

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

Nineteenth Congress  
First Regular Session



HOUSE BILL NO. 646

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Introduced by **Representative JOEY SARTE SALCEDA**

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**AN ACT  
CREATING THE DEPARTMENT OF ECONOMICS  
AND DEVELOPMENT PLANNING, DEFINING ITS FUNCTIONS,  
AND APPROPRIATING FUNDS THEREFOR**

**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.



**JOEY SARTE SALCEDA**



Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

Eighteenth Congress  
First Regular Session

HOUSE BILL NO. 646

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Introduced by **Representative JOEY SARTE SALCEDA**

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**AN ACT  
CREATING THE DEPARTMENT OF ECONOMICS  
AND DEVELOPMENT PLANNING, DEFINING ITS FUNCTIONS,  
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**CHAPTER 1  
ARTICLE I  
TITLE AND POLICY**

**SECTION 1. *Short Title.***— This Act shall be known as the “*Department of Economics and Development Planning Act*”.

**SEC. 2. *Declaration of Policies and Principles.***— The State shall adopt and implement continuing, integrated, and coordinated policies, plans, and programs towards equitable distribution of opportunities, income and wealth; ensure a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and expand productivity to raise the quality of life for all.

It is therefore vital that major programs and projects of different government agencies must be properly reviewed by and coordinated by a national government agency to ensure their consistency with established national and subnational priorities; that the linkage between development planning, programming and budgeting shall be of highest priority in identifying programs, activities, and projects; and that the public and private sectors at the national and subnational levels participate in the process of formulating, implementing, monitoring, and evaluating policies, plans, and programs.

The State recognizes that, pursuant to the Section 9, Article XII of the Constitution, Congress may establish an independent economic and planning agency headed by the President of the Philippines, which shall, after consultations with the appropriate public agencies, various private sector groups, and local government units (LGUs), recommend priority legislative measures to Congress.

**ARTICLE II**  
**THE DEPARTMENT OF ECONOMICS AND DEVELOPMENT PLANNING**

**SEC. 3. *The Department of Economics and Development Planning.*** – There is hereby created the Department of Economics and Development Planning, hereinafter to be referred to as the DEDP, which shall serve as the primary government agency tasked to prepare and recommend national economic development goals, policies, and programs, and monitor the implementation of the same. the DEDP shall take over the powers, duties, and functions of the National Economic and Development Authority.

**SEC. 4. *Mandate of the DEDP.*** – The DEDP shall be the agency that shall direct the government’s planning and investment programming processes towards sustainable and inclusive economic growth; equitable distribution of opportunities, income, and wealth; and increased productivity. As such, it shall formulate the country’s continuing, integrated, and coordinated policies, plans, and programs for development; foster a culture of planning across all government organizations; ensure the vertical and horizontal alignment and coherence of national and subnational policies, plans, programs, and projects; ensure alignment of appropriations for programs with national and subnational development plans towards optimal use of financial resources; and oversee the country’s public investment program.

**SEC. 5. *Powers and Functions of the DEDP.*** – In accordance with Chapter I Article III of this Act, the DEDP shall have the following powers and functions:

- (a) Visioning and plan formulation;
- (b) Harmonization of plans;
- (c) Investment programming;
- (d) Linkage of planning with budgeting;
- (e) Policy advisory;
- (f) Project appraisal;
- (g) Monitoring and assessment;
- (h) Evaluation;
- (i) Independent review;
- (j) Research;
- (k) Knowledge management and communication;
- (l) Transparency and accountability reports;
- (m) Capacity building of development planning;
- (n) Economic and financial literacy;
- (o) Innovation and futures thinking, or the creative processing, exploration, and management of change as a component of strategy and policy development;  
and
- (p) Secretariat support to the Economics and Development Planning Council.

**SEC. 6. *Stakeholder Engagement.*** – In the discharge of these functions, the DEDP shall undertake consultations with appropriate public agencies, civil society organizations, non-government organizations, people’s organizations, academe, private sector, and LGUs to incorporate their respective priority needs in the formulation of policies, plans, programs and projects.

**SEC. 7. *Organization of the DEDP.*** – The DEDP shall consist of the Office of the Secretary, the offices of the undersecretaries and assistant secretaries, technical and sectoral staff, operations support staff, and regional offices.

**SEC. 8. *The Secretary of Economics and Development Planning.*** – The DEDP shall be headed by the Secretary who shall be appointed by the President of the Philippines, subject to the confirmation by the Commission on Appointments, and shall hereinafter be referred to as the Secretary. The Secretary, who shall serve as the country’s Chief Economist, shall have the following minimum qualifications: a natural-born citizen and resident of the Philippines; of good moral character; of recognized probity, competence, and independence; must be professionally distinguished in public, civic, or academic service in the field of economics; must have been in active professional practice for at least ten years; and must not have been a candidate for any elective national or local office in the immediately preceding elections, whether regular or special.

