

MALACAÑANG
MANILA

EXECUTIVE ORDER NO. 230

**REORGANIZING THE NATIONAL ECONOMIC
AND DEVELOPMENT AUTHORITY**

WHEREAS, under Article II, Section 1, of the Provisional Constitution, as adopted in Proclamation No. 3 dated March 25, 1986, the President shall give priority to measures to achieve the mandate of the people to completely reorganize the government;

WHEREAS, Article XVIII, Section 16, of the 1987 Constitution recognizes that the reorganization of the government shall be continued even after the ratification of the Constitution;

WHEREAS, under Article XVIII, Section 6, of the 1987 Constitution, the President shall continue to exercise legislative powers until the first Congress is convened;

ad
WHEREAS, it is necessary to reorganize the National Economic and Development Authority to enhance its ability to coordinate the development planning and policy formulation process, in order to achieve the objectives of sustainable economic growth coupled with an equitable distribution of income and wealth;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the sovereign will of the Filipino people and the Constitution, do hereby order:

Section 1. Title. This Executive Order shall be known as the Reorganization Act of the National Economic and Development Authority.

Section 2. Reorganization. The National Economic and Development Authority, hereinafter referred to as the Authority, is hereby reorganized, structurally and functionally, in accordance with the provisions of this Executive Order.

Section 3. Composition of the Authority. The Authority shall be composed of two separate and distinct entities: the Board and the Secretariat.

Section 4. Composition of the NEDA Board. The NEDA Board shall be composed of the following:

The President	-	Chairman
Director-General of the NEDA Secretariat	-	Vice Chairman
Executive Secretary	-	Member
Secretary of Finance	-	- do -
Secretary of Trade & Industry	-	- do -
Secretary of Agriculture	-	- do -
Secretary of Environment & Natural Resources	-	- do -
Secretary of Public Works and Highways	-	- do -
Secretary of Budget and Management	-	- do -
Secretary of Labor & Employment	-	- do -
Secretary of Local Government	-	- do -

The President may, however, revise the membership of the NEDA Board whenever the same is deemed necessary for the effective performance of the Board's functions thru an administrative or memorandum order.

bl
The NEDA Board shall meet at least once a month or as frequently as is necessary to discharge its responsibilities as called for by the President. In cases where the President is unable to attend a meeting, the Director-General of the NEDA Secretariat may preside as Chairman, in the absence of any Presidential preference.

The President however continues to have the power to designate from among the members of the NEDA Board the Chairman that can appropriately represent the President, to preside over specific meetings.

Section 5. Powers and Functions of the Authority. The powers and functions of the Authority reside in the NEDA Board.

The Authority shall primarily be responsible for formulating continuing, coordinated and fully integrated social and economic policies, plans and programs, on the basis of the following:

- (a) The State aims to achieve objectives of growth coupled with equity;
- (b) Development leading to the attainment of the above mentioned goals is a multi-faceted process that calls for the coordination and integration of policies, plans, programs and projects of all sectors of society;

- (c) In the formulation of basic policies, plans, programs and projects, there shall be maximum participation by and consultation with concerned private sector groups, community organizations and beneficiaries and local government units in order to ensure that priority needs are incorporated into such policies, plans, programs and projects;
- (d) National plans shall be in fact the sum of nationally and regionally identified targets and strategies and locally formulated approaches to perceived local needs and priorities, carried out within the framework of national strategies;
- (e) Major socio-economic policies, plans, programs and projects of different government agencies must be properly coordinated with the Authority at both the national and regional levels prior to their adoption, in order to ensure their consistency with established national priorities and coordination with other policies, plans, programs and projects of the government;
- (f) The linkage between development planning, programming and budgeting shall be of the highest priority in planning and budgeting activities.

bl
The Authority, after due consultation with the private sector, community organizations and beneficiaries, local government units and appropriate public agencies, shall be responsible for coordinating the formulation of continuing, and integrated socio-economic development plans, policies and programs, including the formulation of annual and medium-term public investment programs, programming of official development assistance in the form of grants and concessional loans from foreign governments and multilateral agencies and organizations and the monitoring and evaluation of plan implementation.

Section 6. National Economic and Development Authority Inter-agency Committees. To assist the NEDA Board in the performance of its functions, there are hereby created the following committees which shall hereafter be under the direct control of the NEDA Board and shall submit all their recommendations to the President for approval on matters involving their respective concerns. The Chairman of these committees shall be designated by the President. The NEDA Board shall likewise determine where the technical staff of the said committees shall be based.

- (a) Development Budget Coordination Committee (DBCC) - The DBCC to be composed of the Director-General of the National Economic and Development Authority Secretariat, the Executive Secretary and the Secretaries of Finance and of Budget and Management shall have the following functions:

- (i) Recommend for Presidential approval the level of the annual government expenditure program and the ceiling of government spending for economic and social development, national defense, general government and debt service;
 - (ii) Recommend to the President the proper allocation of expenditures for each development activity between current operating expenditures and capital outlay; and
 - (iii) Recommend to the President the amount set to be allocated for capital outlay under each development activity for the various capital or infrastructure projects.
- (b) Investment Coordination Committee (ICC) - The ICC to be composed of the Director-General of the National Economic and Development Authority Secretariat, the Executive Secretary, the Secretaries of Finance, Agriculture, Trade and Industry and of Budget and Management and the Governor of the Central Bank shall have the following functions:
- (i) Evaluate the fiscal, monetary and balance of payments implications of major national projects and recommend to the President the timetable of the implementation of these projects on a regular basis; and
 - (ii) Recommend to the President a domestic and foreign borrowing program updated each year, and subsequently submit to the President a status of the fiscal, monetary and balance of payments implications of major national projects.
- (c) Committee on Social Development (SDC) - The SDC to be composed of the Director-General of the National Economic and Development Authority Secretariat, the Executive Secretary, and the Secretaries of Education, Culture and Sports, of Labor and Employment, Health, Local Government, Agrarian Reform, Agriculture and Social Welfare and Development shall have the following functions:
- (i) Advise the President and the NEDA Board on matters concerning social development, including education, manpower, health and nutrition, population and family planning, housing, human settlements and the delivery of other social services;
 - (ii) Coordinate the activities of government agencies concerned with social development; and

ba

- (iii) Recommend to the President government policies, programs and projects on social development consistent with national development objectives and priorities.
- (d) Committee on Infrastructure (INFRACOM) - The INFRACOM to be composed of the Director-General of the National Economic and Development Authority Secretariat, the Executive Secretary, and the Secretaries of Public Works and Highways, Transportation and Communications, Finance, and Budget and Management shall have the following functions:
- (i) Advise the President and the NEDA Board on matters concerning infrastructure development including highways, airports, seaports and shore protection; railways; power generation, transmission and distribution; telecommunications; irrigation, flood control and drainage, water supply; national buildings for government offices; hospitals, sanitation and related buildings; state colleges and universities, elementary and secondary school buildings; and other public works;
 - (ii) Coordinate the activities of agencies including government-owned or controlled corporations concerned with infrastructure development; and
 - (iii) Recommend to the President government policies, programs and projects concerning infrastructure development consistent with national development objectives and priorities.
- (e) Committee on Tariff and Related Matters (TRM) - The TRM to be composed of the Director-General of the National Economic and Development Authority Secretariat, the Executive Secretary, the Secretaries of Trade and Industry, Foreign Affairs, Agriculture, Environment and Natural Resources and of Budget and Management, the Governor of the Central Bank and the Chairman of the Tariff Commission shall have the following functions:
- (i) Advise the President and the NEDA Board on tariff and related matters, and on the effects on the country of various international developments;
 - (ii) Coordinate agency positions and recommend national positions for international economic negotiations;
 - (iii) Recommend to the President a continuous rationalization program for the country's tariff structure.

all

Section 7. The NEDA Secretariat . There is hereby created a Technical Staff which shall have the following powers and functions:

- (a) Serve as the research and technical support arm of the NEDA Board;
- (b) Provide through its various organizational units, technical staff support and assistance, including the conduct of studies and development of policy measures and other recommendations, on the various aspects of the substantive functions of development planning and policy formulation, and coordination, evaluation and monitoring of plan implementation.
- (c) Serve as the Secretariat of the NEDA Board;
- (d) Perform such other functions as may be assigned to it by the NEDA Board to achieve its goals and objectives.

Section 8. Director-General. The NEDA Secretariat shall be headed by a Director-General who shall be the Vice Chairman of the NEDA Board, hereinafter referred to as the Director-General, and shall be appointed by the President. The Director-General shall carry the rank and title of Secretary of Socio-Economic Planning and shall be a member of the Cabinet.

ll
As chief executive officer of the NEDA Secretariat, the Director-General shall exercise general supervision and control over its technical and administrative personnel.

Section 9. Deputy Directors-General. The Director-General shall be assisted by three (3) Deputy Directors-General to be appointed by the President, one to be responsible for the National Development Office, one to be responsible for the Regional Development Office and one to be responsible for the Central Support Office.

Section 10. Assistant Directors-General. The Director-General shall also be assisted by five (5) Assistant Directors-General to be appointed by the President, who shall be assigned to assist the Deputy Directors-General in their tasks of coordinating and supervising their respective Offices.

Section 11. Structural Organization. The NEDA Secretariat, in addition to the Offices of the Director-General, Deputy Directors-General and Assistant Directors-General, shall be composed of the National Development Office, Regional Development Office, Central Support Office, and the Regional Offices.

