assistance to prospective and existing investors, complementary and in support of agencies primarily mandated to execute such functions;

j) Establish a comprehensive and integrated database in Ilocos Region, Cagayan Valley Region and CAR needed for planning and decision-making;

k) Monitor, evaluate and formulate recommendations in the implementation of specific Ilocos Region, Cagayan Valley Region and CAR inter-regional development programs, activities and projects.

l) Provide strategic direction for Ilocos Region, Cagayan Valley Region and CAR;

m) Establish appropriate mechanisms to ensure the timely implementation of specific Ilocos Region, Cagayan Valley Region and CAR inter-regional projects, whenever necessary, as far as practicable, including public-private partnership;

n) Review and recommend for approval by the National Economic and Development Authority (NEDA) Board such specific Ilocos Region, Cagayan Valley Region and CAR inter-regional programs, projects, and plans by the National Government and donor agencies subject to existing laws, rules and regulations;

o) Receive and administer donations, contributions, grants, bequests or gifts, in cash or in kind, from foreign governments, international agencies, private entities and other sources, including Official Development Assistance (ODA), to be used in the development of Ilocos Region, Cagayan Valley Region and CAR, subject to existing laws, rules and regulations;

p) Integrate, prioritize program and implement, whenever allowed and authorized by applicable laws with impact on Ilocos Region, Cagayan Valley Region and CAR inter-regional and region-specific programs, activities and projects including ODA projects, subject to such limitations prescribed by existing laws, rules and regulations;

q) To sue and be sued, enter into contracts, acquire, purchase, hold, lease, transfer, dispose of property of any kind or nature to carry out the purposes to this Act; and

r) Discharge other functions that may be deemed necessary or as may be provided by law.

The Authority, through its Chairperson, shall submit to the President and both Houses of Congress annual reports on its accomplishments and activities.

SEC. 7. *Chairperson.* – The Chairperson is the head of the Authority who shall be appointed by the President of the Philippines with a Cabinet rank. The Chairperson shall serve a term of six (6) years from the date of the appointment unless removed for a cause. No person shall be appointed as Chairperson unless the person is a holder of a degree in law or a master degree in any of the following fields: economics, business, public administration, law, management or their equivalent and with at least ten (10) years relevant experience in these fields. The Chairperson must be a resident of any of the provinces of Ilocos Region, Cagayan Valley Region or CAR for at least (5) years before the appointment.

SEC. 8. *Duties and Functions.* – The Chairperson shall exercise the following duties and functions:

a) Call and preside over meetings of the Board of Directors, hereinafter referred to as the Board, and see to it that the policies, programs, rules and regulations are implemented properly;

b) Involve experts in the fields of development in the formulation and implementation of a comprehensive and integrated development plan for Ilocos Region, Cagayan Valley Region and CAR, investment programs and the preparation of investment programming priorities, annual reports and other pertinent documents approved by the Authority;

c) Identify solutions to key issues and concerns, taking into account related risks, affected parties and impact, in coordination with the Board and key stakeholders;

d) Advocate the work of the Authority among the various concerned sectors and stakeholders;

e) Call on any agency, group, individual member of the Board, local government unit, and host community to address issues and concerns relating to implementation of major programs, projects and activities;

f) Supervise the monitoring and timely implementation of specific Ilocos Region, Cagayan Valley Region and CAR interregional programs, projects and activities;

g) Endorse to the Board all policy recommendations, plans and programs for approval;

h) Represent the Board in regular and special cabinet meetings;

i) Accept, on behalf of the Authority, donations, contributions, grants and bequests or gifts, in cash or in kind, from members, foreign governments, international agencies, private entities or any individual to realize the functions of the Authority;

j) Supervise administrative operations including disbursement of any fund of the Authority, subject to the usual accounting and auditing procedures, and submit reports thereon;

k) Execute and administer the policies and measures approved by the Board;

l) Appoint all employees of the Authority, and remove, dismiss or otherwise discipline for cause, such employees in accordance with the standard guidelines for recruitment, employment, and discipline in the civil service rules;

m) Represent the Authority in all dealings with other offices, agencies, and instrumentalities of the government and with all persons and entities, public or private;

n) Sign agreements or contracts on behalf of the Authority, including those for expert and consultancy services and other reports of accountabilities emanating from the Authority; and

o) Perform such other functions that the Board may direct to carry out the provisions of this Act.

SEC. 9. ***Executive Director.*** – An Executive Director shall be appointed by the President of the Philippines upon recommendation by the Chairperson. No person shall be appointed as Executive Director unless the appointee is a holder of a degree in any of the following fields: economics, business, public administration, law, management or their equivalent and with at least five (5) years relevant experience in these fields. The appointee must be a resident of any place in Ilocos Region, Cagayan Valley Region and CAR for at least five (5) years prior to the appointment and must be eligible for third level career service position pursuant to the career executive rank system

The Executive Director shall assist the Chairperson in carrying out the functions of the Authority and shall, likewise, serve as the Secretary of the Board.

