



Seventeenth Congress
First Regular Session

HOUSE BILL NO. **4495**

Introduced by Representative Deogracias Victor “DV” B. Savellano

EXPLANATORY NOTE

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

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

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

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

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

Early approval of this bill is earnestly sought.



DEOGRACIAS VICTOR "DV" B. SAVELLANO

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HOUSE BILL NO. 4495

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AN ACT

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

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

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

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

1 programs and an effective institutional mechanism to be established to address
2 the need for a coordinated and integrated approach in the formulation and
3 implementation of various inter-regional development plans, programs and
4 projects in Ilocos Region, Cagayan Valley Region and the Cordillera
5 Administrative Region (CAR).

6 **SEC. 3. *Northern Luzon Growth Quadrangle Development Authority.***

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

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

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

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

1 a) Formulate an integrated development framework for Ilocos
2 Region, Cagayan Valley Region and CAR that is consistent with the peace and
3 development initiatives of the National Government;

4 b) Review and submit to the President, for approval, a master plan for
5 the Authority;

6 c) Cause the update, periodic review refinement and endorsement of
7 the Authority plans, investment programs and development activities within the
8 context of the master plan of the component regions;

9 d) Transform regions in the Authority into highly developed and
10 sustainable centers of agriculture, natural resources, commerce, education,
11 tourism, banking, investment and finance, information and communications
12 technology (ICT) knowledge-based industries and other appropriate industries
13 of the region;

14 e) Recommend to and, whenever necessary, call upon the proper
15 agencies on the technical support, physical assistance and, generally, the level
16 of priority to be accorded to agricultural, industrial, commercial, infrastructure,
17 environmental, and technological programs and projects soliciting or requiring
18 direct or indirect help from or through the National Government or any of its
19 instrumentalities;

20 f) Educate and inform the constituents of Ilocos Region, Cagayan
21 Valley Region and CAR, about national policies that foster the integrated and
22 balanced development of the area to encourage their full participation;

23 g) Promote and facilitate investments in any field which enhance the
24 socioeconomic development of Ilocos Region, Cagayan Valley Region and
25 CAR and uplift the living standards of the people and their socio-political
26 activities in close coordination with agencies primarily mandated to undertake
27 such functions;

28 h) Explore sources for financing priority for inter-regional programs,
29 projects and activities of Ilocos Region, Cagayan Valley Region and CAR that

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 b) Involve experts in the fields of development in the formulation and
29 implementation of a comprehensive and integrated development plan for Ilocos

1 Region, Cagayan Valley Region and CAR, investment programs and the
2 preparation of investment programming priorities, annual reports and other
3 pertinent documents approved by the Authority;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 a) The Chairperson;

25 b) The heads of the Regional Development Councils of Ilocos
26 Region, Cagayan Valley Region and Cordillera Administrative Region;

27 c) A local chief executive among the municipalities and cities of
28 Ilocos Region, Cagayan Valley Region and CAR designated by the Union of
29 Local Authorities of the Philippines (ULAP);

1 d) The President of the Confederation of Governors, City Mayors and
2 Municipal Mayors League Presidents of Ilocos Region, Cagayan Valley Region
3 and CAR; and

4 e) The three (3) representatives from the i) business sector; ii)
5 academic sector; and iii) nongovernment organization (NGO) sector to be
6 appointed by the President, upon the recommendation of the Board comprising
7 one (1) representative each from the Ilocos Region, Cagayan Valley Region and
8 CAR:

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

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

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

23 a) Provide direction and guidance for the Authority's work and
24 thrusters for Ilocos Region, Cagayan Valley Region and CAR;

25 b) Ensure that the goals and policies of the Authority are consistent
26 with the overall national development goals and objectives;

27 c) Ensure that the programs of the Authority are consistent with
28 regional and local development plans, programs and projects and vice versa for
29 purposes of harmonization;

1 d) Explore sources for financing of priority specific Ilocos Region,
2 Cagayan Valley Region and CAR interregional plans, programs, projects and
3 activities;

4 e) Create committees or task forces as may be deemed necessary in
5 the accomplishment of duties and functions;

6 f) Determine schedules, establish voting procedures, criteria for the
7 constitution of a quorum and other rules and regulations in the conduct of Board
8 interregional meetings; and

9 g) Perform such functions as may be necessary to carry out the
10 purposes of this Act.

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

17 a) The Chairperson;

18 b) The heads of the Regional Development Councils of Ilocos
19 Region, Cagayan Valley Region and Cordillera Administrative Region;

20 c) Representative from the nongovernment organizations in the
21 Ilocos Region, Cagayan Valley Region and CAR business sector; and

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

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

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

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

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

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

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

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

24 Approved,