**SEC. 9. *Powers and Functions of the Secretary of Economics and Development Planning.*** – The Secretary shall have the following powers and functions:

(a) Advise the President of the Philippines on the promulgation of executive or administrative orders and other issuances, and on the formulation of regulatory and legislative proposals, pertaining to matters of national economic and social development;

(b) Render a report on the status of implementation of national and subnational plans as inputs to the State of the Nation Address by the President of the Philippines;

(c) Serve as Vice-Chairperson of the Economics and Development Planning Council, created under Section 43 of this Act;

(d) Lead the discourse on futures thinking in the public sector, and pursuant thereto, consider the latest trends, strategic issues, and key developments in the country in order to assist government agencies better anticipate and address their implications;

(e) Direct the conduct of research on development matters, examine evaluation results, and gather current information and data for evidence-based formulation of broad policies, plans and relevant programs;

(f) Exercise executive direction, control, and supervision over the entire operations of the DEDP, and its agencies, bureaus, officers, and personnel;

(g) Establish policies and standards for the effective, efficient, and economical operations of the DEDP, in accordance with the programs of the government;

(h) Promulgate rules and regulations, and exercise other powers as may be required to implement the objectives of this Act; and

(i) Perform other functions as may be provided by law or as may be assigned by the President of the Philippines.

**SEC. 10. *The Undersecretaries and Assistant Secretaries.*** – The Office of the Secretary of Economics and Development Planning shall be composed of at least four (4) undersecretaries and eight (8) assistant secretaries.

The undersecretaries and assistant secretaries shall be appointed by the President of the Philippines, upon the recommendation of the Secretary, subject to the rules and regulations promulgated by the Career Executive Service Board. The Secretary shall have the

flexibility to determine the respective assignments of the Undersecretaries and Assistant Secretaries and to reorganize the DEDP, depending on the DEDP's strategic directions and on emerging development trends affecting the country's economy. As the duties and responsibilities of the DEDP are expanded, the number of Undersecretaries and Assistant Secretaries may be increased as deemed necessary.

**SEC. 11. *Offices and Staff.*** – The DEDP shall be composed of the following technical and sectoral staff, administrative and support staff, and regional offices for the following offices:

- (a) Macroeconomics;
- (b) Trade, services, and industry;
- (c) Agriculture, natural resources, and environment;
- (d) Governance;
- (e) Social development;
- (f) Strategic foresight and futures;
- (g) Innovation;
- (h) Public investment;
- (i) Social infrastructure;
- (j) Connectivity infrastructure;
- (k) Spatial planning and regional development;
- (l) Program evaluation;
- (m) Project monitoring;
- (n) Knowledge management and communication;

- (o) Development planning training;
- (p) Administrative;
- (q) Human resource development;
- (r) Financial planning and management;
- (s) Information and communications technology;
- (t) Legal;
- (u) Internal audit service;
- (v) Legislative liaison office; and
- (w) Regional offices.

The Secretary shall recommend to the Department of Budget and Management (DBM) for approval, the creation of additional offices, positions, or staffing modifications as may be necessary.

The DEDP's organizational structure and staffing requirements shall be submitted to the DBM for review and approval. It shall adopt a position classification and compensation structure consistent with the existing policies, rules and regulations.

**SEC. 12. DEDP Regional Offices.** – The DEDP Regional Offices, hereinafter referred to as DROs, shall have the following functions:

- (a) Ensure that regional and local development priorities are integrated in the national and subnational plans;
- (b) Ensure the alignment of the provincial development and physical framework and the comprehensive development plans of highly urbanized cities and independent component cities with the national and regional development plans;
- (c) Oversee the integration of plans and programs of regional agencies, state universities and colleges (SUCs), special development bodies, and local government units (LGUs) into the regional and national plans. The DROs shall provide assistance to regional line agencies, LGUs, SUCs and special development bodies in identifying and developing programs and projects;
- (d) Evaluate and review proposed policies, land use plans, programs and projects in the region;
- (e) Monitor and evaluate the implementation of plans, policies, programs and

projects;

(f) Provide technical and secretariat support to their respective Regional Development Councils (RDCs);

(g) Undertake research and ensure knowledge utilization for regional development and productivity; and

(h) Provide technical assistance to development partners in the region in accordance with the functions of the DEDP.

**SEC. 13. *Attached Agencies.*** – The agencies currently attached to the National Economic and Development Authority (NEDA) shall hereinafter be attached to the DEDP and shall continue to operate and function in accordance with their respective charters, laws, or orders creating them, except as otherwise provided in this Act, the Administrative Code of 1987, and subsequent laws.

The following agencies shall be attached to the DEDP for policy and program coordination purposes:

(a) Commission on Population and Development, created pursuant to Republic Act No. 6365, otherwise known as the "Population Act of 1971, as Amended."

(b) Philippine Institute for Development Studies, created pursuant to Presidential Decree 1201 dated September 26, 1977;

(c) Philippine National Volunteer Service Coordinating Agency, created pursuant Executive Order 635, series of 1980;

(d) Philippine Statistics Authority, created pursuant to Republic Act No. 10625, otherwise known as the "Philippine Statistical Act of 2013"; and

(e) Philippine Statistical Research and Training Institute, created pursuant to Republic Act No. 10625.

The following agencies shall be attached to the DEDP for administrative purposes:

(a) Public-Private Partnership Center of the Philippines, created pursuant Executive Order No. 8 series of 2010 as amended by Executive Order No. 136, series of 2013; and

(b) Tariff Commission (TC), created pursuant to Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act (CMTA)".

**SEC. 14. *Legislative-Executive Development Advisory Council.*** – The DEDP shall serve as the principal secretariat of the Legislative-Executive Development Advisory Council (LEDAC), pursuant to Republic Act No. 7640, otherwise known as "An Act Constituting the Legislative-Executive Development Advisory Council". As principal secretariat, the DEDP shall oversee and coordinate the provision of overall technical and administrative support to the LEDAC, and shall have the following duties and responsibilities, consistent with Article III, Section 2 of the rules and regulations issued to implement Republic Act No. 7640:

(a) Provide technical and administrative support to the LEDAC and its sub-committees, if any;

(b) Determine and prepare the agenda of the LEDAC meetings, and prepare the minutes of each meeting;

(c) Serve as venue for the initial processing and discussion of the work of the LEDAC;

(d) Receive and prepare communications pertinent to the work of the LEDAC;

(e) Manage and maintain the official records of the LEDAC;

- (f) Prepare the annual budget of the LEDAC;
- (g) Prepare reports as required by the LEDAC; and
- (h) Perform other duties as may be assigned by the LEDAC.

### **ARTICLE III POWERS AND FUNCTIONS OF DEDP**

#### **I. Visioning and Plan Formulation**

**SEC. 15. *Visioning.*** – The DEDP shall formulate a long-term vision, hereinafter referred to as the Vision, which embodies the long-term aspirations of all Filipinos. It shall be data-driven and evidence-based, encompassing all dimensions of economic, social, and environmental development. The Vision shall undergo a review every ten (10) years in consideration of changing aspirations and preferences.

**SEC. 16. *Long-term Development Framework.*** – The DEDP shall formulate the country’s long-term development framework, hereinafter referred to as the Framework. The Framework is a high-level and broad strategy spanning twenty-five (25) years that shall guide the nation towards sustainable growth and development and the attainment of the Vision. It shall serve as a tool to coordinate, guide, and inform the preparation and consideration of future, more detailed national and subnational development plans, national and subnational public investment programs, and sectoral and inter-sectoral plans and programs. It shall embody the development goals and milestones to serve as the basis for the overall direction of government policies, programs, and projects across political administrations.

**SEC. 17. *Physical Planning Framework.*** – The DEDP shall formulate the National Framework for Physical Planning (NFPP), which shall provide policies and principles to achieve efficient settlement, production, service delivery systems, and sustainable use of land and other physical resources in the country. At the subnational level, the DEDP

Regional Offices, in consultation with their respective RDCs, shall formulate the regional spatial and physical framework (RSPF) which shall encompass an implementation period of twenty-five (25) years. The RSPF shall define the objectives and indicative uses of land and the physical resources in the region.

The NFPP and RSPF shall serve as the main reference documents in the preparation of the provincial development and physical framework plans and land use plans of cities and municipalities.

The NFPP and RSPF shall undergo a review every ten (10) years in consideration of physical changes, economic and demographic trends, as well as climate projections.

**SEC. 18. *Planning Call.*** – The DEDP shall issue a Planning Call to government agencies and shall provide the standards and guidelines for preparing the national and subnational development plans and public investment programs. Within one (1) month from the approval of the Philippine Development Plan by the Economics and Development Planning Council, national government agencies shall submit to the DEDP their respective short-term development plans and investment programs.

**SEC. 19. *Philippine Development Plan and Regional Development Plans.*** – The DEDP, in consultation with public agencies, civil society organizations, non-government organizations, people’s organizations, academe, private sector, and LGUs, shall formulate within six (6) months from the assumption of office of the President of the Philippines a national economic

and development blueprint, known as the Philippine Development Plan, hereinafter referred to as the PDP, which shall be anchored on the Framework.

The PDP shall establish a set of measurable goals and objectives with corresponding strategies, in terms of policies, programs, and projects, that shall be the basis for each political administration's pursuit of its economic and development agenda. At the subnational level, this shall be known as the Regional Development Plan, hereinafter referred to as the RDP, which shall be formulated by the DEDP Regional Offices within six (6) months from the assumption of office of the President of the Philippines, in consultation with public agencies, civil society organizations, non-government organizations, people's organizations, the academe, the private sector, and local government units.

The RDP shall be aligned with the PDP, defining the region's development direction. The PDP and the RDPs shall undergo a midterm review and updating in consideration of accomplishments, and emerging trends and developments.

**SEC. 20. *Coordination with Autonomous and Administrative Regions.*** – The DEDP shall ensure effective coordination with autonomous and administrative regions that have separate planning offices in the formulation of the PDP and in the conduct of other relevant planning activities affecting said regions.

## **II. Harmonization of Plans**

**SEC. 21. *Harmonization of Plans.*** – The DEDP shall direct the government's planning cycle to ensure the harmonization and coherence of national, subnational, sectoral, and spatial plans and programs by prescribing standards, guidelines, compliance, and accountability mechanisms. Moreover, the DEDP shall review the short-term development plans submitted by the agencies as stipulated in Section 18 of this Act in order to recommend appropriate action.

## **III. Investment Programming**

**SEC. 22. *Investment Programming.*** – The DEDP shall direct and oversee the government's investment programming process to ensure that the plans are translated into programs and projects by prescribing standards and guidelines, as well as compliance and accountability mechanisms, especially considering the results of relevant evaluation studies, and their conformity to the NFPP and RSPF which are the main reference for land use and physical framework plans as mandated under Section 17 of this Act.

**SEC. 23. *Public Investment Program and Regional Development Investment Program.*** – The DEDP, in consultation with public agencies, shall formulate the Public Investment Program, hereinafter referred to as the PIP, which shall identify the priority programs, activities, and projects (PAPs) that are responsive to the sectoral goals and outcomes of the PDP, for implementation through national government funds or the General Appropriations Act (GAA), Official Development Assistance (ODA), Public-Private Partnership (PPP), joint ventures, and other viable implementation and financing options. At the subnational level, this shall be known as the Regional Development Investment Program, hereinafter referred to as the RDIP, which shall be formulated by the DROs in consultation with their respective RDCs.

#### **IV. Linkage of Planning with Budgeting**

**SEC. 24. *Linkage of Planning with Budgeting.*** – The DEDP shall recommend to the Development Budget Coordination Committee (DBCC) the priorities for budget expenditure policies including sectoral and regional allocations. Together with the DBM and other relevant government oversight agencies, the DEDP shall ensure that the annual and multi-year appropriations for programs and projects are aligned with the development strategies in the PDP and RDPs.

#### **V. Policy Advisory**

**SEC. 25. *Policy Advisory.*** – The DEDP shall undertake policy reviews to provide objective, evidence-based, critical analyses of development issues and policy alternatives and report findings and recommendations to the President of the Philippines, the Congress of the Philippines, or the Economics and Development Planning Council, created under Sec. 43 of this Act, as appropriate.

#### **VI. Project Appraisal**

**SEC. 26. *Project appraisal.*** – The DEDP shall appraise proposed programs and projects as provided by existing laws and regulations, and as may be determined by the Economics and Development Planning Council in terms of economic and societal benefits and viability. The DEDP shall adopt and implement appropriate evaluation measures and criteria to determine the viability of programs and projects. Only programs and projects that have been found viable by the DEDP shall be endorsed to the Economics and Development Planning Council through the appropriate inter-agency committee.

#### **VII. Monitoring and Assessment**

**SEC. 27. *Monitoring and Assessment.*** – The DEDP shall monitor and assess the progress of implementation of priority national and subnational programs and projects, as defined by the Economics and Development Planning Council, with respect to physical and financial performance, among others. The DEDP shall also identify implementation bottlenecks and facilitate resolution of problems. The Department of the Interior and Local Government (DILG) shall complement the monitoring, reporting, and facilitation of programs and projects at the sub-regional level. Moreover, the DEDP shall determine the continued viability of national programs or projects and recommend corresponding measures to the Economics and Development Planning Council.

**SEC. 28. *Philippine Development Report and Regional Development Reports.*** – The DEDP and its Regional Offices shall formulate annually the Philippine Development Report (PDR) and Regional Development Reports (RDRs). The PDR and RDRs shall serve as monitoring reports on the implementation of the PDP and RDPs, respectively. The results from such monitoring activities shall serve as inputs to policy and decision makers in the formulation of policies, budgeting, and implementation of programs and projects. To this end, the PDRs and RDRs shall contain the latest data and information pertaining to the goals, policies, and strategies, as specified in the PDP.

**SEC. 29. *Official Development Assistance Portfolio Review.*** – The DEDP shall review the status of all projects funded by ODA pursuant to Republic Act No. 8182, otherwise known as

the “*Official Development Assistance Act of 1996*”.

## **VIII . Evaluation**

**SEC. 30. *Evaluation.*** – The DEDP shall formulate a medium-term national evaluation agenda to assess the impact and outcomes of programs and projects. It shall oversee the conduct of evaluation studies consistent with the agenda, in support of good governance, transparency, accountability, and evidence-based decision-making.

## **IX. Independent Review**

**SEC. 31. *Independent Review.*** - In the course of its monitoring and assessment of programs and projects, the DEDP may independently review and evaluate facts and circumstances as a means of determining whether sufficient cause exists to initiate appropriate legal action, in which case, a report shall be prepared and referred to the proper agency or body.

## **X. Development Research**

**SEC. 32. *Research.*** – The DEDP shall conduct research, special surveys, and related studies as inputs to the formulation of policies and plans, and the design of programs and projects. The DEDP shall establish a Development Research Program so that broad policies, plans, and relevant programs can be formulated based on a sound analysis of data and evidence.

## **XI. Knowledge Management and Communication**

**SEC. 33. *Knowledge Management and Communication.*** – The DEDP shall develop and maintain knowledge management systems, applications, and tools for timely and effective dissemination, accessibility, and comprehensibility of information and knowledge on economics and development planning issues. It shall develop and sustain communication and stakeholder engagement platforms towards well-informed and cost-effective public and private sector participation in the development process.

## **XII. Transparency and Accountability Reports**

**SEC. 34. *Transparency and Accountability Reports.*** – Within the first quarter of every year, the DEDP shall submit a report to the President of the Philippines, Cabinet, Congress, and the Filipino people through the mass media, on the economic performance of the country. The report shall include the status and the directions of the fiscal and monetary policies of the government in coordination with the *Bangko Sentral ng Pilipinas*, the Department of Finance (DOF) and the DBM; macroeconomic outlook and labor market prospects; and other relevant information that may be requested, for purposes of transparency and accountability.

**SEC. 35. *Inter-generational Report.*** – The DEDP shall submit an Inter-Generational Report (IGR) to the President of the Philippines and Congress every six (6) years. The IGR shall be an assessment of the long-term sustainability of existing government policies over the next 25 years, taking into account projected demographic, environmental and other changes.

## **XIII. Capacity Building of Development Planners**

**SEC. 36. *Capacity Building of Development Planners.*** – The DEDP, in coordination with

appropriate institutions including state universities and colleges, subject to accreditation procedures, shall establish and implement a capacity building program on development planning for national and local planners to build, strengthen, and continually update the technical competencies of development planners in the country. The capacity building program shall also serve as a platform for wider dissemination of the country's vision, development plans, policies, and programs.

**SEC. 37. *Technical Assistance to Development Planners.*** – The DEDP shall provide technical assistance to the LGUs 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.

#### **XIV. Economic and Financial Literacy**

**SEC. 38. *Economic and Financial Literacy.*** – The DEDP shall lead the participation of government agencies and instrumentalities, including LGUs, government-owned and controlled corporations (GOCCs) and educational institutions, in the conduct of knowledge-expanding activities on economic and financial literacy, pursuant to Republic Act No. 10922, otherwise known as the "*Economic and Financial Literacy Act*".

#### **XV. Innovation and Futures Thinking**

**SEC. 39. *Innovation.*** – The DEDP shall provide secretariat support, and prepare and recommend priorities, policies, programs, projects, strategies, and other outputs to the National Innovation Council to realize the country's strategic vision for innovation, pursuant to Republic Act No. 11293, or the "*Philippine Innovation Act*".

**SEC. 40. *Futures Thinking.*** – The DEDP shall continually undertake scenario planning exercises, anticipating future trends or discontinuities, and recommend responsive measures to the President of the Philippines and the Congress, as appropriate.

**SEC. 41. *Foresight Tools.*** – The DEDP shall employ or develop, as circumstances warrant, foresight tools to deal with emergent trends, understand plausible future states, craft corresponding strategies, and monitor relevant indicators of anticipated futures.

#### **XVI. Technical and Secretariat Support**

**SEC. 42. *Technical and Secretariat Support.*** – The DEDP shall serve as the Secretariat to the Economics and Development Planning Council and its Committees, the RDCs, and the National Innovation Council. In this capacity, the DEDP shall ensure that all policies, programs, and projects approved by these bodies are strictly aligned with the PDP and RDP. As secretariat support, it shall have the following duties and responsibilities:

- (a) Provide technical and administrative support;
- (b) Determine and prepare the agenda;
- (c) Prepare the minutes of the meeting;
- (d) Manage and maintain the official records; and
- (e) Perform other duties as may be assigned by the said bodies.

Furthermore, the DEDP shall provide technical inputs, review, appraisal, or evaluation as applicable, for all programs and projects as defined by existing and subsequent laws, or those which may be defined by the Economics and Development Planning Council prior to the

endorsement of such programs and projects to the Council for approval. At the subnational level, the DEDP Regional Offices shall provide prior technical inputs, review, appraisal, or evaluation for endorsement of programs and projects to RDCs for approval.

The DEDP shall also provide advisory services to these bodies.

## CHAPTER 2

### ARTICLE I

#### THE ECONOMICS AND DEVELOPMENT PLANNING COUNCIL

**SEC. 43. *The Economics and Development Planning Council.*** – The Economics and Development Planning Council is hereby established, hereinafter referred to as the Council. The Council shall be headed by the President of the Philippines, shall be an executive collegial body responsible for directing and providing overall policy direction on economic, financial, social, and environmental matters to achieve inclusive and sustained economic growth.

**SEC. 44. *Composition of the Council.*** – The Council shall be composed of the following:

- (a) President of the Philippines as Chairperson;
- (b) Executive Secretary;
- (c) Secretary of Economics and Development Planning as Vice-Chairperson;
- (d) Principals of the agencies chairing the Committees of the Council;
- (e) National of the Union of Local Authorities of the Philippines; and
- (f) Governor of the BSP, as a resource institution.

The President of the Philippines may, however, revise the membership of the Council whenever the same is deemed necessary for the effective performance of the Council's function.

All members of the Council, except the Governor of the BSP, are voting members. The presence of a majority of all members of the Council shall constitute a quorum. The Council may request inputs from the private sector.

**SEC. 45. *Powers and Functions of the Council.*** – The Council shall have the following powers and functions:

- (a) Direct the formulation and implementation of policies, plans, and programs that would promote economic development and address development concerns of national importance;
- (b) Approve the PDP, PIP, and their respective midterm updates;
- (c) Approve 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;
- (d) Approve the level of expenditure program of national government agencies by region, in accordance with the approved RDPs and RDIPs;
- (e) Define cost threshold and other criteria for priority programs and projects that shall require Council approval, unless already provided by existing laws, rules and regulations;
- (f) Approve projects, programs, and plans, as endorsed by the DEDP, as required under existing laws, orders, rules and regulations, and other issuances;

(g) Initiate the formulation of proposals for the enactment of laws that may be necessary for the integration and implementation of economic and development policies, plans and programs or any of their component parts;

(h) Issue rules and regulations necessary for the effective discharge of the powers and functions vested on the Council; and

(i) Direct the reorganization, or establishment of Committees of the Council, including the modification of their respective membership, structures, powers, and functions.

**SEC. 46. *Meetings.*** – The Council shall meet at least once every quarter. A special meeting of the Council may be convened by the President of the Philippines to address urgent concerns, or emergencies, such as natural disasters, calamities, or other extraordinary circumstances which would affect the economy or and national development.

The DEDP shall maintain and preserve a complete record of the proceedings and deliberations of the Council, including the recordings and transcripts thereof, either in their original form, or in any secured format made available by existing technology, such as digital formatting.

**SEC. 47. *Full Disclosure Rule.*** – In addition to the requirements of Republic Act No. 6713, otherwise known as the “*Code of Conduct and Ethical Standards for Public Officials and Employees*”, any member of the Economics and Development Council with personal and pecuniary interest in any matter in the agenda of the Council shall disclose the interest to the Economics and Development Council 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.

## **ARTICLE II COMMITTEES OF THE COUNCIL**

**SEC. 48. *Committees of the Economics and Development Council.*** – The Economics and Development Council shall have committees that shall act as its primary advisory bodies.

These Committees shall be the main coordinating mechanism that ensures that the policy environment is conducive to the promotion of rapid, inclusive, and sustained economic growth that raises the quality of life for all.

The President of the Philippines shall designate the respective Chairpersons of the Committees. The DEDP shall serve as the Secretariat for all Committees, unless otherwise provided in this Act. The Council may create new committees, modify or abolish existing ones with respect to their structures, composition, powers, and functions. It may also create sub-committees, whenever appropriate, for the purpose of dispensing with any of their respective functions. To avoid duplication and ensure policy coherence, no other inter-agency body with the same or similar mandates to the Council’s Committees shall be created.

Members of Congress may, upon invitation of the President of the Philippines, serve as resource persons in any of the Committees.

**SEC. 49. *Development Budget Coordination Committee (BudgetCom).*** – The Development Budget Coordination Committee (BudgetCom) shall be composed of the Secretaries of the DBM, the DEDP, the DOF, the Executive Secretary, and the Governor of the BSP.

A technical committee of the BudgetCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical

review of matters that require appropriate action by BudgetCom. The BudgetCom shall discharge the following functions:

- (a) Endorse for final approval of the Council:
  - (1) The level of annual government expenditures and the ceiling of government spending for economic and social development, national defense, and government debt service;
  - (2) The budget to be allocated for current operating expenditures and capital outlays of government programs and projects;
  - (3) A strategic multi-year fiscal program which supports the long-term and medium-term development objectives of the country; and
  - (4) A domestic and foreign borrowing program.
- (b) Assess the overall economic situation of the country, which includes economic growth, monetary, fiscal, and possible economic risks which may require policy reforms;
- (c) Ensure that the regional allocations are responsive to poverty, development gaps, and economic opportunities; and
- (d) Conduct periodic review of fiscal and macroeconomic targets, and the revenue and expenditure projections of the government, including general examination of costs, accomplishments and performance standards applied in undertaking development projects; and
- (e) Perform such other functions as may be necessary to carry out the mandates of the BudgetCom.

The DBM shall serve as the Secretariat to the BudgetCom.

**SEC. 50. *Investment Coordination Committee (InvestmentCom).*** – The Investment Coordination Committee (InvestmentCom) shall be composed of the Secretaries of the DOF, the DEDP, the DBM, the DILG, the DTI, the Executive Secretary, and the Governor of BSP.

A technical committee of the InvestmentCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by InvestmentCom. The InvestmentCom shall discharge the following functions:

- (a) 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;
- (b) Endorse the following to the Council for its approval:
  - (1) Timetable of the implementation of major capital programs and projects on a regular basis;
  - (2) Public-private partnerships, privatization, and other funding options to augment government's financing capacity;
  - (3) Modalities of development financing and capital market development in support of long-term programs and projects for both national and local government, and GOCCs;

**SEC. 51. *Economic Development Committee (EconDevCom).*** – The Economic Development Committee (EconDevCom) shall be composed of the Secretaries of the DEDP, the DOF, the DTI, the DBM, the Department of Public Works and Highways (DPWH), the Department of Transportation (DOTr), the Department of Information and Communications Technology (DICT), the Department of Energy (DOE), the Department of Science and Technology (DOST), the Department of Tourism (DOT), the Department of Agriculture (DA), the Department of Labor and Employment (DOLE), , the DILG, the Governor of BSP,

and the Executive Secretary.

A technical committee of the EconDevCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by EconDevCom. The EconDevCom shall endorse for approval of the Council:

(a) Policies that would ensure equitable and sustainable distribution of economic opportunities and benefits to Filipinos;

(b) Specific major programs and projects with respect to technical, financial, economic, social, environmental, legal, institutional, feasibility, and viability as well as from the context of sectoral plans and geographical strategies, as may be required by law, orders, and other legal issuances; and

(c) Major capital projects based on a cost threshold or other criteria as may be set by the Council.

(d) Submit to the President of the Philippines a status of the fiscal, monetary and balance of payment (BOP) implications of major capital programs and projects; and

(e) Perform such other functions as may be necessary to carry out the mandates of the InvestmentCom.

(f) Policies towards the development of agriculture, industry, and services which are vital to achieving food security and more equitable and sustainable growth;

(g) Policies for the improvement of national productivity, competition and competitiveness of domestic products and services;

(d) Policies and measures to promote an environment conducive to the growth and competitiveness of private enterprises and the creation of jobs that will empower people and provide them with opportunities to rise above poverty to improve the quality of their lives; and

(e) Perform such other functions as may be necessary to carry out the mandates of the EconDevCom.

**SEC. 52. *Infrastructure Committee (InfraCom).*** – The Infrastructure Committee (InfraCom) shall be composed of the Secretaries of the DPWH, the DEDP, the DBM, the DOF, the DICT, the DOTr, the DTI, the DOE, the DA, the DOT, and the Executive Secretary.

A technical committee of InfraCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by InfraCom.

The InfraCom shall discharge the following functions:

(a) Endorse for Council approval a national infrastructure development strategy that will coordinate, integrate and accelerate the development initiatives across all infrastructure sub sectors in the country;

(b) Advise the Council 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, floodcontrol 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, public-private partnerships, or any other method;

(c) Coordinate the activities of agencies, including GOCCS involved in infrastructure development; and

(d) Perform such other functions as may be necessary to carry out the mandates of the

InfraCom.

**SEC. 53. *Social Development Committee (SocialDevCom).*** – The Social Development Committee (SocialDevCom) shall be composed of the Secretaries of the Department of Social Welfare and Development (DSWD), the DEDP, the DBM, the Department of Education (DepEd), the Department of Agrarian Reform, the DA, the Department of Health, the DILG, the DOLE, and the Executive Secretary.

A technical committee of SocialDevCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by SocialDevCom. The SocialDevCom shall discharge the following functions:

(a) Endorse for approval of the Council policies and programs that enhance the welfare and reduce risks of Overseas Filipino Workers, older persons, differently-abled persons, children, women, indigenous peoples, marginalized farmers and fisher folk, and informal urban and upland settlers;

(b) Advise the Council 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

(c) Perform such other functions as may be necessary to carry out the mandates of the SocialDevCom.

**SEC. 54. *Committee on Trade and Related Matters (TradeCom).*** – The Committee on Trade and Related Matters (TradeCom) shall be composed of the Secretaries of the DTI, DEDP, DA, DBM, the Department of Environment and Natural Resources (DENR), DOF, Department of Foreign Affairs, DICT, DOTr, the Executive Secretary, the Governor of BSP, and the Chairperson of the Tariff Commission.

A technical committee of TradeCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by TradeCom. The TradeCom shall discharge the following functions:

(a) Endorse for approval of the Council a continuous rationalization policy and program for the country's tariff structure;

(b) Advise the Council on trade and related matters, as well as the effects of various international developments on the country;

(c) Coordinate government agency positions and recommend national positions

for international economic negotiations; and

(d) Perform such other functions as may be necessary to carry out the mandates of

the TradeCom.

**SEC. 55. *Regional Development Committee (RDCom).*** – The Regional Development Committee (RDCom) shall be composed of the Secretaries of the DEDP, DILG, DBM, DTI, three (3) RDC Chairpersons representing Luzon, Visayas and Mindanao, and one (1) representative from the Union of Local Authorities of the Philippines.

A technical committee of RDCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by RDCom.

The RDCom shall discharge the following functions:

- (a) Formulate and monitor the implementation of policies that reduce regional development disparities;
- (b) Promote equitable allocation of resources among regions by providing recommendations to the DBCC on the guidelines for the regional allocation of budgetary resources;
- (c) Periodically review the viability of the regional configuration of the country, and recommend to the Council the re-delineation of regions, as may be necessary; and
- (d) Perform such other functions as may be necessary to carry out the mandates of the RDCom.

**SEC. 56. *Marine Resource and Land Use Committee (MaRLUCom).***— The Marine Resource and Land Use Committee (MaRLUCom) shall be composed of the Secretaries of the DEDP, the DAR, the DA, the DOE, the DENR, the DILG, the DOST, the DOT, and the Department of Human Settlements and Urban Development, the Chairperson of the National Commission on Indigenous Peoples, the Chairperson of the National Coast Watch Council, and the presidents of the League of Provinces, the League of Municipalities, and the League of Cities.

A technical committee of MaRLUCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by MaRLUCom.

The MaRLUCom shall discharge the following functions:

- (a) Advise the Council on matters concerning Marine Resource Use Planning and Land Use Physical Planning;
- (b) Endorse for approval of the Council the NFPP as provided in Section 17 of this Act that guides the rational utilization and management of the country's marine resources, land resources, and other physical resources, and the preparation of sub-national physical framework plans;
- (c) Endorse for approval of the Council resolutions concerning marine resource use and land use policy conflicts among agencies of the national government;
- (d) Ensure the integration of marine resource use, land use and physical planning policies, plans, and programs, including disaster risk management, into national socioeconomic plans and programs; and
- (e) Perform such other functions as may be necessary to carry out the mandates of the MaRLUCom.

**SEC. 57. *Governance Committee (GovCom).*** – The Governance Committee (GovCom) shall be composed of the Secretaries of the DBM, the DEDP, the DILG, the DOF, the DTI, the Executive Secretary, the Department of Justice, the Chairperson of the Commission on Audit, the Director General of the Anti-Red Tape Authority, and the Chairperson of the Governance Commission for GOCCs.

A technical committee of GovCom, composed of duly designated Undersecretaries of the same member agencies, is hereby established to conduct a technical review of matters that require appropriate action by GovCom.

The GovCom shall endorse for approval of the Council:

- (a) Policies that promote transparency, accountability, and participatory governance;
- (b) Policies that strengthen public institutions to effectively and efficiently

implement their respective mandates;

(c) Policies, plans, and programs that improve policy and regulatory environment to reduce cost of doing business and promote market competition; and

(f) Perform such other functions as may be necessary to carry out the mandates of the GovCom.

**SEC. 58. *Regional Development Council.*** – The Regional Development Councils (RDCs) are the regional counterparts of the Council. Each RDC shall be composed of the provincial governors, the city mayors, the mayors of the municipalities designated as provincial capitals, the presidents of the provincial league of mayors, the mayors of municipalities designated as regional centers, the regional directors of the agencies represented in the Council, the regional directors of the DepEd, the DSWD, and the DOT, and the private sector representatives who shall comprise one-fourth (1/4) of the members of the fully constituted RDC.

The President of the Philippines shall appoint the Chairperson and Vice-Chairperson of the RDC. The DROs shall serve as secretariat of the RDCs.

### **CHAPTER 3 TRANSITORY AND OTHER MISCELLANEOUS PROVISIONS**

**SEC. 59. *Transitory Provision.*** – The National Economic and Development Authority (NEDA) is hereby abolished. The powers and functions, applicable funds and appropriations, records, files, equipment, facilities, supplies, property, and personnel of the NEDA are hereby transferred to and absorbed by the DEDP. All current officials and employees of the NEDA shall be retained under the DEDP. Any reference to the NEDA, or to the Director General of the NEDA or the Secretary of Socio-economic Planning in any existing law, Executive Order, Administrative Order, or Presidential Proclamation, rules and regulations, and other issuances with respect to any duty or function assumed by the DEDP created in this Act, shall be deemed hereinafter to be referenced to the DEDP or to the Secretary of Economics and Development Planning, respectively.

Within six (6) months upon effectivity of this Act, the DEDP shall prepare the 25-year Framework. For this purpose, the amount necessary to carry out the necessary preparation of the Framework shall be provided for in the General Appropriations Act. All programs and projects submitted to the NEDA for appraisal and those endorsed by the current Investment Coordination Committee for the approval of the NEDA Board prior to the effectivity of this Act shall be processed by the DEDP and the Economics and Development Council, respectively, subject to the prevailing laws, rules and regulations, guidelines, and issuances at the time of submission or endorsement.

**SEC. 60. *Transfer of Rights and Obligations.*** – The DEDP shall, by virtue of this Act, be subrogated to all the rights and assume all the obligations of the NEDA, 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. 61. *Separation and Retirement from Service.*** – The NEDA employees who are separated from service as a result of the consolidation and reorganization under the provisions of this Act, shall be entitled to the following applicable separation incentives:

(a) One half (1/2) of the actual monthly basic salary for every year of service, for those who have rendered less than eleven (11) years of service;

(b) Three-fourths (3/4) of the actual monthly basic salary for every year of service, computed starting from the first year, for those who have rendered eleven (11) to less than twenty-one (21) years of service;

(c) The actual monthly basic salary for every year of service, computed starting from the first year, for those who have rendered twenty-one (21) to less than thirty-one (31) years of service; and

(d) One and one-fourth (1¼) of the actual monthly basic salary for every year of service, computed starting from the first year, for those who have rendered thirty-one (31) years of service and above.

The NEDA employees who opt to retire under existing retirement laws shall also be entitled to the above incentives in addition to the retirement benefits to which they may be entitled under applicable laws and issuances: *Provided*, That personnel who avails of the separation incentives under this Act shall not be re-employed in any agency of the executive branch for a period of five (5) years, except as a teaching or medical staff in educational institutions and hospitals, respectively: *Provided, further*, That retired or separated personnel who are re-employed within the prohibited period shall refund the separation incentives received on a pro-rated basis:

For purposes of the additional separation incentives, the actual monthly basic salary shall refer to the salary of the affected personnel as of the date of approval of the department's organizational structure and staffing pattern by the DBM.

**SEC. 62. *Other Benefits of Retired and Separated Personnel.*** – The affected personnel who shall retire or are separated from the service shall, in addition to the applicable benefits abovementioned, be entitled to the following:

(a) Refund of Pag-IBIG contributions, both personal and government, pursuant to existing rules and regulations of the home development mutual fund; and

(b) Commutation of unused vacation and sick leave credits of the affected personnel in accordance with existing rules and regulations.

**SEC. 63. *Appropriations.*** – The amount necessary to cover the initial implementation of this Act shall be charged against the current year's appropriations of the NEDA. Thereinafter, such sums as may be necessary for the continued and effective implementation of this Act shall be included in the annual GAA.

Such sums as may be necessary to implement the Capacity Building Program of the DEDP, DEDP Research Program and DEDP Evaluation Program shall also be included in the annual GAA.

**SEC. 64. *Implementing Rules and Regulations.*** – Within ninety days (90) days after the effectiveness of this Act, the DEDP shall promulgate the rules and regulations, as well as the necessary issuances required for the proper implementation of the provisions of this Act.

**SEC. 65. *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. 66. *Repealing Clause.*** – Executive Order No. 230, Series of 1987, entitled “Reorganizing the National Economic and Development Authority,” and Book V, Title II, Subtitle C, entitled “The National Economic and Development Authority” of Executive Order No. 292, Series of 1987, otherwise known as the “Administrative Code of 1987,” are hereby

repealed. All other laws, ordinances, orders, rules, regulations, and other issuances, or parts thereof, which are contrary or inconsistent with any provision of this Act, are hereby repealed, amended, or modified accordingly.

**SEC. 67. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,