

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
Third Regular Session



HOUSE BILL NO. 8635

Introduced by **SPEAKER GLORIA MACAPAGAL-ARROYO**, Representatives **JOEY SARTE SALCEDA, ARTHUR C. YAP** and **WES GATCHALIAN**

**AN ACT INSTITUTIONALIZING THE NATIONAL ECONOMIC
AND DEVELOPMENT AUTHORITY AS THE INDEPENDENT
ECONOMIC AND PLANNING AGENCY OF THE
PHILIPPINE GOVERNMENT, DEFINING ITS FUNCTIONS
AND AMENDING EXECUTIVE ORDER NO. 230
SERIES OF 1987, APPROPRIATING FUNDS THEREFOR,
AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

This bill seeks to institutionalize a new and truly independent department that will implement long-term, continuing, integrated, and coordinated programs and policies for national development. It will also enhance decentralization and strengthen the autonomy of units within the various regions of the country to accelerate their economic and social growth and development. Distressed communities will thus be empowered to revitalize, expand, and upgrade their physical infrastructures to attract new industries, encourage business expansion in the countryside, diversify local economics, and generate or retain long-term private sector jobs and investments.

Further, this bill institutionalizes the National Economic and Development Authority (NEDA) as a lead integrator of economic development programs and policies to achieve the following objectives:

(1) Facilitate the planning, collaboration, and coordination among the relevant government agencies;

(2) Improve access to national program information, data, and funding opportunities, support research of leading edge, world class economic development practices and information dissemination efforts;

(3) Ensure that economic resources are aligned and invested in support of identified and well-defined timely strategies and projects in non-duplicative activities;

(4) Encourage strategic investments that strengthen competitiveness and foster job creation;

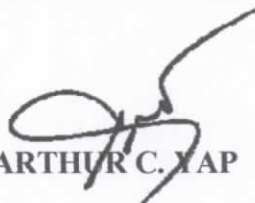
(5) Promote energy independence, help fight poverty and build prosperity for the greatest number of Filipinos; and

(6) Produce transformational economic diversification and work force development outcomes for our country's long-term sustainable economic future.

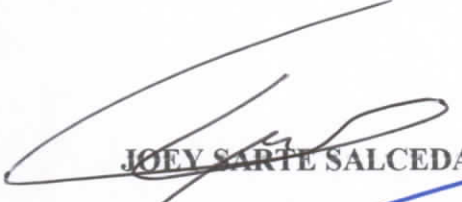
In view of the foregoing, the immediate passage of this bill is earnestly sought.



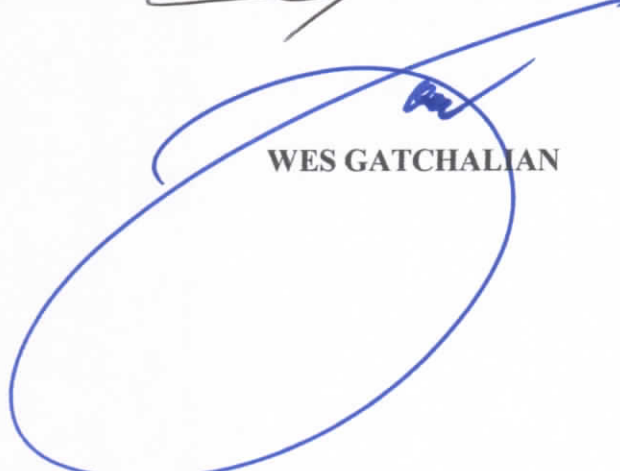
SPEAKER GLORIA MACAPAGAL-ARROYO



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*Be it enacted by the Senate and the 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 of 2018.”

SEC. 2. *Declaration of Policy.* – The State shall adopt and implement continuing integrated and coordinated long, medium, and short term development plans and policies 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.

ARTICLE II. THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

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

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

SEC. 4. *The NEDA Board.* – The NEDA Board shall be composed of the following:

1. The President of the Philippines, who shall be the Chairperson of the NEDA Board. Whenever the President is unable to attend a meeting of the Board, the Vice-Chairperson shall act as Chairperson;
2. The Secretary of the NEDA, who shall be the Vice-Chairperson;
3. The Secretary of the Department of Finance;
4. The Secretary of the Department Budget and Management;
5. The Secretary of Interior and Local Government;
6. The Secretary of Trade and Industry;
7. The Secretary of Transportation;
8. The Secretary of Social Welfare and Development;
9. The Secretary of Education;
10. The Secretary of Health;
11. The Secretary of Agriculture;
12. The Secretary of Public Works and Highways; and
13. The Governor of the Bangko Sentral ng Pilipinas (BSP), as a resource institution.

All members of the NEDA Board, except the Governor of the BSP, are voting members. The presence of the Chairperson or Vice-Chairperson, and at least three (3) other voting members shall constitute a quorum.

The President may designate additional members to the NEDA Board.

SEC. 5. *Meetings.* – The NEDA Board shall meet at least once every quarter. A special meeting of the NEDA Board may be convened by the President to address urgent concerns, or

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 NEDA Board, including the recordings and transcripts, either in their original form, or in any secured digital format.

SEC. 6. Full Disclosure Rule. – In addition to the requirements of Republic Act No. 6713, any member of the NEDA Board with personal or pecuniary interest in any matter in the agenda of the NEDA Board shall disclose his 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.

SEC. 7. Exercise of Authority. – In the exercise of authority, the NEDA Board shall:

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

SEC. 8. Powers, Functions, and Duties. – The NEDA shall have the following powers, functions and duties:

1. Formulate, in consultation with public agencies, civil society organizations, non-government organizations, people's organizations, the academe, the private sector, and local government units, continuing integrated and coordinated policies, plans and programs for national and regional development, such as, but not limited to:
 - (a) Long-term national development plans;
 - (b) Medium-term and short-term national and regional development plans;
 - (c) Medium-term national and regional public investment programs;
 - (d) Sectoral inter-sectoral and programs; and
 - (e) Evaluation agenda
2. Ensure the harmonization of national and regional plans and programs by prescribing standards, guidelines, and compliance and accountability mechanisms to ensure continuing integrated and coordinated programs and policies for national development;
3. Help ensure and coordinate the integration of national, regional, sub-national and spatial plans and programs for consistency and alignment with the overall development objectives of the country;
4. Prioritize policies and strategies, with corresponding programs, activities and projects, and funding from the national government, official development assistance (ODA), public-private partnerships, and other viable sources of funding, as basis for budget expenditure policies and budget formulation, in coordination with implementing agencies, and for reporting to the NEDA Board and its committees;
5. Oversee, monitor, and evaluate the implementation of national and regional programs and projects of government, funded by the national government, public-private partnerships, official development assistance (ODA), and programs vested with public interest;
6. Review, monitor and assess the impact of policies, regulations, and programs of the government, and recommend to concerned government agencies and instrumentalities strategies and measures, including proposed legislation, to achieve development goals;
7. Recommend policies that would encourage investments to ensure that the economic and business environments and regulatory frameworks are consistent with the development agenda and plans of the country;
8. Report to the people, Congress, the Cabinet and the President on the economic performance of the country, including the status and the directions of the fiscal and monetary policies of the government – in coordination with the Bangko Sentral ng Pilipinas and the Department of Finance – and prospects in the macro-economy and labor market, and other relevant information that may be requested, for purposes of transparency and accountability; and
9. Provide technical, advisory and secretariat support services to the NEDA Board and its committees, the Regional Development Councils, and other stakeholders.

SEC. 9. NEDA Board Committees. – NEDA Board Committees shall be created to be the primary advisory bodies to the NEDA Board. It shall submit recommendations on matters involving their concerns to the NEDA Board for approval.

The NEDA Board shall designate the Chairperson of these Committees, including the Secretariat, unless otherwise specifically provided herein.

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

The following shall be the NEDA Board Committees:

1. *Development Budget Coordination Committee (DBCC)*. – The DBCC, to be composed of the Secretaries of Budget and Management, National Economic and Development Authority, Finance, and Trade and Industry, the Executive Secretary, the Governor of the Bangko Sentral ng Pilipinas, and the Senate President and the Speaker of the House, shall have the following functions:
 - (a) Recommend for Presidential approval the level of annual government expenditures and the ceiling of government spending for economic and social development, national defense, and government debt service;
 - (b) Recommend the budget to be allocated for current operating expenditures and capital outlays of government programs and projects;
 - (c) Assess the overall economic situation of the country, which includes economic growth, monetary, fiscal, and possible economic risks which may require policy reforms;
 - (d) Formulate and review the guidelines for the regional allocation of agency budgetary resources;
 - (e) Ensure that the regional allocations are responsive to poverty, development gaps, and economic opportunities-
 - (f) Conduct periodic review of macroeconomic targets, and the revenue and expenditure projections of the government;
 - (g) Prepare a strategic multi-year fiscal program which supports the long-term and medium-term development objectives of the country; and
 - (h) Conduct periodic review of fiscal and macroeconomic targets, and the revenue and expenditure projections of the government;
2. *Investment Coordination Committee (ICC)*. – The ICC, to be composed of the Secretaries of Finance, National Economic and Development Authority, Budget and Management, Interior and Local Government, and Trade and Industry, the Executive Secretary, the Governor of the Bangko Sentral ng Pilipinas, and the Senate President and the Speaker of the House, shall have the following functions:
 - (a) Review and submit to the President a status of the fiscal, monetary and balance of payment (BOP) implications of major capital programs and projects;
 - (b) Recommend to the NEDA Board the timetable of the implementation of major capital programs and projects on a regular basis;
 - (c) Review and evaluate specific major capital programs and projects with respect to technical, financial, economic, social, environmental, legal, institutional, feasibility, viability as well as from the context of sectoral plans

and geographical strategies, as may be required by law, orders, and other legal issuances;

- (d) Review and approve, for final approval of the NEDA Board, major capital projects based on a cost threshold as may be set by the NEDA Board; and
3. *Resource Mobilization and Other Fiscal Matters Committee (RMFMC)*. – The RMFMC, to be composed of the Secretaries of Finance, National Economic and Development Authority, Budget and Management, Interior and Local Government, and Trade and Industry, Governor of the Board of Investments, Chairperson of the Governance Commission for GOCCs, the Executive Secretary, the Governor of the Bangko Sentral ng Pilipinas, and the Senate President and the Speaker of the House, shall have the following functions:
- (a) Review and recommend to the NEDA Board a domestic and foreign borrowing program;
 - (b) Pursue and recommend Public-Private Partnerships (PPP), privatization, and other funding options to augment government's financing capacity;
 - (c) Propose and recommend tax reform measures; and
 - (d) Review and recommend modalities of development financing and capital market development in support of long-term programs and projects for both national and local government, and GOCCs.
4. *Infrastructure Committee (INFRACOM)*. – The INFRACOM, to be composed of the Secretaries of National Economic and Development Authority, Public Works and Highways, Budget and Management, Finance, Information and Communications Technology, Transportation, Trade and Industry, Energy, Agriculture, and Tourism, the Executive Secretary, and the Senate President and the Speaker of the House, shall have the following functions:
- (a) Formulate a national infrastructure development strategy that will coordinate, integrate and accelerate the development initiatives across all infrastructure subsectors in the country;
 - (b) Advise the President and the NEDA Board, on all matters concerning infrastructure development, including roads, highways, and bridges; airports, seaports, offshore infrastructure and shore protection; railways and subways; power generation, transmission and distribution; ICT, telecommunications; irrigation, flood control and drainage; water supply, sewerage and sanitation; national buildings for government offices; hospitals and related buildings; state colleges and universities, elementary and secondary school buildings; reclamation; and other public works, whether procured or financed through traditional means, PPP, or any other method; and
 - (c) Coordinate the activities of agencies, including government-owned and/ or controlled corporations involved in infrastructure development.
5. *Social Development Committee (SDC)*. – The SDC, to be composed of the Secretaries of 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,

the Executive Secretary, and the Senate President and the Speaker of the House, shall have the following functions:

- (a) Formulate policies, programs and project 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;
- (b) Formulate and recommend government policies, programs and projects on social development that are appropriate and consistent with national development and priorities;
- (c) Advise the NEDA Board 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
- (d) Coordinate the activities of government agencies concerned with social development.

6. *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 of the Bangko Sentral ng Pilipinas, the Chairpersons of the Tariff Commission and Philippine Competition Commission, and the Senate President and the Speaker of the House, shall have the following functions:

- (a) Recommend to the NEDA Board a continuous rationalization policy and program for the country's tariff structure;
- (b) Advise the NEDA Board on tariff and related matters, as well as the effects of various international developments on the country; and
- (c) Coordinate government agency positions and recommend national positions for international economic negotiations.

7. *Regional Development Committee (RDCom)*. – The RDCom, to be composed of the Secretaries of National Economic and Development Authority, Interior and Local Government, Budget and Management, and Trade and Industry, three (3) Regional Development Council Chairpersons representing Luzon, Visayas and Mindanao, one (1) representative from the Union of Local Authorities of the Philippines, and the Senate President and Speaker of the House, shall have the following functions:

- (a) Advise the NEDA Board on matters concerning regional development;
- (b) Formulate and monitor the implementation of policies that reduce regional growth disparities;
- (c) Promote equitable allocation of resources among regions by strengthening the linkage between national and regional/local planning, investment programming, and budgeting, and providing recommendations to the DBCC on the guidelines for the regional allocation of budgetary resources;
- (d) Serve as a clearing house for key regional development policy proposals that have impacts on at least two (2) regions;

- (e) Formulate and monitor the implementation of the framework for regional development of the medium-term development plan; and
 - (f) Periodically review the viability of the regional configuration of the country, and recommend to the NEDA Board the re-delineation of regions, as may be necessary.
8. *National Land Use Committee (NLUC)*. – The NLUC, to be composed of the Secretaries of National Economic and Development Authority, Agrarian Reform, Agriculture, Energy, Environment and Natural Resources, Information and Communications Technology, Interior and Local Government, Justice, Public Works and Highways, Science and Technology, Trade and Industry, Transportation, and Tourism, the Chairperson of the Housing and Urban Development Coordinating Council or the Housing and Land Use Regulatory Board, the Chairperson of the National Commission on Indigenous Peoples, the presidents of Leagues of provinces, municipalities and cities, and the Senate President and the Speaker of the House, shall have the following functions:
- (a) Advise the NEDA Board on matters concerning land use and physical planning;
 - (b) Formulate a national physical framework plan and other inter-sectoral 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;
 - (c) Ensure the integration of land use and physical planning policies, plans, and programs, including disaster risk management, into national socioeconomic plans and programs;
 - (d) Recommend resolutions concerning land use policy conflicts among agencies of the national government;
 - (e) 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 land areas, public and private, comprising the total land resource of the country; and
 - (f) Provide policy directions to the Regional Land Use Committees in the performance of their respective physical planning functions.
9. *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 Bangko Sentral, the Executive Secretary, and the Senate President and the Speaker of the House. 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:
- (a) Formulate policies that promote sustainable economic development and inclusive growth;

- (b) 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;
 - (c) Recommend to the President and NEDA Board policies that would ensure equitable distribution of economic opportunities and benefits to Filipinos;
 - (d) Recommend policy directions towards the development of farms and rural enterprises which are vital to achieving food security and more equitable growth; and
 - (e) Monitor and evaluate continuous improvements in national productivity and competitiveness of domestic products and services.
10. *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 Education, the Chairperson of the Commission on Higher Education, the Executive Secretary, and the Senate President and the Speaker of the House, shall have the following functions:
- (a) Recommend policies and programs that will promote a culture of research, planning and innovation, and encourage knowledge creation, dissemination and utilization to support the country's sustainable economic development, food security and safety, industrialization, defense and security, and competitiveness; and
 - (b) Oversee and coordinate the preparation of a national agenda that would provide the framework and strategies for research and development, and innovation in the country.
11. *Sustainable and Resilient Development Committee (SRDC)*. – The SRDC, to be composed of the Secretaries of Environment and Natural Resources, National Economic and Development Authority, Agrarian Reform, Agriculture, Energy, Interior and Local Government, and Science and Technology, the Administrator/ Executive Director of the Office of Civil Defense/ National Disaster Risk Reduction and Management Council, the Chairperson of the Climate Change Commission, and the Senate President and the Speaker of the House, shall have the following functions:
- (a) Recommend policies that will promote the conservation of the environment, and the sustainable utilization of the country's natural resources;
 - (b) Oversee the preparation of policies, strategies and other measures to promote disaster resilience; and
 - (c) Monitor and evaluate the impact of environmental programs and projects to the Philippine economy in general, and the utilization of the nation's resources.
12. *Governance Committee (GovCom)*. – The GovCom, to be composed of the Secretaries of Interior and Local Government, National Economic and Development Authority, Budget and Management, Finance, Trade and Industry, and Justice, the

Chairperson of the Commission on Audit, and the Chairman of the Governance Commission for Government Owned or Controlled Corporations, and the Senate President and the Speaker of the House, shall have the following functions:

- (a) Formulate and recommend policies that promote transparency, accountability, and participatory governance, and strengthen public institutions to effectively and efficiently implement their respective mandates;
- (b) Recommend policies that would capacitate national government agencies in linking its respective budget with performance outcomes;
- (c) 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;
- (d) Facilitate the resolution of governance issue 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
- (e) Review and conduct studies on reforms in the country's system of governance within the larger context of national economic development.

13. *Culture 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, Philippine Sports Commission, and the Senate President and the Speaker of the House shall:

- (a) 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
- (b) Monitor and evaluate the implementation of projects, activities and programs on culture.

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

The NEDA Board committees may create sub-committees, whenever appropriate, for the purpose of dispensing with any of its respective functions.

SEC. 10. Meetings and Reports of the NEDA Board Committees. – The NEDA Board Committees shall meet regularly, but may be convened to such special meetings as may be necessary. The members of the NEDA Board shall be duly notified of any meeting in advance. The NEDA shall serve as the secretariat to each NEDA Board Committee.

Chairperson of the Commission on Audit, and the Chairman of the Governance Commission for Government Owned or Controlled Corporations, and the Senate President and the Speaker of the House, shall have the following functions:

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The NEDA Board Committees shall furnish the NEDA Board their respective reports and outputs during such meetings.

ARTICLE III. THE SECRETARY AND OFFICES OF THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

SEC. 11. *Organization, Composition, Staffing, and Compensation.* – The NEDA shall determine its organizational structure, composition and staffing, as well as the responsibilities and functions of each office therein as provided for in SEC. 12, SEC. 13, SEC. 14, SEC. 15, SEC. 16, SEC. 17, and SEC. 18, according to applicable laws. It shall establish a human resource management system which shall govern the selection, hiring, appointment, transfer, promotion, or dismissal of all personnel. Such system shall aim to establish professionalism and excellence at all levels of NEDA in accordance with sound principles of management.

The NEDA shall be exempted from the Organization Position Classification and Compensation System under R.A. 6758. It shall develop and periodically review its own position classification system and compensation structure based on job evaluation studies and wage surveys. The NEDA Board shall approve NEDA's position classification system and compensation structure.

Appointments in NEDA, except those which are policy-determining, primarily confidential or highly technical in nature, shall be made only according to the Civil Service Law, rules and regulations: Provided, that no qualification standards for positions in NEDA shall be imposed other than those set by the NEDA Board: Provided, further, that the NEDA Board, may without need of obtaining prior approval from any other government agency, appoint personnel in NEDA whose services are deemed necessary.

SEC. 12. *Organization of NEDA.* – The NEDA shall consist of the Office of the Secretary, the Offices of the Undersecretaries and Assistant Secretaries, technical and sectoral staffs, operations support staffs, and regional offices.

SEC. 13. *Office of the Secretary of NEDA.* – The Office of the Secretary of NEDA shall consist of the Secretary, four (4) Undersecretaries, eight (8) Assistant Secretaries, the Internal Audit Service, and the Legislative Liaison Office.

SEC. 14. *Secretary of NEDA.* – The NEDA shall be headed by a Secretary, who shall be the Vice-Chairman of the NEDA Board. The NEDA Secretary shall also be a member of the Cabinet.

The NEDA Secretary shall have the following functions:

1. Provide executive direction and supervision over the entire operations of the NEDA;
2. Establish policies and standards for the effective, efficient, and economical operations of the NEDA, in accordance with the programs of the government;

3. Promulgate rules, regulations, and other issuances as necessary in carrying out the NEDA's mandate, objectives, policies, plans, programs and projects;
4. Establish effective linkages with provincial and municipal planning and development offices;
5. Advise the President on the promulgation of executive or administrative orders, and the formulation of regulatory and legislative proposals, pertaining to matters of national economic and social development;
6. Promulgate such rules and regulations, and exercise such other powers as may be required to implement the objectives of this Act; and
7. Perform such other tasks as may be provided by law or assigned by the President.

SEC. 15. *Representation to the Monetary Board.* – The NEDA Secretary shall be the representative of the Cabinet to the Monetary Board. Whenever the NEDA Secretary is unable to attend a meeting of the Monetary Board, he shall designate an Undersecretary to attend as his alternate.

SEC. 16. *Term of Office of the Secretary.* – The Secretary of National Economic and Development Authority shall be appointed by the President who shall serve until the expiration of the President's term unless sooner terminated.

The Secretary may be re-appointed or extended beyond his or her term, upon the discretion of the newly elected President.

SEC. 17. *Undersecretaries and Assistant Secretaries.* – The Secretary shall be assisted by four (4) Undersecretaries and eight (8) Assistant Secretaries, who are appointed by the President, upon recommendation by the Secretary.

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

SEC. 18. *Staffs and Offices.* – The NEDA shall be composed of the following technical and sectoral staffs, administrative and support staffs, and regional offices:

1. National Policy and Planning Staff;
2. Public Investment Staff;
3. Social Infrastructure Staff;
4. Connectivity Infrastructure Staff;
5. Social Development Staff;
6. Trade, Services, and Industry Staff;
7. Spatial Planning and Regional Development Staff;
8. Monitoring and Evaluation Staff;
9. Agriculture, Natural Resources, and Environment Staff;
10. Culture Staff
11. Science, Technology, and Innovation Staff
12. Governance Staff;
13. Administrative Staff;

14. Knowledge Management and Development Communication Staff;
15. Financial Planning and Management Staff;
16. Information and Communications Technology Staff;
17. Legal Staff;
18. Internal Audit Service;
19. Legislative and Liaison Office; and
20. Regional Offices in all the administrative regions of the country, except those with planning offices created by law.

The Secretary may recommend for NEDA Board approval, the creation of additional staffs or modification of existing staffs relative to their structures, compositions, powers, and functions.

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

1. Oversee the integration of plans and programs of regional agencies, state universities and colleges (SUCs), government owned and controlled corporations (GOCCs), and local government units (LGUs) into the regional and national plans. The NROs shall provide assistance to regional line agencies, LGUs, SUCs and GOCCs in identifying and developing programs and projects;
2. Evaluate and review proposed policies, land use plans, programs and projects in the region;
3. Monitor and evaluate the implementation of plans, policies, programs and projects;
4. Provide technical and secretariat services to their respective Regional Development Councils;
5. Undertake research and ensure knowledge utilization for regional development and productivity; and
6. Provide technical assistance to development partners in the region in accordance with NEDA's functions.

SEC. 20. *Attached Agencies.* – The agencies attached to the NEDA as of the effectiveness of this Act shall continue to be attached in the performance of their respective functions, pursuant to the pertinent provisions of their respective charters or enabling laws, unless otherwise provided.

The following agencies are attached to the NEDA for policy and program coordination, and budgetary purposes:

1. Philippine Institute for Development Studies (PIDS);
2. Philippine National Volunteer Service Coordinating Agency (PNVSCA);
3. Philippine Statistics Authority (PSA);
4. Philippine Statistical Research and Training Institute (PSRTI); and
5. Commission on Population and Development (POPDEVCOM).

Other attached agencies, which are attached to the NEDA for budgetary purposes and administrative supervision, include:

1. Public-Private Partnership Center of the Philippines (PPPC); and

2. Tariff Commission (TC).

SEC. 21. *Functions of the Attached Agencies.* – The agencies attached to the NEDA shall continue to operate and function in accordance with the respective charters, laws, or order creating them, except as otherwise provided in this Act, the Administrative Code of 1987, and subsequent laws.

