



HOUSE OF REPRESENTATIVES

House Bill No. 4693

Introduced by Representative Victor A. Yap

EXPLANATORY NOTE

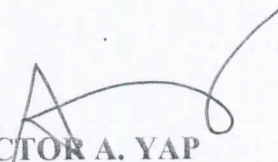
Highly-regarded as the authority in macroeconomic forecasting and policy analysis and research in the Philippines, the National Economic and Development Authority (NEDA) is considered the country's premier socio-economic development planning body that provides high-level advice to policymakers in Congress and the Executive Branch.

In 1935, Commonwealth Act No. 2 created the National Economic Council, tasked to advise the government on economic and financial matters, and formulate an economic program based on national independence. This is the first law that responded to the government's need for a body designated to address economic concerns of the country. In 1987, Executive Order No. 230 reorganized the National Economic and Development Authority to enhance its ability to coordinate the development planning and policy formulation process, to achieve the objectives of sustainable economic growth coupled with an equitable distribution of income and wealth.

Although E.O. 230 maintained NEDA to be the policy coordinating body primarily responsible for formulating continuing, coordinated and fully-integrated socio-economic policies, plans and programs, there still exists an increasing necessity for the NEDA to be institutionalized as an independent economic and planning agency.

Assigned to generate and provide impartial, objective, and evidence-based analyses and recommendations for the social and economic betterment of the nation, the NEDA, under this bill, shall specifically ensure the harmonization of national and regional plans and programs by prescribing standards, guidelines, compliance, and accountability mechanisms that guarantee continuing integrated and coordinated programs and policies for national development. Furthermore, this measure provides for an economic development blueprint for the next six (6) years which shall be known as the Philippine Development Plan (PDP). Under this proposed legislation, the NEDA, in consultation with appropriate public agencies, various private sector and local government units, shall prepare this PDP to embody the government's socio-economic policies, strategies and programs geared towards the attainment of the development goals and objectives in the long-term development plan.

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


VICTOR A. YAP
Representative, 2nd District of Tarlac

HOUSE OF REPRESENTATIVES

House Bill No. 4693

Introduced by Representative Victor A. Yap

AN ACT

INSTITUTIONALIZING THE NATIONAL ECONOMIC AND DEVELOPMENT
AUTHORITY AS THE INDEPENDENT ECONOMIC AND PLANNING AGENCY OF
THE PHILIPPINE GOVERNMENT, DEFINING ITS FUNCTIONS, AND
APPROPRIATING FUNDS THEREFOR, REPEALING FOR THE PURPOSE
EXECUTIVE ORDER NO. 230 SERIES OF 1987, ALSO KNOWN AS THE
REORGANIZATION ACT OF THE NATIONAL ECONOMIC AND DEVELOPMENT
AUTHORITY

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

CHAPTER I

INSTITUTIONALIZATION AND ORGANIZATION OF THE NATIONAL
ECONOMIC AND DEVELOPMENT AUTHORITY

ARTICLE I. TITLE AND POLICY

SECTION 1. *Short Title.* - This Act shall be known as “The National Economic and
Development Authority Act.”

SEC. 2. *Declaration of Policy.* – The State shall adopt and implement continuing
integrated and coordinated long, medium, and short term development policies and plans to
achieve full employment towards sustainable and inclusive economic growth, equitable
distribution of opportunities, income, and wealth; and increase productivity and innovation to
elevate global competitiveness, as a key to raising the quality of life for all. To this end, it is
recognized that the formulation of socioeconomic policies and plans is a vital process that calls
for the participation of the public and private sectors at the national and sub-national levels. To
achieve these, the Constitution mandates Congress to create an independent economic and
planning agency.

1 **ARTICLE II. THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY**

2
3 SEC. 3. *The National Economic and Development Authority.* — There is hereby
4 established an independent economic and planning agency, which shall be known as the
5 National Economic and Development Authority, hereafter referred to as NEDA. The NEDA
6 shall generate and provide impartial, objective, and evidence-based analyses and
7 recommendations for the socio-economic betterment of the nation, particularly to the President
8 of the Philippines, the Congress of the Republic of the Philippines, and Filipinos in general. To
9 this end, the NEDA shall be transparent and proactive in engaging all Filipinos in the
10 development of and discourse over the government's socio-economic policies, strategies, plans,
11 programs and project, and budgets.
12

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

20 SEC. 4. *Powers, Functions, and Duties of the NEDA.* — The NEDA shall perform the
21 following powers, functions and duties:

- 22 a) Formulate, in consultation with public agencies, civil society organizations, non-
23 government organizations, people's organizations, the academe, the private sector, and
24 local government units, continuing integrated and coordinated policies, plans and
25 programs for national and regional development, such as:
- 26 1. Long-term national development plans;
 - 27 2. Medium-term and short-term national and regional development plans;
 - 28 3. Medium-term national and regional public investment programs;
 - 29 4. Sectoral inter-sectoral and programs; and
 - 30 5. Evaluation agenda;
- 31 b) Ensure the harmonization of national and regional plans and programs by prescribing
32 standards, guidelines, and compliance, and accountability mechanisms to ensure
33 continuing integrated and coordinated programs and policies for national development;
- 34 c) Help ensure and coordinate the integration of national, regional, sub-national and spatial
35 plans and programs for consistency and alignment with the overall development
36 objectives of the country;
- 37 d) Prioritize policies and strategies, with corresponding programs, activities and projects,
38 and funding from the national government, official development assistance (ODA),

1 public-private partnerships, and other viable sources of funding, as basis for budget
2 expenditure policies and budget formulation, in coordination with implementing
3 agencies, and for reporting to the NEDB and i. committees;

- 4 e) Oversee, monitor, and evaluate the implementation a national and regional programs and
5 project a government, funded by the national government, public-private partnerships,
6 ODA, and programs vested with public interest;
- 7 f) Review, monitor and assess the impact of policies, regulations, and programs of the
8 government, and recommend to concerned government agencies and instrumentalities
9 strategies and measures, including proposed legislation, to achieve development goals;
- 10 g) Recommend policies that would encourage investment to ensure that the economic and
11 business environment and regulatory frameworks are consistent with the development
12 agenda and plans of the country;
- 13 h) Report to the people, Congress, the Cabinet, and the President on the economic
14 performance of the country, including the status and the directions of the fiscal and
15 monetary policies of the government in coordination with the BSP and the Department
16 of Finance; and prospects in the macro-economy and labor market, and other relevant
17 information that may be requested, for purposes of transparency and accountability; and
- 18 i) Provide technical, advisory and secretariat support services to the NEDB and its
19 committees, the Regional Development Councils, and other stakeholders.

20
21 **SEC. 5. *Organization and Staffing.*** —The organizational structure and staffing
22 codifications, as necessary, shall be submitted by the NEDA to the DBM for review and
23 approval.

24
25 Appointments in NEDA, including those which are policy-determining, primarily
26 confidential or highly technical in nature, shall be made only according to the Civil Service
27 Law, rules and regulations.

28
29 **SEC. 6. *Organization of NEDA.*** - The NEDA shall consist of the Office of the
30 Secretary, the Offices of the Undersecretaries and Assistant Secretaries, technical and sectoral
31 staffs, operations support staffs, and regional offices.

32
33 **SEC. 7. *Office of the Secretary of NEDA.*** - The Office of the Secretary of NEDA shall
34 consist of the Secretary, four (4) Undersecretaries, eight (8) Assistant Secretaries, the Internal
35 Audit Service, and the Legislative Liaison Office.

36
37 **SEC. 8. *Secretary of the NEDA.*** - The NEDA shall be headed by a Secretary, who shall
38 be the Vice-Chairperson of the NEDB. The NEDA Secretary shall be a member of the Cabinet.

1
2 The NEDA Secretary shall have the following functions:

- 3 a) Provide executive direction and supervision over the entire operations of the
4 NEDA;
5 b) Establish policies and standards for the effective, efficient, and economical
6 operations of the NEDA, in accordance with the programs of the government;
7 c) Promulgate rules, regulations, and other issuances as necessary in carrying out
8 the NEDA's mandate, objectives, policies, plans, programs and projects;
9 d) Establish effective linkages with provincial and municipal planning and
10 development offices;
11 e) Advise the President of the Philippines on the promulgation of executive or
12 administrative orders, and the formulation of regulatory and legislative proposals,
13 pertaining to matters of national economic and social development;
14 f) Promulgate such rules and regulations, and exercise such other powers as may be
15 required to implement the objectives of this Act; and
16 g) Perform such other tasks as may be provided by law or assigned by the President
17 of the Philippines.
18

19 SEC. 9. ***Representation to the Monetary Board.*** - Whenever unable to a meeting of the
20 Monetary Board, the NEDA Secretary may designate a representative from among the four (4)
21 Undersecretaries.
22

23 SEC. 10. ***Term of Office of the Secretary.*** - The Secretary of National Economic and
24 Development Authority shall be appointed by the President with the consent of the Commission
25 on Appointments, at the beginning of his/her term of office, and shall hold office, unless sooner
26 removed, until the expiration of his/her term of office, or until his/her successor shall have been
27 appointed and qualified.
28

29 SEC. 11. ***Undersecretaries and Assistant Secretaries.*** - The Secretary shall be assisted
30 by four (4) Undersecretaries and eight (8) Assistant Secretaries, who are appointed by the
31 President of the Philippines, upon recommendation by the Secretary.
32

33 The Secretary shall have the flexibility to determine the respective assignment of the
34 Undersecretaries and Assistant Secretaries, depending on the Secretary's strategic directions
35 and/or on emerging development trends affecting the country's economy.
36

37 **ARTICLE III. NATIONAL ECONOMIC DEVELOPMENT BOARD**
38

SEC. 12: *The National Economic Development Board (NEDB)*. - The NEDB shall be composed of the following:

- a) President of the Philippines, as Chairperson of the NEDB;
- b) Secretary of the NEDA, as Vice-Chairperson;
- c) Secretary of the Department of Finance;
- d) Secretary of the Department Budget and Management;
- e) Secretary of Interior and Local Government;
- f) Secretary of Trade and Industry;
- g) Secretary of Transportation;
- h) Secretary of Social Welfare and Development;
- i) Secretary of Education;
- j) Secretary of Health;
- k) Secretary of Agriculture;
- l) Secretary of Public Works and Highways; and
- m) Governor of the Bangko Sentral ng Pilipinas (BSP), as a resource institution.

All members of the NEDB, except the Governor of the BSP, shall be voting members. The presence of the Chairperson or Vice-Chairperson, and at least three (3) other voting members shall constitute a quorum. The NEDB may solicit inputs from the private sector.

The President of the Philippines may designate additional members to the NEDB.

SEC. 13. *Meetings*. — The NEDB shall meet at least once every quarter. A special meeting of the NEDB may be convened by the President of the Philippines to address urgent concerns, emergencies such as natural disasters, calamities, global financial crises, or other extraordinary circumstances that would affect the economy and national development.

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

SEC. 14. *Full Disclosure Rule*. — In addition to the requirements of Republic Act No. 6713, otherwise known as the "Code of Conduct and Ethical Standards for Public Official and Employees", any member of the NEDB with personal or pecuniary interest in any matter in the agenda of the NEDB shall disclose the interest to the Board and shall withdraw from the meeting when the matter is taken up. The decision taken on the matter shall be made public. The minutes shall reflect the disclosure made and the retirement of the member concerned from the meeting.

1
2 SEC. 15. **Exercise of Authority.** — In the exercise of its authority, the NEDB shall:

- 3 a) Direct the formulation and implementation of policies and strategies that would promote
4 economic development and address development concerns of national importance;
5 b) Issue rules and regulations necessary for the effective discharge of the powers and
6 functions vested upon the NEDA;
7 c) Ensure, together with the Department of Budget and Management and other relevant
8 government oversight agencies, that the annual and multi-year appropriations for
9 programs and projects are aligned with the development strategies in the national and
10 regional development plans and public investment programs, herein referred to as
11 Philippine Development Plan (PDP)/Public Investment Program (PIP) and the Regional
12 Development Plans (RDPs)/ Regional Development Investment Programs (RDIPs);
13 d) Approve and endorse to Congress the integrated development plans and programs which
14 will serve as bases for the annual and multi-year budget review and deliberation;
15 e) Determine the level of annual government expenditures, as well as projections, forecast,
16 resource requirement, and the ceiling of government spending for social and economic
17 development, national defense, government debt service, and the proper allocation of
18 expenditures for each development activity between current operating expenditures and
19 capital outlay;
20 f) Ensure the efficient and effective evaluation of major capital programs and projects of
21 the country by determining levels of acceptability and viability relative to overall
22 economic and fiscal conditions of the country;
23 g) Approve or confirm projects, programs, and plans as required under existing laws,
24 orders, rules and regulations, and other issuances; and
25 h) Direct the reorganization, or establishment of NEDB Committees, including the
26 modification of its membership, structures, powers, and functions.

27
28 SEC. 16. **NEDB Committees.** — There shall be created fourteen (14) Committees to act
29 as primary advisory bodies to the NEDB. They shall submit recommendations on matters
30 involving their concerns to the NEDB for approval.
31

32 The NEDB shall designate the Chairperson of these Committees, including the
33 Secretariat, unless otherwise specifically provided herein.
34

35 The NEDB may create other committees, or modify existing ones in respect to their
36 structures, compositions, powers, and functions. It may also create sub-committees, whenever
37 appropriate, for the purpose of dispensing with any of their respective functions.
38

1 The following shall be the NEDB Committees:

2 a) ***Development Budget Coordination Committee (DBCC)***. — The DBCC, to be
3 composed of the Secretaries of Budget and Management, National Economic and
4 Development Authority, Finance, and Trade and Industry, the Executive Secretary
5 and the Governor of the BSP, shall discharge the following functions:

- 6 1) Recommend for presidential approval the level of annual government
7 expenditures and the ceiling of government spending for economic and social
8 development, national defense, and government debt service;
- 9 2) Recommend the budget to be allocated for current operating expenditures and
10 capital outlays of government programs and projects;
- 11 3) Assess the overall economic situation of the country, which includes
12 economic growth, monetary, fiscal, and possible economic risks which may
13 require policy reforms;
- 14 4) Formulate and review the guidelines for the regional allocation of agency
15 budgetary resources;
- 16 5) Ensure that the regional allocations are responsive to poverty, development
17 gaps, and economic opportunities;
- 18 6) Conduct periodic review of macroeconomic targets, and the revenue and
19 expenditure projections of the government;
- 20 7) Prepare a strategic multi-year fiscal program which supports the long-term
21 and medium-term development objectives of the country; and
- 22 8) Conduct periodic review of fiscal and macroeconomic targets, and the
23 revenue and expenditure projections of the government.

24
25 b) ***Investment Coordination Committee (ICC)***. — The ICC, to be composed of the
26 Secretaries of Finance, National Economic and Development Authority, Budget and
27 Management, Interior and Local Government, and Trade and Industry, the
28 Executive Secretary, and the Governor of the BSP, shall discharge the following
29 functions:

- 30 1) Review and submit to the President of the Philippines as a status of the
31 fiscal, monetary and balance of payment (BOP) implications of major
32 capital programs and projects;
- 33 2) Recommend to the NEDB the timetable of the implementation of major
34 capital programs and projects on a regular basis;
- 35 3) Review and evaluate specific major capital programs and projects with
36 respect to technical, financial, economic, social, environmental, legal,
37 institutional, feasibility, and viability as well as from the context of

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

- 3 4) Review and approve, for final approval of the NEDB, major capital
4 projects based on a cost threshold as may be set by the NEDB.

5
6 c) ***Resource Mobilization and Other Fiscal Matters Committee (RMFMC)***. – The
7 RMFMC, to be composed of the Secretaries of Finance, National Economic and
8 Development Authority, Budget and Management, Interior and Local Government,
9 and Trade and Industry, Governor of the Board of Investments, Chairperson of the
10 Governance Commission for GOCCs, the Executive Secretary, and the Governor of
11 the BSP, shall discharge the following functions:

- 12 1. Review and recommend to the NEDB a domestic and foreign borrowing
13 program;
14 2. Pursue and recommend Public-Private Partnerships (PPP), privatization,
15 and other funding options to augment government's financing capacity;
16 3. Propose and recommend tax reform measures; and
17 4. Review and recommend modalities of development financing and capital
18 market development in support of long-term programs and projects for both
19 national and local government, and government-owned and/or –controlled
20 corporations (GOCCs).

21
22 d) ***Infrastructure Committee (INFRACOM)***. – The INFRACOM, to be composed of
23 the Secretaries of National Economic and Development Authority, Public Works and
24 Highways, Budget and Management, Finance, Information and Communications
25 Technology (ICT), Transportation, Trade and Industry, Energy, Agriculture, and
26 Tourism, and the Executive Secretary, shall discharge the following function:

- 27 (1) Formulate a national infrastructure development strategy that will coordinate,
28 integrate and accelerate the development initiatives across all infrastructure
29 subsectors in the country;
30 (2) Advise the President and the NEDB, on all matters concerning infrastructure
31 development, including: roads, highways, and bridges; airports, seaports,
32 offshore infrastructure and shore protection; railways and subways; power
33 generation, transmission and distribution; ICT, telecommunications; irrigation,
34 flood control and drainage; water supply, sewerage and sanitation; national
35 buildings for government offices; hospitals and related buildings; state colleges
36 and universities, elementary and secondary school buildings; reclamations; and
37 other public works, whether procured or financed through traditional means,
38 PPP, or any other method; and

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

(e) ***Social Development Committee (SDC)***. — The SDC, to be composed of the Secretaries a Social Welfare and Development, National Economic and Development Authority, Budget and Management, Education, Agrarian Reform, Agriculture, Health, Interior and local Government, and Labor and Employment, and the Executive Secretary, shall discharge the following functions:

- 1) Formulate policies, programs and projects that will enhance the welfare and reduce risks of Overseas Filipino Workers, elderly people, differently-abled persons, children, women, indigenous peoples, marginalized farmers and fisherfolk, informal urban and upland settlers;
- 2) Formulate and recommend government policies, programs and projects on social development that are appropriate and consistent with national development and priorities;
- 3) Advise the NEDB on matters concerning social development, including education, skills development, health and nutrition, population and family planning, housing, human settlements, social protection, and the delivery of other social services; and
- 4) Coordinate the activities of government agencies concerned with social development.

(f) ***Committee on Tariff and Related Matters (CTRM)***. — The CTRM, to be composed of the Secretaries of Trade and Industry, National Economic and Development Authority, Agriculture, Budget and Management, Environment and Natural Resources, Finance, Foreign Affairs, Information and Communications Technology, Transportation, the Executive Secretary, the Governor a the BSP, and the Chairpersons of the Tariff Commission and Philippine Competition Commission, shall discharge the following functions:

- 1) Recommend to the NEDB a continuous rationalization policy and program for the country's tariff structure;
- 2) Advise the NEDB on tariff and related matters, as well as the effects of various international development on the country; and
- 3) Coordinate government agency positions and recommend national positions for international economic negotiations.

1 (g) ***Regional Development Committee (RDCom)***. — The RDCom, to be composed of
2 the Secretaries of National Economic and Development Authority, Interior and Local
3 Government, Budget and Management, and Trade and Industry, three (3) Regional
4 Development Council Chairpersons representing Luzon, Visayas and Mindanao, and one
5 (1) representative from the Union of Local Authorities of the Philippines, shall discharge
6 the following functions:

- 7 1) Advise the NEDB on matters concerning regional development;
- 8 2) Formulate and monitor the implementation of policies that reduce regional
9 growth disparities;
- 10 3) Promote equitable allocation of resources among regions by strengthening the
11 linkage between national and regional/local planning, investment programming,
12 and budgeting, and providing recommendations to the DBCC on the guidelines
13 for the regional allocation of budgetary' resources;
- 14 4) Serve as a clearing house for key regional development policy proposals that
15 have impact on at least two (2) regions;
- 16 5) Formulate and monitor the implementation of the framework for regional
17 development of the medium-term development plan; and
- 18 6) Periodically review the viability of the regional configuration of the country, and
19 recommend to the NEDB the re-delineation of regions, as may be necessary.
20

21 (h) ***Marine Resource and Land Use Committee (MRLUC)***. — The MRLUC, to be
22 composed of the Secretaries of National Economic and Development Authority,
23 Agrarian Reform, Agriculture, Energy, Environment and Natural Resources, Information
24 and Communications Technology, Interior and Local Government, Justice, Public
25 Works and Highways, Science and Technology, Trade and Industry, Transportation, and
26 Tourism, the Chairperson of the Housing and Urban Development Coordinating Council
27 or the Housing and Land Use Regulatory Board, the Chairperson of the National
28 Commission on Indigenous Peoples, the Chairperson of the National Coast Watch
29 Council, and the presidents of Leagues of provinces, municipalities and cities, shall
30 discharge the following functions:

- 31 1) Advise the NEDB on matters concerning Marine Resource Use Planning and
32 Land Use Physical Planning;
- 33 2) Formulate a national physical framework policy and other inter-sectoral plans
34 and programs that guide the rational utilization management of the country's
35 marine resources, land resources and other physical resources, and the
36 preparation of sub-national physical framework plans;

- 3) Ensure the integration of marine resource use, land use and physical planning policies, plans, and programs, including disaster risk management, into national socioeconomic plans and programs;
- 4) Recommend resolutions concerning marine resource use and land use policy conflicts among agencies of the national government;
- 5) Oversee, in conjunction with concerned government agencies, the establishment and maintenance of a database system that will identify and classify the present and possible uses of specific maritime right, as well as land areas, public and private, comprising the total land resource of the country; and
- 6) Provide policy directions to the Regional Marine Resource and Land Use Committees in the performance of their respective physical planning functions.

(i) ***Economic Development Committee (EDC)***. — The EDC shall be composed of the Secretaries of Finance, National Economic and Development Authority, Trade and Industry, Budget and Management, Public Works and Highways, Transportation, Information and Communications Technology, Energy, Science and Technology, Tourism, Agriculture, and Interior and Local Government, Chairperson of the Philippine Competition Commission, the Governor of the BSP, and the Executive Secretary. It shall be the main coordinating mechanism that ensures that the policy environment is conducive to the promotion of rapid, inclusive, and sustained economic growth. In particular, it shall:

- 1) Formulate policies that promote sustainable economic development and inclusive growth;
- 2) Promote an environment conducive to growth and competitiveness of private enterprises and human capital resources, and the creation of jobs that will empower people and provide them with opportunities to rise above poverty;
- 3) Recommend to the President of the Philippines and NEDB policies that would ensure equitable distribution of economic opportunities and benefits to Filipinos;
- 4) Recommend policy directions towards the development of farms and rural enterprises which are vital to achieving food security and more equitable growth; and
- 5) Monitor and evaluate continuous improvements in national productivity and competitiveness of domestic products and services.

(j) ***Science, Technology and Innovation Committee (STIC)***. — The STIC, to be composed of the Secretaries of Science and Technology, National Economic and Development Authority, Information and Communications Technology, Trade and Industry, Finance, Budget and Management, Labor and Employment, Agriculture, and

1 Education, the Chairperson of the Commission on Higher Education, and the Executive
2 Secretary, shall discharge the following functions:

- 3 1) Recommend policies and programs that will promote a culture of research,
4 planning and innovation, and encourage knowledge creation, dissemination and
5 utilization to support the country's sustainable economic development, food
6 security and safety, industrialization, defense and security, and competitiveness;
7 and
- 8 2) Oversee and coordinate the preparation of a national agenda that would provide
9 the framework and strategies for research and development, and innovation in the
10 country.

11
12 (k) ***Sustainable and Resilient Development Committee (SRDC)***. – The SRDC, to be
13 composed of the Secretaries of Environment and Natural Resources, National Economic
14 and Development Authority, Agrarian Reform, Agricultural, Energy, Interior and Local
15 Government, and Science and Technology, the Administrator/ Executive Director of the
16 Office of Civil Defense/ National Disaster Risk Reduction and Management Council,
17 and the Chairperson of the Climate Change Commission, shall discharge the following
18 functions:

- 19 1) Recommend policies that will promote the conservation of the environment, and
20 the sustainable utilization of the country's natural resources;
- 21 2) Oversee the preparation of policies, strategies and other measures to promote
22 disaster resilience; and
- 23 3) Monitor and evaluate the impact of environmental programs and projects to the
24 Philippine economy in general, and the utilization of the nation's resources.

25
26 (l) ***Governance Committee (GovCom)***. – The GovCom, to be composed of the
27 Secretaries of Interior and Local Government, National Economic and Development
28 Authority, Budget and Management, Finance, Trade and Industry, and Justice, the
29 Chairperson of the Commission on Audit, and the Chairman of the Governance
30 Commission for Government Owned or Controlled Corporations, shall discharge the
31 following functions:

- 32 1) Formulate and recommend policies that promote transparency, accountability,
33 and participatory governance, and strengthen public institutions to effectively
34 and efficiently implement their respective mandates;
- 35 2) Recommend policies that would capacitate national government agencies in
36 linking its respective budget with performance outcomes;

- 3) Recommend policies, plans and programs that would ensure an improved policy and regulatory environment to reduce cost of doing business in the country and improve market competition;
- 4) Facilitate the resolution of governance issues in development planning, the participation of various sectors in the governance processes, and the development of capacities in the identification, development, implementation and evaluation of critical governance reforms; and
- 5) Review and conduct studies on reforms in the country's system of governance within the larger context of national economic development.

(m) ***Human Resource and Cultural Development Committee (CultureCom)***. — The CultureCom, to be composed of the Secretaries of Education and National Economic and Development Authority, the Chairpersons of Commission on Higher Education, National Commission for Culture and the Arts, National Historical Commission of the Philippines, National Commission on Indigenous Peoples, National Commission on Muslim Filipinos, and Philippine Sports Commission, shall:

- 1) Coordinate the development of research programs and recommend policies, programs, and projects related to culture, which encompasses history, arts, values and sports, consistent with development objectives and priorities; and
- 2) Monitor and evaluate the implementation of projects, activities and programs on culture.

The President of the Philippines may designate a representative from the local government units to sit as member in any or all of the NEDB Committees, and may modify the membership of the NEDB Committees, whenever necessary, for the effective performance of each of the committees' respective functions.

With the approval of the President of the Philippines, any of the NEDB Committees may invite the Senate President and the Speaker of the House or their representative to sit as observer or resource person during Committee deliberations.

The NEDB committees may create sub-committees, whenever appropriate, for the purpose of dispensing with any of their respective functions.

SEC. 17. *Meetings and Reports of the NEDB Committees.* — The NEDB Committees shall meet regularly, but may be convened to such special meetings as may be necessary. The members of the NEDB shall be duly notified of any meeting in advance. The NEDA shall serve as the secretariat to each NEDB Committee.

1
2 The NEDB Committees shall furnish the NEDB their respective reports and outputs
3 during such meetings.
4

5 **ARTICLE IV. THE NEDA SECRETARIAT** 6

7 SEC. 18. *Offices and Staff.* - The NEDA shall be composed of the following technical
8 and sectoral staffs, administrative and support staffs and regional offices:

- 9 a. National Policy and Planning Staff;
- 10 b. Public Investment Staff;
- 11 c. Social Infrastructure Staff;
- 12 d. Connectivity Infrastructure Staff;
- 13 e. Social Development Staff;
- 14 f. Trade, Services, and Industry, Staff;
- 15 g. Spatial Planning and Regional Development Staff;
- 16 h. Monitoring and Evaluation Staff;
- 17 i. Agriculture, Natural Resources, and Environment Staff;
- 18 j. Culture Staff;
- 19 k. Science, Technology, and Innovation Staff;
- 20 l. Governance Staff;
- 21 m. Administrative Staff;
- 22 n. Knowledge Management and Development Communication Staff;
- 23 o. Financial Planning and Management Staff;
- 24 p. Information and Communications Technology Staff;
- 25 q. Legal Staff;
- 26 r. Internal Audit Service;
- 27 s. Legislative and Liaison Office; and
- 28 t. Regional Offices in all the administrative regions of the country, except those
29 with planning offices created by law.
30

31 The Secretary may recommend to the DBM for approval, the creation of additional
32 positions or staffing modifications as may be necessary.
33

34 SEC. 19. *NEDA Regional Offices (NROs).* - The NROs shall have the following
35 functions:

- 36 a. Oversee the integration of plans and programs of regional agencies, state
37 universities and colleges (SUCs), GOCCs, and local government units (LGUs)
38 into the regional and national plans. The NROs shall provide assistance to

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

14 SEC. 20. ***Attached Agencies.*** - The agencies attached to the NEDA shall continue to
15 operate and function in accordance with the respective charters, law or order creating them,
16 except as otherwise provided in this Act, the Administrative Code of 1987, and subsequent laws.

17

- 18 A. The following agencies shall continue to be attached to the NEDA for policy and
19 program coordination, and budgetary purposes:
- 20 a. Philippine Institute for Development Studies (PIDS);
- 21 b. Philippine National Volunteer Service Coordinating Agency (PNVSCA);
- 22 c. Philippine Statistics Authority (PSA);
- 23 d. Philippine Statistical Research and Training Institute (PSRTI); and
- 24 e. Commission on Population and Development (POPDEVCOM).
- 25
- 26 B. The following agencies shall continue to be attached to the NEDA for budgetary
27 purposes and administrative supervision:
- 28 a. Public-Private Partnership Center of the Philippines (PPPC); and
- 29 b. Tariff Commission (TC).
- 30

31 SEC. 21. ***Legislative-Executive Development Advisory Council (LEDAC).*** - The NEDA
32 shall continue to serve as the principal secretariat of the LEDAC, consistent with Republic Act
33 No. 7640, otherwise known as "An Act Constituting the Legislative-Executive Development
34 Advisory Council". It shall perform the following functions under Sec. 3 thereof, including the
35 preparation of the budget and administration of the funds of the Council:

- 36 a. Determine and recommend socioeconomic development goals in pursuance of
37 established policies which shall guide the formulation and implementation of the
38 national development plan;

- b. Provide policy advice to the President of the Philippines on vital issues affecting the socioeconomic development of the country;
- c. Direct the study of measures to ensure that regional development plans and programs are integrated into the national development plan;
- d. Receive, and in appropriate cases, require reports on, and study measures to improve the implementation of official development assistance from multilateral and bilateral entities;
- e. Assess effectiveness of implementation of the national development plan;
- f. Integrate environmental concepts, principles and practices into the national development plan for a balanced and cohesive approach to national development;
- g. Pursue the integration and harmonization of the national development plan and the legislative agenda priorities of Congress; and
- h. Study and recommend to the President of the Philippines and to Congress sources of revenue as well as measures to reduce unnecessary expenditures to the end that the resources of the Government to be used to the optimum.

CHAPTER II
HARMONIZATION AND SYNCHRONIZATION OF DEVELOPMENT PLANNING,
INVESTMENT PROGRAMMING, BUDGETING, AND MONITORING AND
EVALUATION PROCESSES OF GOVERNMENT

ARTICLE I. DEVELOPMENT PLANS AND PROGRAMS, REPORTS
AND PUBLICATIONS

SEC. 22. *Long-Term Development Plan.* — The NEDA, in consultation with regional, local and other stakeholders, shall formulate a long-term development plan which will provide the overall direction to the medium-term and short-term development plans of the country, to ensure consistency of government strategies, policies, programs, and projects across political administrations. The long-term development plan shall contain the development goals and milestones each administration should attain to realize the long-term vision of the Filipino people.

SEC. 23. *Philippine Development Plan (PDP) and Regional Development Plan (RDP).*
— The NEDA, in consultation with appropriate public agencies, various private sector and local government units, shall prepare an economic development blueprint for the next six (6) years which shall be known as the Philippine Development Plan (PDP). The PDP shall embody the government's socio-economic policies, strategies and programs in support to and consistent with

1 the development agenda of the President of the Philippines, and geared towards the attainment
2 of the development goals and objectives in the long-term development plan.

3
4 At the regional level, the NEDA Regional Offices shall coordinate the preparation of
5 their respective regional development plans, consistent with the PDP. The RDPs shall define the
6 region's development direction and identify policies, strategies and programs.

7
8 **SEC. 24. *Philippine Investment Program (PIP) and Regional Development Investment***
9 ***Program (RDIP).*** — The preparation of the PIP and RDIPs shall be formulated in support of
10 PDPs and RDPs. The NEDA shall prepare a list of priority programs and projects to be
11 implemented by the national government, GOCCs, government financial institutions (GFIs), and
12 other national government offices and instrumentalities that will contribute to the attainment of
13 the sectoral goals and outcomes in the PDP and RDP.

14
15 The PIP and RDIPs shall be regularly updated. The NEDA, in consultation with
16 appropriate government agencies and stakeholders, shall prioritize sectoral and geographic
17 programs, projects and activities to be funded from government appropriations, ODA, PPP,
18 revenue sources generated by GOCCs, GFIs, and other government bodies and
19 instrumentalities, and other viable sources of funding.

20
21 **SEC. 25. *National Physical Framework Plan (NPFP) and Regional Physical***
22 ***Framework Plan (NPFP).*** — The NEDA shall prepare a framework which provides analytical
23 parameters for the planned allocation, use and management of the country's land and other
24 physical resources. The NPFP shall help plan and manage these resources at the national and
25 subnational levels.

26
27 The NEDA Regional Offices shall coordinate the preparation of the sub-national
28 physical framework or physical development plans for the approval of their respective RDCs.

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

32
33 **SEC. 26. *Socio-Economic Reports (SERs) and Regional Development Reports (RDRs).***
34 -To monitor the implementation of the PDP and RDP, the NEDA shall prepare periodic
35 socioeconomic reports. The SER and RDRs shall serve as input to policy and decision makers in
36 the formulation of policies, budgeting and implementation of programs and projects, based on
37 the development plans of the country.

1 SEC. 27. **ODA Portfolio Review.** - The NEDA shall review the status of all projects
2 funded by ODA, both multilateral and bilateral, and identify causes of implementation problems
3 and proposed solutions to bottlenecks, actual and prospective cost overruns, and continued
4 program or project viability. The NEDA shall submit to the President of the Philippines and
5 Congress a report on the outcome of the review not later than June 30 of each year.

6
7 SEC. 28. **Knowledge Management.** - The NEDA shall establish a repository of data and
8 information, publication, research and analyses, and other information concerning the Philippine
9 economy and development. It shall manage, maintain, and make available such information and
10 documents to the public for the purpose of knowledge sharing.

11
12 **ARTICLE II. LINKAGE AND ALIGNMENT OF PLAN**
13 **AND PROGRAM FORMULATION**
14

15 SEC. 29. **Planning and Program Formulation.** -A Planning Call by the NEDB shall be
16 issued not later than two months after the newly elected President of the Philippines has
17 assumed office. The NEDA Secretary shall propose to the NEDB the standards and guidelines
18 for the Planning Call in the preparation of the PDP, RDPs, PIP and RDIPs, including a timeline
19 for the planning and investment programming activities preceding the budget preparation
20 activities to ensure that the strategic programs and projects identified are provided with the
21 required funding allocation.

22
23 The NEDA, in coordination with concerned government agencies and other government
24 instrumentalities, shall determine a timetable for the preparation and formulation of sectoral
25 plans and programs, to ensure that the policies and strategies contained in the respective sectoral
26 plans are considered and incorporated in the PDP. The timetable for the formulation of the
27 PDP/RDPs and PIP/RDIPs shall align with the budgeting timetable to ensure that the strategic
28 programs and projects identified are provided with the required funding allocation.

29
30 SEC. 30. **Planning, Programming, and Budgeting Linkage.** - The NEDA shall ensure a
31 strong, efficient and effective linkage between development planning, programming and
32 budgeting.

33
34 The NEDA, together with the Department of Budget and Management and other relevant
35 government oversight agencies, shall ensure that the annual and multi-year appropriations for
36 programs and projects are aligned with the development strategies in the PDP and RDPs.

1 SEC. 31. *Adoption and Implementation of Plans and Investment Programs.* - The
2 RDCs shall approve their respective RDPs and RDIPs for consideration in the PDP and PIP.
3 The NEDB shall approve the PDP and PIP for adoption and implementation of government
4 agencies.

5
6 SEC. 32. *Integration of National, Regional and Local Plans and Programs.* - The
7 NEDA shall integrate major regional and local development priorities into the PDP and RDPs,
8 respectively. Furthermore, the NEDA, through the NEDA Regional Offices, shall oversee the
9 formulation of provincial development and physical framework plans so that local development
10 thrusts are aligned with and shall contribute to the national and regional level plans and
11 programs.

12
13 The NEDA shall mainstream the inclusion of regional priorities in the programs and
14 projects of the national government agencies, and subsequently, in the respective budgets of
15 national agencies.

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

19
20 SEC. 33. *Regional Development Council (RDC).* - The NEDA Regional Offices shall
21 serve as secretariat of the Regional Development Councils (RDCs) composed of local
22 government officials, regional heads of departments and other government offices, and
23 representatives from non-governmental organizations within the regions, created pursuant to
24 Section 14, Article X of the Constitution. All District Representatives shall sit as non-voting
25 members of their respective RDCs.

26
27 To ensure that socioeconomic development programs and activities of government are
28 undertaken with extensive and active participation and support of various government agencies,
29 as well as private sector institutions at the national, regional and local levels, the NEDA shall
30 prepare and submit for presidential approval, policy proposals for the strengthening of the RDCs
31 to make them more effective in ensuring sustainable, participatory and equitable development.
32 The strengthening of the RDCs must also serve the purpose of providing a responsive forum at
33 the regions for the meaningful participation and support of the concerned District
34 Representatives.

35
36 SEC. 34. *Consultations.* - The NEDA shall aim to maximize participation of all
37 concerned local government units, community organizations and beneficiaries, civil society
38 organizations, non-government organizations, people's organizations, the academe, and other

1 private organizations in order to reflect that the priority needs are incorporated into the
2 formulation of policies, plans, programs and projects. Civil society organization Advisory
3 Boards shall be organized at the national and regional levels, as an institutionalized consultative
4 mechanism at all planning levels and planning committees in the formulation of the PDP and
5 RDPs, respectively.

6
7 SEC. 35. **Technical Assistance.** - The NEDA shall provide technical assistance to the
8 local government units on how to localize national development strategies, particularly in
9 planning and investment programming to ensure alignment of local development plans and
10 strategies with the PDP and RDP. It shall also assist local government units in identifying and
11 developing programs and projects, and redirecting resources into more productive activities to
12 achieve the intended development outcomes in the, respective areas.

13
14 SEC. 36. **Coordination with Autonomous and Administrative Regions.** - The NEDA
15 shall ensure effective coordination with autonomous and administrative regions that have
16 separate planning offices in the formulation A the PDP and in the conduct of other relevant
17 planning activities affecting said regions.

18
19 **ARTICLE III. MONITORING AND EVALUATION OF**
20 **PLANS AND PROGRAMS**

21
22 SEC. 37. **Monitoring and Reporting on the Implementation of Plans and Programs.** -
23 The relevant NEDB Committees shall monitor the implementation of the PDP, RDP, PIP and
24 RDIPs, including sectoral plans and programs on an annual basis, to determine if the targets
25 identified in the plans and programs were achieved. The monitoring results shall be reported to
26 the NEDB, the House of Representatives and the Senate, and other concerned agencies for
27 purposes of adjustments in policies, programs and projects.

28
29 The NEDA shall facilitate the conduct of monitoring and evaluation of programs and
30 projects at the national level, complemented by the Regional Project Monitoring and Evaluation
31 System at the regional levels. The Department of the Interior and Local Government shall
32 complement NEDA' s monitoring, reporting and facilitation of programs and projects at the sub-
33 regional level through the Local Project Monitoring Committees.

34
35 SEC. 38. **Evaluation of the Implementation of Plans and Programs.** - A national
36 evaluation agenda shall be formulated consistent with a National Evaluation Framework that
37 shall provide for the purposive conduct of evaluation A plans and programs implemented by the
38 public sector. Relevant NEDB Committees shall identify and commission, or instruct agencies

1 to conduct public sector evaluation studies in support of good governance, transparency,
2 accountability, and evidence-based decision making.

3
4 **CHAPTER III**
5 **TRANSITORY AND OTHER MISCELLANEOUS PROVISIONS**
6

7 SEC. 39. *Transitory Provision.* - The powers and functions, applicable funds and
8 appropriations, records, files, equipment, facilities, supplies, property, and personnel of the
9 current NEDA Secretariat are hereby transferred to the new NEDA. All officials and employees
10 of the current NEDA Secretariat shall be retained.

11
12 SEC. 40. *Transfer of Rights and Obligations.* — The NEDA shall, by virtue of this Act,
13 be subrogated to all the rights and assume all the obligations of the current NEDA Secretariat,
14 and all its liabilities that pertain to its pertinent funds and appropriations, records, files,
15 equipment, facilities, supplies, property, and personnel, including unexpended portions of its
16 members' respective salaries.

17
18 SEC. 41. *Appropriations.* — The amount necessary to cover the initial implementation
19 of this Act shall be charged against the current year's appropriations of the NEDA. Thereafter,
20 such sums to may be necessary for the continued implementation of this Act shall be included in
21 the annual General Appropriations Act.

22
23 SEC. 42. *Implementing Rules and Regulations.* — Within ninety (90) days from the
24 effectivity of this Act, the NEDA shall promulgate the rules and regulations, as well as the
25 issuances, necessary to ensure the proper implementation of the provisions of this Act. These
26 implementing rules and regulations shall take effect fifteen (15) days after the completion of
27 their publication in two (2) newspapers of general circulation.

28
29 SEC. 43. *Separability Clause.* — If any provision or portion of this Act is declared
30 unconstitutional, the remainder of this Act or any provision not thereby affected shall remain in
31 full force and effect.

32
33 SEC. 44. *Repealing Clause.* — Executive Order No. 230, series of 1987, is hereby
34 repealed. All laws, decrees, executive orders, ordinances, rules, regulations, and other issuances,
35 or parts thereof, which are inconsistent with any provision of this Act, are hereby repealed,
36 amended, and/ or modified accordingly.

1 SEC. 45. *Effectivity*. This Act shall take effect fifteen (15) days after its publication in
2 the Official Gazette or in a newspaper of general circulation.

3
4 Approved.