Section 12. National Development Office. The National Development Office shall provide technical staff support as may be required by the NEDA Board in coordinating the formulation of national and sectoral policies, plans and programs; monitor macro

economic and sectoral performances; prepare the necessary economic reports; conduct economic and development studies on macro-level plans and policies; and perform such other appropriate planning tasks as may be assigned by the Director-General. It shall be composed of the following: National Planning and Policy Staff; Agriculture Staff; Trade, Industry and Utilities Staff; Infrastructure Staff; Social Development Staff; and Public Investment Staff.

Section 13. Regional Development Office. The Regional Development Office shall provide technical staff support as may be required by the implementing agencies in the regions; monitor regional and inter-regional development policies, plans and programs; prepare integrated report on regional planning; conduct studies on regional development policies; and perform such other planning tasks as may be assigned by the Director-General. It shall be composed of the following : Regional Development Coordination Staff; Project Monitoring Staff; and, the Regional Offices.

In each of the administrative regions, there shall be a regional office which shall be headed by a Regional Director who shall report to the Deputy Director-General for Regional Development Office. The Regional Director shall be appointed by the President.

Section 14. Central Support Office. The Central Support Office shall be responsible for providing technical assistance and support services to the Secretariat's organizational units in the areas of development administration, internal management improvement, legal services, development information, administrative services, and perform such other support service tasks as may be assigned by the Director-General. It shall be composed of the following : Management Staff; Legal Staff; Administrative Staff; Management Information Systems Staff; and Development Information Staff.

Section 15. Retained Agencies. The following agencies, currently attached to the Authority, shall continue to be attached to the Authority for purposes of supervision:

- (a) Philippine Institute for Development Studies;
- (b) Philippine National Volunteer Service Coordinating Agency;
- (c) Tariff Commission.

With reference to the following agencies, the Authority shall arrange for the transfer of their functions to the Regional Development Councils concerned or other agencies as may be appropriate:

- (a) Kalinga Special Development Region;
- (b) Laguna Lake Development Authority;
- (c) Leyte Sab-a Basin Development Authority.

OPTION PAGE
- NEDA DIRECTOR-GENE
SHALL CARRY PANK
SECRETARY OF SOCIO-
NIC PLANNING (SEC.

The National Council for Integrated Area Development (NACIAD) and the Central Visayas Regional Projects Office (CVRPO) are hereby transferred to the Authority which shall, within one (1) year from the date of effectivity of this Executive Order, recommend their transfer to the appropriate department in conjunction with the Department of Budget and Management. The Authority shall further review the functions and activities of all other Integrated Area Development programs and projects and any other programs requiring multi-sectoral and/or multi-disciplinary approaches in order to recommend the appropriate disposition and supervision of the same.

The Authority shall furthermore review the mandate, objectives and functions of all development authorities in order to recommend such dispositions or revisions of their charters as organic laws, as may be deemed advisable.

Section 16. Transitory Provisions. In accomplishing the acts of reorganization herein prescribed, the following transitory provisions shall be complied with, unless otherwise provided elsewhere in this Executive Order:

- sd
- (a) The transfer of a government unit shall include the functions, appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, and liabilities, if any, of the transferred unit as well as the personnel thereof, as may be necessary, who shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits; Provided, That those personnel of the transferred unit whose positions are not included in the Authority's new position structure and staffing pattern approved and prescribed by the Director-General or who are not reappointed shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of Section 17 hereof.
 - (b) The transfer of functions which does not result in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The abolished unit's remaining appropriations and funds, if any, shall revert to the General Fund and its remaining assets, if any, shall be allocated to such appropriate units as the Director-General shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Its personnel shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits; Provided, That its personnel, whose positions are not included in the Authority's new

position structure and staffing pattern approved and prescribed by the Director-General under Section 17 hereof or who have not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 17.

Section 17. New Structure and Pattern. Upon approval of this Executive Order, the officers and employees of the Secretariat shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits.

The new position structure and staffing pattern shall be prepared by the Director-General within one hundred twenty (120) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by him or by the President as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one-month basic salary for every year of service or the equivalent nearest fraction thereof favorable to them on the basis of the highest salary received, but in no case shall such payment exceed the equivalent of 12 months of salary.

bl Section 18. Prohibition Against Change. No change in the reorganization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

Section 19. Funding. Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the Authority.

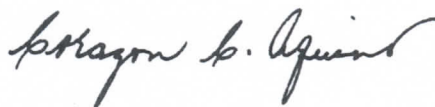
Section 20. Implementing Authority of the Director-General. The Director-General shall issue such rules, regulations and other issuances as may be necessary to ensure the efficient and effective implementation of the provisions of this Executive Order.

Section 21. Separability. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

Section 22. Repealing Clause. All laws, ordinances, rules, regulations, other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

Section 23. Effectivity. This Executive Order shall take effect immediately upon its approval.

APPROVED in the City of Manila, Philippines, this 22nd day of July, in the Year of Our Lord, Nineteen Hundred and Eighty-Seven.



By the President:



JOKER P. ARROYO
Executive Secretary