SEC. 22. *Legislative-Executive Development Advisory Council (LEDAC).* – The NEDA shall continue to serve as the principal secretariat of the LEDAC, consistent with Republic Act No. 7640. It shall perform the following functions under Sec. 3 thereof, including the preparation of the budget and administration of the funds of the Council:

1. Determine and recommend socioeconomic development goals in pursuance of established policies which shall guide the formulation and implementation of the national development plan;
2. Provide policy advice to the President on vital issues affecting the socioeconomic development of the country;
3. Direct the study of measures to ensure that regional development plans and programs are integrated into the national development plan;
4. Receive, and in appropriate cases, require reports on, and study measures to improve, the implementation of official development assistance from multilateral and bilateral entities;
5. Assess effectiveness of implementation of the national development plan;
6. Integrate environmental concepts, principles and practices into the national development plan for a balanced and cohesive approach to national development;
7. Review the relationship of the legislative agenda to the national development plan to ensure the integration of both; and
8. 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.

Article IV. DEVELOPMENT PLANS AND PROGRAMS, REPORTS AND PUBLICATIONS

SEC. 23. *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. 24. *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 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 the development agenda of the President, and geared towards the attainment of the development goals and objectives in the long-term development plan.

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

SEC. 25. *Philippine Investment Program (PIP) and Regional Development Investment Program (RDIP)*. – The preparation of the PIP and RDIPs shall be formulated in support of PDPs and RDPs. The NEDA shall prepare a list of priority programs and projects to be implemented by the national government, government-owned and/or controlled corporations (GOCCs), government financial institutions (GFIs), and other national government offices and instrumentalities that will contribute to the attainment of the sectoral goals and outcomes in the PDP and RDP.

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

SEC. 26. *National Physical Framework Plan (NPFP) and Regional Physical Framework Plan (NPFP)*. – The NEDA shall prepare a framework which provides analytical parameters for the planned allocation, use and management of the country's land and other physical resources. The NPFP shall help plan and manage these resources at the national and subnational levels.

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

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

SEC. 27. *Socio-Economic Reports (SERs) and Regional Development Reports (RDRs)*. – To monitor the implementation of the PDP and RDP, the NEDA shall prepare periodic socioeconomic reports. The SER and RDRs shall serve as inputs to policy and decision makers in the formulation of policies, budgeting and implementation of programs and projects, based on the development plans of the country.

SEC. 28. ODA Portfolio Review. – The NEDA shall review the status of all projects funded by ODA, both multilateral and bilateral, and identify causes of implementation problems and proposed solutions to bottlenecks, cost overruns (actual and prospective), and continued program or project viability. The NEDA is required to submit to the President and Congress a report on the outcome of the review not later than June 30 of each year.

SEC. 29. Knowledge Management. – The NEDA shall establish a repository of data and information, publication, research and analyses, and other information concerning the Philippine economy and development, in general. It shall manage, maintain, and make available such information and documents to the public for the purpose of knowledge sharing.

CHAPTER II

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

ARTICLE I. LINKAGE AND ALIGNMENT OF PLAN AND PROGRAM FORMULATION

SEC. 30. Planning and Program Formulation. – A Planning Call by the NEDA Board shall be issued not later than two months after the newly elected President has assumed office. The NEDA Secretary shall propose to the NEDA Board the standards and guidelines for the Planning Call in the preparation of the PDP, RDPs, PIP and RDIPs, including a timeline for the planning and investment programming activities preceding the budget preparation activities to ensure that the strategic programs and projects identified are provided with the required funding allocation.

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

SEC. 31. Planning, Programming, and Budgeting Linkage. – The NEDA shall ensure a strong, efficient and effective linkage between development planning, programming and budgeting.

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

SEC. 32. Adoption and Implementation of Plans and Investment Programs. – The RDCs shall approve their respective RDPs and RDIPs for consideration in the PDP and PIP.

The NEDA Board shall approve the PDP and PIP for adoption and implementation of government agencies.

SEC. 33. *Integration of National, Regional and Local Plans and Programs.* – The NEDA shall integrate major regional and local development priorities into the PDP and RDPs, respectively. Furthermore, the NEDA, through the NEDA Regional Offices, shall provide oversight in the formulation of provincial development and physical framework plans so that local development thrusts are aligned with and contribute to the national and regional level plans and programs.

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

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

SEC. 34. *Regional Development Council (RDC).* – To accelerate the socioeconomic development of the regions in the country, the Constitution mandates the creation by the President of Regional Development Councils composed of local government officials, regional heads of departments and other government offices, and representatives from non-governmental organizations within the regions. The NEDA Regional Offices shall serve as secretariat of the RDCs.

To ensure that socioeconomic development programs and activities of government are undertaken with extensive and active participation and support of, various government agencies, as well as private sector institutions at the national, regional and local levels, the NEDA shall prepare and submit for Presidential approval, the continuous strengthening of the RDCs to make them more effective institutions in the regions responsible for ensuring sustainable, participatory and equitable development. The strengthening of the RDCs must also serve the purpose of providing a responsive forum at the regions for the meaningful participation and support from the concerned members of the House of Representatives.

SEC. 35. *Consultations.* – The NEDA shall mobilize maximum participation by and consultation with concerned local government units, community organizations and beneficiaries, civil society organizations, non-government organizations, people's organizations, the academe, or other private organizations in order to ensure that the priority needs are incorporated into the formulation of policies, plans, programs and projects. Civil Society Organization (CSO) Advisory Boards shall be organized at the national and regional levels, as an institutionalized consultative mechanism at all planning levels and planning committees in the formulation of the PDP and RDPs, respectively.

SEC. 36. *Technical Assistance.* – The NEDA shall provide technical assistance to the local government units on how to localize national development strategies, particularly in

planning and investment programming to ensure alignment of local development plans and strategies with the PDP and RDP. It shall also assist local government units in identifying and developing programs and projects, and redirecting resources into more productive activities to achieve the intended development outcomes in their respective areas.

SEC. 37. *Coordination with Autonomous and Administrative Regions.* – The NEDA shall ensure effective coordination with autonomous and administrative regions with separate planning offices in the formulation of the PDP and in other relevant planning activities affecting said regions.

ARTICLE II. MONITORING AND EVALUATION OF PLANS AND PROGRAMS

SEC. 38. *Monitoring and Reporting on the Implementation of Plans and Programs.* – The relevant NEDA Board Committees shall monitor the implementation of the PDP, RDP, PIP and RDIPs, including sectoral plans and programs on an annual basis, to determine if the targets identified in the plans and programs were achieved. The monitoring results shall be reported to the NEDA Board, Congress and other concerned agencies for purposes of adjustments in policies, programs and projects.

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

SEC. 39. *Evaluation of the Implementation of Plans and Programs.* – Consistent with a National Evaluation Framework, which provides for the purposive conduct of evaluation in the public sector, a national evaluation agenda shall be formulated. Relevant NEDA Board Committees shall identify and commission, or instruct agencies to conduct public sector evaluation studies in support of good governance, transparency, accountability, and evidence-based decision making.

CHAPTER III TRANSITORY AND OTHER MISCELLANEOUS PROVISIONS

SEC. 40. *Transitory Provision.* – The powers and functions, applicable funds and appropriations, records, files, equipment, facilities, supplies, property, and personnel of the current NEDA Secretariat are hereby transferred to the new NEDA. All officials and employees of the current NEDA Secretariat shall be retained.

SEC. 41. *Transfer of Rights and Obligations.* – The NEDA shall, by virtue of this Act, be subrogated to all the rights and assume all the obligations of the current NEDA Secretariat, and all its liabilities that pertain to its pertinent funds and appropriations, records, files,

equipment, facilities, supplies, property, and personnel, including unexpended portions of its members' respective salaries.

SEC. 42. *Funding.* – The amount needed to carry out the initial implementation of this Act shall be charged against the current operative budget sourced from the funds currently available for the NEDA Secretariat. Thereafter, the necessary budget for the continued operation and maintenance of the NEDA shall be included in the annual GAA.

SEC. 43. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectiveness of this Act, the NEDA Board shall promulgate the rules and regulations, as well as the issuances, necessary to ensure the proper implementation of the provisions of this Act. These implementing rules and regulations shall take effect fifteen (15) days after the completion of their publication in two (2) newspapers of general circulation.

SEC. 44. *Separability Clause.* – If any provision or portion of this Act is declared unconstitutional, the remainder of this Act or any provision not thereby affected shall remain in full force and effect.

SEC. 45. *Repealing Clause.* – All laws, decrees, executive orders, ordinances, rules, regulations, and other issuances, or parts thereof, which are inconsistent with any provision of this Act, are hereby repealed, amended, and/ or modified accordingly.

SEC. 46. *Effectivity.* This Act shall take effect fifteen (15) days after completion of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.