SEC. 10. ***Board of Directors.*** – The Authority's overall directions and thrusts shall be provided and approved, unless provided otherwise in this Act, by the Board composed of the following members:

- a) The Chairperson;
- b) The heads of the Regional Development Councils of Ilocos Region, Cagayan Valley Region and Cordillera Administrative Region;
- c) A local chief executive among the municipalities and cities of Ilocos Region, Cagayan Valley Region and CAR designated by the Union of Local Authorities of the Philippines (ULAP);
- d) The President of the Confederation of Governors, City Mayors and Municipal Mayors League Presidents of Ilocos Region, Cagayan Valley Region and CAR; and
- e) The three (3) representatives from the i) business sector; ii) academic sector; and iii) nongovernment organization (NGO) sector to be appointed by the President, upon the recommendation of the Board comprising one (1) representative each from the Ilocos Region, Cagayan Valley Region and CAR:

The three (3) representatives from the private sector shall serve for a term of six (6) years. At the initial appointment of such members, the second member to be appointed shall only serve a term of four (4) years and the third member to be appointed shall only serve a term of two (2) years. They shall continue to hold office until their successors shall have been appointed. All vacancies, prior to the expiration of the term, shall be filled for the unexpired term only.

The members of the Board are entitled for a per diem of not more than five thousand pesos (P5,000.00) for every meeting. The per diem collected per month must not exceed the equivalent of four (4) meetings. The amount of per diem for every meeting may be increased by the President but such amount shall not be increased within two (2) years from its last increase.

SEC. 11. ***Duties and functions.*** — The Board shall exercise the following functions:

- a) Provide direction and guidance for the Authority's work and thrusts for Ilocos Region, Cagayan Valley Region and CAR;
- b) Ensure that the goals and policies of the Authority are consistent with the overall national development goals and objectives;
- c) Ensure that the programs of the Authority are consistent with regional and local development plans, programs and projects and vice versa for purposes of harmonization;
- d) Explore sources for financing of priority specific Ilocos Region, Cagayan Valley Region and CAR interregional plans, programs, projects and activities;
- e) Create committees or task forces as may be deemed necessary in the accomplishment of duties and functions;
- f) Determine schedules, establish voting procedures, criteria for the constitution of a quorum and other rules and regulations in the conduct of Board interregional meetings; and
- g) Perform such functions as may be necessary to carry out the purposes of this Act.

SEC. 12. ***Executive Committee.*** – The Board shall constitute an Executive Committee, hereinafter referred to as the ExeCom, from among its membership to act, for and on its behalf when the Board is not in session, on urgent matters as may be deemed necessary by the Chairperson. To ensure interregional representation and participation, the following comprise the ExeCom:

- a) The Chairperson;
- b) The heads of the Regional Development Councils of Ilocos Region, Cagayan Valley Region and Cordillera Administrative Region;
- c) Representative from the nongovernment organizations in the Ilocos Region, Cagayan Valley Region and CAR business sector; and

d) Representative from the nongovernment organizations in the Ilocos Region, Cagayan Valley Region and CAR.

SEC. 13. **Organizational Structure.** – The Chairperson shall determine the organizational structure, staffing pattern and pay scales of the Authority personnel subject to existing civil service and compensation laws. The Chairperson may reorganize the Authority and may create or abolish divisions, units or branches therein as the exigencies of the affairs of the Authority may require.

SEC. 14. **Merit System.** – All officials and employees of the Authority shall be selected and appointed on the basis of merit and fitness in accordance with civil service law, rules and regulations. The recruitment, transfer, promotion, and dismissal of all its personnel including temporary workers shall be governed by a merit system that is established by the Authority in compliance with existing laws, rules and regulations.

SEC. 15. **Appropriations.** – The amount necessary to finance the initial implementation of this Act shall be charged against the current year's appropriations of the Regional Development Councils of Ilocos Region, Cagayan Valley Region and Cordillera Administrative Region. Thereafter, the amount necessary for its operation shall be included in the annual General Appropriations Act.

SEC. 16. **Implementing Rules and Regulations.** – Within sixty (60) days after the approval of this Act, the Authority shall adopt rules and regulations to implement the provisions of this Act.

SEC 17. **Repealing Clause.** – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are hereby repealed or modified accordingly.

SEC. 18. ***Separability Clause.*** – If any part or provision of this Act is held unconstitutional or invalid, other provisions hereof which are not affected shall continue to remain in full force and effect.

SEC. 19. ***Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved.