National Economic Council

What is the National Economic Council?

The National Economic Council (NEC) was the economic and social advisory body that was established by Commonwealth Act No. 2 which was enacted on December 23, 1935. It was officially organized on February 14, 1936 under Executive Order No. 17, s. 1936.

Chairmen of the National Economic Council					
Chairman	Year Start	Year End	Administration		
Elpidio Quirino	1935	1936	Manuel Quezon: 1935-1944		
Antonio delas Alas	1936	1938			
Manuel Roxas	1938	1941			
Serafin Marabut	1941	1941			
1941-1	945: JAPANESE OCCUPAT	TION OF THE PHILIF	PPINES		
Manuel Roxas	1946	1948	Manuel Roxas: 1946-1948		
Elpidio Quirino	1948 (Official Gazette)	1948			
Miguel Cuaderno Sr.	1948	1951	Elpidio Quirino: 1948-1953		
Aurelio Montinola	1952	1953			
Filemon Rodriguez	1954 (Official Gazette)	1955	Ramon Magsaysay: 1954-1957		
Alfredo Montelibano	1955 (<u>Department of</u> <u>National Defense</u>)	1956			
Jose Locsin	1958 (Official Gazette)	1961	Carlos Garcia: 1957-1961		
Cornelio Balmaceda	1962 (Official Gazette)	1964	Diosdado Macapagal: 1962-1965		
Hilarion Henares, Jr.	1964 (Official Gazette)	1964			
Filemon Rodriguez	1965 (Official Gazette)	1966			
Rafael M. Salas	1966	1966	Ferdinand Marcos Sr.: 1965-1986		
Alfonso Calalang	1967 (Official Gazette)	1967			

Eduardo Romualdez	1968 (<u>Rappler</u>)	1968		
Gerardo Sicat	1970 (<u>Sicat, 2012</u>)	1972		
1973: CREATION OF THE NATIONAL ECONOMIC DEVELOPMENT AUTHORITY				

Why was the NEC created?

- Since the Philippine Commonwealth served as the transitory period for the Philippine people to develop the institutions and infrastructure necessary for independent statehood, an entity solely responsible in monitoring and advising the government on economic matters was an urgent matter second only to that of national defense (President Quezon)
 - In paving the way towards independence, the Philippines had followed the best practice of their more developed neighbors having a specialized agency dedicated to economic planning and development
 - Granted the country's abundance of resources, the NEC was tasked in being able to survey and optimally allocate said resources in a way that would bring large gains for the country
 - The ideal end of the NEC was to create a stable economic structure that would allow citizens to meet their basic needs while granting them the opportunities to earn a decent livelihood
 - It was of urgent importance especially considering that the Great Depression had just recently ended which highlighted the country's dependence on export revenue from the United States, showcasing the need for holistic economic planning and development (<u>Sicat, 2021</u>)
- Also, the Tydings-Mcduffie Act, or the Philippine Independence Act of 1934, would end
 the duty-free trade relationship of the United States and the Philippines, so the task
 towards developing the Philippine economy in ten years that would survive and thrive
 with the loss of this relationship (that accounted for about 66% of Philippine imports from
 1909 to 1934) was of utmost importance (MacIsaac, 2002)
 - A central economic agency was needed to reorient the economy to become less dependent on American markets for trade and revenue

NEC Mandate

- To advise the government on economic and financial questions. (<u>Commonwealth Act No. 2</u>)
 - But more specifically, its role was to craft and plan the economic program with its corresponding goals and policies that work towards the country's best interests and predicated upon national independence
 - An example being the "Five Year Economic and Social Development Program" under <u>President Garcia's administration</u>

- To conduct research on optimizing the country's resources for the benefit of future generations and keep the economy competitive in trade as stated in <u>President Quezon's</u> <u>Message to the National Assembly on the NEC</u>
- Despite being under the executive branch, the NEC was to act independently of the president as President Quezon said in his <u>speech on August of 1938</u>
- To create development plans that would be executed by the relevant executive departments, state owned enterprises, financial institutions, and local government units

NEC Composition

- It was composed of fifteen members and a chairman, all of whom were to be appointed by the President himself, with the approval of the Commission of Appointments. (<u>Commonwealth Act No. 2</u>)
- Above is the list of past Chairmen of the NEC according to each administration (<u>Official</u> Gazette)
 - The Chairmen of the NEC have historically been the Secretary of Finance with President Manuel Roxas being the only exception who was simultaneously the president during his administration through <u>Executive Order No. 94, s. 1947</u>
- The council was organized into eight committees: (<u>US Congress</u>, <u>p</u>. 6)
 - 1) Committee on agriculture and natural resources
 - 2) Committee on industry
 - 3) Committee on foreign trade and tariff
 - 4) Committee on domestic trade
 - 5) Committee on transportation and communication
 - 6) Committee on taxation
 - 7) Committee on labor and immigration
 - 8) Committee on banking and finance

The New National Economic Council

- The NEC then focused on rehabilitation upon the end of World War II. It was followed by
 a period of inactivity when personnel would be sent instead to the Philippine Council for
 United States Aid (PHILCUSA) which was formed under the Quirino-Foster Agreement
 on the United States assistance for the Philippine development (NEDA, 2020; Sicat,
 2019)
- With the emphasis on rehabilitation came the enlargement of American economic aid from the Bell Economic Mission of the 1950s. With this increased flow of foreign aid came the greater need to improve bureaucratic processes, leading to the reorganization of the NEC under <u>Executive Order No. 119, s. 1955</u>
 - Now composed of three major offices:
 - Office of National Planning
 - Composed of six branches:
 - Agricultural Resources Branch
 - Industrial Resources Branch
 - Services (Utilities) Branch

- Finance Branch
- Trade and Commerce Branch
- Social Development Branch
- Office of Foreign Aid Coordination
 - Composed of two branches:
 - Coordination of Program Planning Branch
 - Coordination of Program Execution Branch
 - Replacement of PHILCUSA
- Office of Statistical Coordination and Standards
 - Composed of two branches:
 - Planning and Coordination Branch
 - Standards and Review Branch
 - Oversee the country's statistical system
- Sidenote: The Economic Planning Board was created by <u>Administrative Order No. 98, s.</u>
 1955 shortly before the new NEC to study the impact of the Laurel-Langley Agreement on the Philippine economy but was not related to the NEC
 - This is mentioned because this video from the NEDA implies that the Economic Planning Board was absorbed or was part of the creation of the NEDA when there is no documented issuance nor document that seems to suggest so

Related Policies to the National Economic Council

- Republic Act No. 2699
 - Increased the membership of the NEC with the addition of the Secretary of Commerce and Industry
 - Granted minority party representation in membership of the NEC
 - Council is now composed of fourteen members:
 - Chairman
 - Chairman of the National Development Authority
 - Secretary of Commerce and Industry
 - Three ex-officio members assigned by the Speaker of the House of Representatives
 - Two from the majority party, one from the minority party
 - Three ex-officio members assigned by the President of the Senate
 - Two from the majority party, one from the minority party
 - Central Bank governor
 - Chairman of the Development Bank of the Philippines
 - Three other members
- Administrative Order No. 144, s. 1965
 - All executive departments, government corporations, regional development authorities, chartered cities, and local governments are directed to consult economic matters with the NEC before announcing, implementing, and submitting economic policies to the President

Notable Economic Policies / Contributions

- The recommendations of the NEC have led to: (Sicat, 2019)
 - Creation of the Agricultural and Industrial Bank
 - This came before the Rehabilitation Finance Corporation which then was the predecessor to the current Development Bank of the Philippines
 - Enactment of a Philippine central reserve bank
 - Though later on withdrawn since it was not within the authority of the Commonwealth government
 - Establishment of the National Power Corporation through <u>Commonwealth Act</u> No. 120
 - Creation of a national land resettlement administration
 - Expansion of the National Development Company
- Resolution No. 202 of the National Economic Council passed The "Filipino First" Policy of President Garcia on August 28, 1958 (<u>Takagi</u>, 2014)
 - The historic preferential policy towards Filipino-majority owned businesses and foreign exchange rules

<u>Examples of Council Involvement in Other Socio-Economic</u> <u>Commissions/Agencies</u>

- Chairman of the Community Development Council as stated in <u>Executive Order No. 57</u>, <u>s. 1954</u>
- Chairman of a Committee on Multi-Purpose Projects For Electric-Power Generation, Flood Control, Irrigation And Water Supply as stated in <u>Administrative Order No. 65, s.</u> 1954
- Member of the Manpower Development Council as stated in <u>Executive Order No. 53, s.</u>
 1966
- Member of a Committee for the Special Fund for Education and Related Matters as stated in <u>Administrative Order No. 11, s. 1966</u>
- Member of the Committee on Regional Planning as stated in <u>Administrative Order No.</u>
 123, s. 1965

Presidential Economic Staff (formerly Program Implementation Agency)

What is the Program Implementation Agency?

 The Program Implementation Agency (PIA) was the primary implementing body of the socio-economic plans crafted by the NEC under <u>Executive Order No. 17, s. 1962</u> to consolidate program implementation and policy formulation

PIA Mandate

- Socio-economic planning at an intermediate level between National Economic Councils and individual government entities
- Analysis, coordination, and integration of plans, projects, programs, and studies
- Formulation of policy recommendations, establishment of priorities, and programming of public funds utilization
- Analysis, evaluation, coordination, and initiation of major capital projects
- Formulation of consistent internal and external economic policies
- Operational planning and basic policy research
- Analytical work in commodity production and demand, with suggestions to private entrepreneurs
- Establishment of criteria and guidelines for investment decisions
- Preparation of legislative proposals to achieve Socio-Economic Program objectives
- Performance of other necessary functions and duties as directed by the President

What is the Presidential Economic Staff?

- Under President Marcos Sr., the Program Implementing Agency had been dissolved and replaced by the Presidential Economic Staff (PES) through <u>Executive Order No. 8, s.</u> 1966
 - Though their functions and responsibilities remain virtually unchanged, the transition into the PES is primarily differentiated from the PIA through its:
 - Greater emphasis on regional and local development as amended by <u>Executive Order No. 357, s. 1971</u>
 - Established the Regional Development Monitoring and Planning unit to be attached to the Office of the Director for Administration and Economic Operations.
 - Collaborated closely with the Presidential Advisory Council Public Works and Community Development (later on subsumed by the PES under <u>Executive Order No. 403, s. 1972</u>) and the the Local Government Center and the Institute of Planning of the University of the Philippines
 - Added role of establishing working relationships with international financial institutions

- Status reports are more comprehensive by tackling all major economic development programs
- Streamlining from socio-economic matters to purely economic development matters

PES Composition

- The PES have specialized divisions dedicated towards specific goals (<u>Santiago</u>, <u>1969</u>):
 - Project Assistance and Evaluation Offices
 - Involved in project evaluation and feasibility studies in regional economic and locational planning
 - Regional Planning Committee
 - Coordinated and assisted in the work of the Regional Development Authorities

Notable Activities of the PES

- Organizer and Coordinator of the irrigation survey teams under the irrigation development program as ordered by <u>Memorandum Circular No. 34, s. 1966</u>
- The Infrastructure Operations Center (responsible for undertaking, evaluating and reviewing preliminary and feasibility studies concerning national infrastructure programs and projects) was placed under the supervision of the PES as ordered by <u>Memorandum</u> <u>Order No. 229, s. 1971</u>

1972 National Economic Development Authority

What was the National Economic Development Authority?

Not to be confused with the current National Economic <u>and</u> Development Authority, the
preceding National Economic Development Authority was established under <u>Presidential</u>
<u>Decree No. 1-A, s. 1972</u> on September 24, 1972 as part of the larger reorganization of
the Executive Branch under <u>Presidential Decree No. 1, s. 1972</u>, the day after President
Marcos Sr. declared martial law

Why was the National Economic Development Authority Created?

- The National Economic Development Authority was created to provide a more authoritative and decisive voice in the economic planning of the country with greater involvement by the President
 - Specifically, the President and Executive Secretary were included as Chairman and member respectively of the National Economic Development Authority
- At the same time, it positions itself as the agency to eliminate the unnecessary friction between the recommendations and plans put forth by the NEC and the implementing arm of the PES by merging them into a singular institution
 - This was formally outlined in the Integrated Reorganization Plan of 1972
 - The legal basis for the Office of the President to reorganize the executive department and other government agencies come from Republic Act No. 5435

National Economic Development Authority Composition

- It was composed of eleven members with the President as Chairman and the members being the:
 - Executive Secretary
 - Director-General of the Authority
 - Secretary of Finance
 - Secretary of Agriculture and Natural Resources
 - Secretary of Trade and Tourism
 - Secretary of Public Works, Transportation and Communications
 - Governor of the Central Bank
 - o Commissioner of the Budget
 - Chairman of the Board of Investments
 - A representative of the private sector who shall hold office at the pleasure of the President
- The President appointed the Vice-Chairman from among these members

<u>Documented History of the National Economic Development Authority</u>

- Presidential Decree No. 56, s. 1972
 - Signed on November 17, 1972
 - Attached The Wage Commission, Oil Industry Commission, And Price Control Council to the National Economic Development Authority
 - Specifically, the Oil Industry Commission and the Price Control Council was transferred to the Office of the President under the administrative supervision of the National Economic Development Authority
 - Meanwhile, the Wage Commission was transferred to the Department of Labor under the administrative supervision of the National Economic Development Authority
 - This was done to further integrate the agencies involved in the the establishment of reasonable levels of wages as well as the prices of essential consumer commodities, including oil products in the National Economic Development Agency
 - Was also done to attract local and foreign investment in the search for energy sources as said by <u>Marcos in his eighth State of the Nation Address</u>
- Presidential Decree No. 74, s. 1972
 - o Signed on December 6, 1972
 - Creation of the National Tax Research Center under the administrative supervision of the National Economic Development Authority (formerly The Technical Staff of the Joint Legislative-Executive Tax Commission
 - To hasten tax reforms by placing these agencies under the Executive Branch (National Economic Development Authority)
- Presidential Decree No. 102, s. 1973
 - Signed on January 19, 1973
 - Authorized the Oil Industry Commission to:
 - Grant provisional relief without prior hearing in urgent cases
 - Makes decisions of the Commission subject to review by the National Economic Development Authority
 - Allows the Commission to use unobligated balances of its initial appropriation beyond fiscal years 1971 and 1972

There is no explanation as to why the National Economic Development Authority was created and later on replaced by the National Economic and Development Authority. Oftentimes, it is not even mentioned and the two are confused to be the same entity when they are not.

- It was likely meant to establish the salient features of the planned National Economic and Development Authority that have yet to be formally established under the 1973 Constitution of the following year.
 - This allowed the National Economic Development Authority to just be absorbed by the National Economic and Development Authority upon implementation for a smoother transition under the new Constitution

1973 National Economic and Development Authority

What was the National Economic and Development Authority?

- The National Economic and Development Authority (NEDA) finds its legal basis in the <u>1973 Constitution</u> as the primary economic consultative and advisory body headed by the President on the country's economic matters
 - Specifically, it would be responsible for the country's <u>Four Year Development</u>
 <u>Plan 1973-1976</u> (<u>among others</u>) with the goal of improving the growth rate and
 reduction of inequity (<u>Lin, 1974</u>)
 - Gerardo Sicat's three main priorities of this New Society were:
 - Peace and order
 - Land reform
 - Economic development
- Under Martial Law, the President's exercise of legislative power created the National Economic and Development Authority to promote "economic and social development and stability in the country" as stated in <u>Presidential Decree No. 107, s. 1973</u> with the prior National Economic Development Authority serving as the new agency's nucleus
 - Generally, there was tension between the technocrats and the cronies in the economic decision-making process where the former placed great emphasis on tapping into foreign capital through international lending agencies like the World Bank, International Monetary Fund, and the Asian Development Bank (<u>Tadem</u>, <u>2014</u>)

NEDA's Original Composition

- It was composed of eleven members with the President as Chairman and the members being the:
 - Executive Secretary
 - Secretary of Economic Planning (Director-General of the Authority)
 - Secretary of Finance
 - Secretary of Agriculture and Natural Resources
 - Secretary of Trade and Tourism
 - Secretary of Public Works, Transportation and Communications
 - Secretary of Labor
 - Secretary of Education and Culture
 - Governor of the Central Bank
 - Commissioner of the Budget
 - Chairman of the Board of Investments
- The private sector representative from the previous agency is instead replaced with the Authority's ability to call upon any private sector individual/representative for advice on any matter

Executive Issuances related to NEDA during the Marcos Regime

- Presidential Decree No. 418, s. 1974
 - o Signed on March 20, 1974
 - Making the NEDA having supervising authority over the National Census and Statistics Office (formerly the Bureau of the Census and Statistics of the Department of Trade)
 - The NEDA would:
 - Provide general policies and priorities that serve as the general framework for the statistical operations of the Office
 - Review and recommend for approval statistical programs and budgets for these programs
- Memorandum Circular No. 737, s. 1974
 - Signed on May 15, 1974
 - All requests by public or private entities pertaining to foreign technical assistance would be coursed through the NEDA
- Presidential Decree No. 527, s. 1974
 - Signed on August 2, 1974
 - NEDA receives minimum price setting authority for coconut oil, copra, and other coconut products (and byproducts)
 - Would fix the minimum prices that coconut farmers received for copra and other coconut products and the minimum export prices for copra, coconut oil, and other coconut products
 - Was done to protect the coconut industry which a major part of the economy depended on at the time
- Presidential Decree No. 859, s. 1975
 - Signed on December 23, 1975
 - Amended the Composition of the NEDA Membership
 - Included the Secretary of Foreign Affairs, Secretary of National Defense
 - Substituted the Chairman of the Board of Investments for the Secretary of Industry
- Executive Order No. 462, s. 1976
 - Signed on February 10, 1976
 - NEDA is designated as the coordinating entity regarding matters pertaining to the Economic and Social Commission for Asia and the Pacific (ESCAP)
- Letter of Instruction No. 463, s. 1976
 - Signed on September 23, 1976
 - The NEDA is tasked with the formulation of the five-year development plan for 1978-1982, a ten-year development plan for 1978-1987, and a perspective plan up to year 2000
- Presidential Decree No. 1450, s. 1978
 - Signed on June 11, 1978
 - Making the Director-General of the NEDA as Co-Chairman of the Investments Coordination Committee
 - Creating a mechanism to make the NEDA more flexible in its organizational structure of various committees and avoid unnecessary overlap of functions
- Memorandum Circular No. 1097, s. 1978
 - Signed on November 3, 1978
 - Requiring all heads of ministries, bureaus, offices, and GOCCs to attend the first national convention on statistics sponsored by the NEDA
- Executive Order No. 605, s. 1980
 - Signed on July 25, 1980

- In order to implement the regional cities development project, the NEDA was attached with the regional cities development project office
- Memorandum Circular No. 1199, s. 1980
 - Signed on September 25, 1980
 - Required attendance to the second national convention on statistics sponsored by the NEDA
- Letter of Instruction No. 1082, s. 1980
 - Signed on November 19, 1980
 - Prescribing the NEDA through its statistical coordination office to develop economic indicators on production, employment, earnings
 - All government agencies ought to consult and get clearance from the NEDA before producing, publicizing, and releasing statistical series

Directors-General of the NEDA					
Chairman	Year Start	Year End	Administration		
Gerardo Sicat	1973	1981	Ferdinand Marcos Sr.: 1965-1986		
Placido Mapa Jr.	1981	1982			
Cesar Virata	1983	1984			
Vicente Valdepeñas Jr.	1984	1986			
	1987: EDSA RE\	OLUTION			
Solita Monsod	1987	1989			
Jesus Estanislao	1989	1990	Corazon Aquino: 1986-1992		
Cayetano Paderanga Jr.	1990	1992			
Cielito Habito	1992	1998	Fidel Ramos: 1992-1998		
Felipe Medalla	1998	2001	Joseph Estrada: 1998-2001		
Dante Canlas	2001	2002	Gloria Macapagal Arroyo: 2001-2010		
Romulo Neri	2002	2005			
Augusto Santos (Acting)	2005	2006			
Romulo Neri	2006	2007			

Augusto Santos (Acting)	2007	2008	
Ralph Recto	2008	2009	
Augusto Santos (Acting)	2009	2010	
Cayetano Paderanga Jr.	2010	2012	Donigno Aguino III:
Arsenio Balisacan	2012	2016	Benigno Aquino III: 2010-2016
Emmanuel Esguerra	2016	2016	
Ernesto Pernia	2016	2020	Rodrigo Duterte: 2016-2022
Karl Chua	2020	2022	
Arsenio Balisacan	2022	Present	Ferdinand Marcos Jr.: 2022-2028

1987 Reorganization of the National Economic and Development Agency

The Fall of the Marcos Regime and the NEDA

- As the Marcoses were ousted from office by the EDSA revolution, aside from addressing their ill-gotten wealth, President Cory Aquino had issued <u>Executive Order No. 5, s. 1986</u> which created the Presidential Commission On Government Reorganization to continue the reorganization efforts beyond the constitution as stated in <u>Article XVIII. Section 16 of the 1987 Constitution</u>
 - Granted this, the reorganization of the NEDA finds its legal basis in <u>Executive</u>
 Order No. 230, s, 1987
 - However, <u>Article XII</u>, <u>Section 9 of the 1987 Constitution</u> maintains that the NEDA shall function as the independent planning agency of the government
- This reorganization came as a result of the state of economic ruin that the Marcos regime had left the economy with
 - Granted that the structures and institutions of Philippine society had to be rebuilt from the ground up, the early economic program put forth by President Cory Aquino, as stated in her first State of the Nation Address, revolved around
 - Comprehensive structural reform
 - Greater role of the private sector in promoting economic growth
 - Both of which are furthered through the reorganization of the NEDA

Modern NEDA

 The composition of the NEDA now consists of two separate entities: the NEDA Board and the NEDA Secretariat

The NEDA Board

- It was originally composed of eleven members with the President as Chairman and the Director General of the NEDA Secretariat as Vice-Chairman with the members being:
 - Executive Secretary
 - Secretary of Finance
 - Secretary of Trade and Industry
 - Secretary of Agriculture (removed in reorganization by <u>Administrative Order No.</u> 8, s. 2017)
 - Secretary of Environment and Natural Resources (removed in reorganization by Administrative Order No. 8, s. 2017)
 - Secretary of Public Works and Highways
 - Secretary of Budget and Management (removed in reorganization by Administrative Order No. 8, s. 2017)
 - Secretary of Labor and Employment (removed in reorganization by <u>Administrative Order No. 8, s. 2017</u>)

- Secretary of Local Government (removed in reorganization by <u>Administrative</u> Order No. 8, s. 2017)
- Secretary of Science and Technology (added by <u>Memorandum Order No. 235, s. 1989</u>; removed in reorganization by <u>Administrative Order No. 8, s. 2017</u>)
- Secretary of Transportation and Communications (added by <u>Memorandum Order</u> <u>No. 321, s. 1990</u>; later on just Secretary of Transportation)
- Secretary of the Interior and Local Government (added by <u>Memorandum Order No. 58, s. 2013</u>; removed in reorganization by <u>Administrative Order No. 8, s. 2017</u>)
- Secretary of the Presidential Communications Office (added by <u>Memorandum</u>
 <u>Order No. 58, s. 2013</u>; removed in reorganization by <u>Administrative Order No. 8, s. 2017</u>)
- Deputy Governor of the Bangko Sentral ng Pilipinas (added in reorganization by Administrative Order No. 8, s. 2017)
- Chairperson of the Mindanao Development Authority (added in reorganization by <u>Administrative Order No. 8, s. 2017</u>)
- The powers and functions of the NEDA reside in the NEDA Board
 - Primarily responsible for formulating, continuing coordinated and fully integrated social and economic policies, plans and programs
 - The NEDA ought to also consult with the private sector, civil society, local government units, and the appropriate public agencies in the formulation of socio-economic development plans, policies and programs
 - This includes annual and medium-term public investment programs, programming of official development assistance, and the monitoring/evaluation of plan implementation
- The following Cabinet-level Interagency Committees are created and under the direct control of the NEDA Board to aid in the performance of the Board's functions

 — the President is the Chairman of these committees
 - Development Budget Coordination Committee
 - Focuses on the level of government expenditure for economic and social development, defense, and debt service as well as the amount to be allocated to infrastrucrture projects
 - Investment Coordination Committee
 - Evaluates the fiscal, monetary, and trade implications of projects and foreign borrowing
 - Committee on Social Development
 - Advises the President and the Board on social matters and coordinates the activities of government agencies
 - Committee on Infrastructure
 - Advises on infrastructure development matters and coordinates the activities of agencies involved in said infrastructure development
 - Also recommends to the President necessary policies, programs, and projects relating to infrastructure development
 - Committee on Tariff and Related Matters

- Advises the President and the Board on tariff matters and international economic negotiations
- Regional Development Board (added by <u>Executive Order 257, s. 2003</u>)
 - Focused on the creation and implementation of policies that work to reduce regional disparities (alsoo in the Philippine Development Plan)
 - Responsible for the guidelines on regional allocation of agency budgetary resources
 - Reviews the regional development councils and recommends changes as necessary
- National Land Use Committee (added by <u>Executive Order No. 770, s. 2008</u>)
 - Advise the President on matters concerning land use and physical planning
 - Formulate a national physical framework plan and other intersectoral policies and programs that guide the rational utilization and management of the country's land and other physical resources, and the preparation of sub-national physical framework plans
 - Promote the integration of land use and physical planning policies, plans and programs, including disaster risk management, into national socioeconomic plans and programs
 - Decide and resolve land use policy conflicts among agencies of the national government
 - Establish and maintain, in conjunction with various appropriate government agencies, a database system which would identify and classify the present and possible uses of specific land areas, public and private, comprising the total land resource of the nation
 - Provide policy directions to the Regional Land Use Committee in the performance of their physical planning functions
- Within the NEDA Board there also exists the NEDA Executive Committee as created by <u>Memorandum Order No. 222, s. 1994</u> with the responsibility of resolving policy issues involving few agencies or a specific sector without the necessity of convening the entire NEDA Board with the president as the chairman and the director general of the NEDA as vice chairman, whose members are the:
 - Executive Secretary
 - Chairperson of the Development Budget and Coordination Committee
 - Chairperson of the Investment Coordination Committee
 - Chairperson of the Committee on Trade and Related Matters
 - Chairperson of the Social Development Committee
 - Co-Chairperson of the Infrastructure Committee
 - Governor of the Bangko Sentral ng Pilipinas
 - It was later on reactivated and reorganized by <u>Executive Order No. 158, s. 2002</u> which serves to create the President's core group on economic policy amidst the wide scope of the NEDA's functions which has the executive secretary as the chairman of this committee and the NEDA Director General as vice-chairman with the following members:

- Secretary of Finance
- Secretary of Trade and Industry
- Secretary of Budget and Management
- Secretary of Agriculture
- Cabinet Secretary (added by Executive Order No. 99, s. 2012)
- Most recently, it was reactivated by <u>Administrative Order No. 8, s. 2017</u> with the President as chairperson, Director General of the NEDA as vice chairman with the following members:
 - Cabinet Secretary
 - Secretary of Finance
 - Secretary of Budget and Management

Legislative-Executive Development Advisory Council

- Established through <u>Republic Act No. 7640</u>, the Legislative-Executive Development Advisory Council (LEDAC) serves as the consultative and advisory body to the President on certain programs and policies essential to the realization of economic goals
- Specifically, its functions are to
 - Determine and recommend socioeconomic development goals in pursuance of established policies which shall guide the formulation and implementation of the national development plan
 - Provide policy advice to the President on vital issues affecting the socioeconomic development of the country
 - Direct the study of measures to ensure that regional development plans and programs are integrated into the national development plan
 - Receive, and in appropriate cases, require reports on, and study measures to improve the implementation of official development assistance from multilateral and bilateral entities
 - Assess effectiveness of implementation of the national development plan
 - Integrate environmental concepts, principles and practices into the national development plan for a balanced and cohesive approach to national development
 - Review the relationship of the legislative agenda to the national development plan to ensure the integration of both
 - Study and recommend to the President and to Congress sources of revenue as well as measures to reduce unnecessary expenditures to the end that the resources of the government will be used to the optimum
- With the President as chairman, LEDAC is composed of the following 19 additional members
 - Vice President
 - Senate President
 - Speaker of the House of Representatives
 - 7 Members of the Cabinet (designated by the President)
 - 3 Members of the Senate (designated by the Senate President)
 - 3 Members of the House of Representatives (designated by the Speaker of the House)

- Representative of the local government units
- Representative from the youth sector
- Representative from the private sector

The NEDA Secretariat

- The NEDA Secretariat is the technical staff that would be the research and technical support arm of the NEDA Board while also serving as its Secretariat
 - The NEDA Secretariat will be led by a Director General who will be assisted by three deputy Directors-General (each responsible for the National Development Office, Regional Development Office, and the Central Support Office respectively)
 - These deputy Directors-General would also be supported by five assistant Directors-General in coordinating and supervising their respective offices
- The NEDA Secretariat would be composed of (which would be later on changed):
 - National Development Office
 - Assists the NEDA Board in
 - Formulating national and sectoral policies, plans and programs
 - Monitoring macroeconomic and sectoral performance
 - Preparing economic reports
 - Conducting studies on macro-level plans and policies
 - Composed of:
 - National Planning and Policy Staff
 - Agriculture Staff (currently Agriculture, Natural Resources, and Environment Staff)
 - Trade, Industry, and Utilities Staff (currently Trade, Services, and Industry Staff)
 - Infrastructure Staff
 - Social Development Staff
 - Public Investment Staff
 - Regional Development Office
 - Provides support through:
 - Technical staff to implementing agencies in the regions
 - Monitoring regional and inter-regional development policies
 - Preparing integrated reports on regional planning
 - Conduct studies on regional development policies
 - Composed of:
 - Regional Development Coordination Staff (Regional Development Councils)
 - Project Monitoring Staff (now Monitoring and Evaluation Staff)
 - Regional Offices
 - Central Support Office
 - Primarily responsible for supporting the NEDA Secretariat's organizational units (administration, management, legal services, etc.)
 - Composed of:

- Management Staff (currently Financial Planning and Management Staff)
- Legal Staff
- Administrative Staff
- Management Information Systems Staff (currently Information and Communications Technology Staff)
- Development Information Staff

Attached Agencies

- Philippine Institute for Development Studies
 - The Philippine government's primary socio economic policy think tank through policy-oriented studies to aid in policy making
- Philippine National Volunteer Service Coordinating Agency
 - The government agency mandated to promote and coordinate volunteer programs and services through close collaboration with other government, non-government, academic, private, and media organizations to link volunteering efforts with national priorities
- Tariff Commission
 - Principal and independent authority on tariff, trade remedy measures and competition policy through governmental and quasi-judicial functions (adjudicating cases on the application of trade remedies against imports, study the impact of tariff policies and programs on national competitiveness and consumer welfare in line with the economic objectives of the government, administer the Philippine tariff schedules and tariff nomenclatures, among others)
- Commission on Population (added by <u>Executive Order No. 476, s. 1991</u>; attached to the Department of Health by <u>Executive Order No. 188, s. 2003</u>; renamed to the Commission on Population and Development and reattached to the NEDA by <u>Executive Order No. 71, s. 2018</u>)
 - Overall coordinating, monitoring, and policy making body of the population program through the promotion of population activities
- Public Private Partnership Center (formerly the Build-Operate-Transfer Center; added by <u>Executive Order No. 8, s. 2010</u>)
 - The central coordinating and monitoring agency for all PPP projects in the Philippines
- Philippine Statistics Authority (added by the Republic Act No. 10625)
 - The central statistical authority of the Philippine government on the primary data collection, prepares and conducts national censuses and surveys, gathering and publication of sector statistics, consolidation of selected administrative recording systems, and compilation of national accounts
- Philippine Statistical Research and Training Institute (added by the <u>Republic Act No.</u> 10625)
 - The research and training arm of the Philippine Statistical System that carries out its dual function primarily for the development of statistical theories, concepts,

- and methodologies in support of a statistical infrastructure that is compliant with the demands of national development
- Development Academy of the Philippines (added by <u>Executive Order No. 45, s. 2023</u>)
 - Mandated to promote and support the country's development efforts by carrying out human resource programs that are designed to instill development perspective and advance management capability in the key sectors of the government and the economy

Regional Development Councils

- <u>Section 14, Article X of the 1987 Constitution</u> provides for the creation of Regional Development Councils (RDCs) to decentralize administration, strengthen local government units, and catalyze growth of the units in the regions
 - <u>Executive Order No. 325, s. 1996</u> had massively reorganized these Regional Development Councils to be composed of
 - All provincial governors
 - All city mayors
 - Mayors of municipalities designated as provincial capitals
 - All presidents of the provincial league of mayors
 - Mayors of the municipality designated as the regional center
 - Regional directors of agencies in the NEDA Board and of DECS, DSWD, and DOT
 - Private sector representatives that would comprised a quarter of the members of the fully-constituted council
- These RDCs have the mandate to:
 - Coordinate the preparation, implementation, monitoring and evaluation of short and long-term regional development plans and investment programs, regional physical framework plan and special development plans, including the formulation of policy recommendations;
 - Integrate approved development plans of provinces and cities, line agencies, state universities and colleges, government-owned and controlled corporations and special development authorities in the region into the regional development plan;
 - Review, prioritize, and endorse to the national government the annual and multi-year sectoral investment programs of the region for funding and implementation;
 - Review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities;
 - Promote and direct the inflow and allocation of private investments in the region to support regional development objectives, policies and strategies;
 - Review and endorse national plans, programs and projects proposed for implementation in the regions;
 - As required by the Investment Coordinating Committee (ICC), review and endorse projects of national government agencies that have an impact on the

- region and projects of LGUs in the region requiring national government financial exposure which may come in the form of guarantees, national government budget appropriations or subsidies, among others;
- Initiate and coordinate the development, funding, and implementation of regional and special development projects such as those involving several agencies or LGUs;
- Coordinate the monitoring and evaluation of development projects undertaken by government agencies, local government units, state colleges and universities, government-owned and/or – controlled corporations and special development authorities in the region; and
- Perform other related functions and activities as may be necessary to promote and sustain the socio-economic development of the regions.

Future Prospects

The future prospects of the NEDA lie in the hands of decisive and coordinated efforts that work towards the holistic pursuit of national objectives, but things are looking up:

- With the recent signing of the PPP Code of the Philippines, clearer implementing rules and regulations signals the NEDA's greater willingness to engage with public private partnerships as an alternative source of government financing of public infrastructure projects
- Also, the <u>NEDA's strong push for innovation</u> through the <u>Philippine Innovation Act</u> which
 works to promote the brilliance of the Filipino innovator through greater innovation
 governance and strengthen Micro, Small, and Medium Enterprises in pursuing
 innovatory pursuits
- Similarly, the recommendation for a consolidated <u>Department of Water Resources</u> seems like a possibility in the near future considering the innumerable losses and inefficiencies in the management of water resources due to ineffective policies, overlapping agencies, and uncoordinated institutions tackling intertangled issues of water in the country

These developments are just some of many steps towards the larger vision of Ambisyon Natin 2040 that works towards a strongly rooted, comfortable, and secure life for the Filipino people by the year 2040.

- Through the improvement of government activities and reducing the coordination failures between relevant agencies, the NEDA actively works towards improving the capacity of the government to secure this future for their constituents.
- In doing so, the primary actor to address the structural and pervasive factors
 perpetuating the impoverished state of most Filipinos may be best addressed through
 actionable policies and impactful programs that would benefit the average Filipino

As history has shown the numerous reorganizations of the NEDA, it may be worth considering <u>Secretary Balisacan's proposal of transitioning the NEDA</u> into a more consolidated and coordinated agency. Specifically, into the Department of Economy, Planning, and Development (DEPDEV).

- Through the greater economic and social governance of the DEPDEV, the vision of Ambisyon Natin 2040 may be realized
 - Greater coordination in development efforts especially considering the intersectional scopes and mandates of different government agencies in the pursuit of development
 - The DEPDEV would provide a more zoomed out perspective, allowing the government to focus on the long-term rather than be derailed by the current happenings
 - With the establishment of the DEPDEV, the provision, distribution, and monitoring of taxpayer funds may be better used (and scrutinized) towards impactful projects