

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. **114**

FURTHER AMENDING EXECUTIVE ORDER NO. 175, DATED 30 APRIL 1994 CREATING THE NORTHWESTERN LUZON GROWTH QUADRANGLE COMMISSION, AS AMENDED BY EO 223 DATED 7 FEBRUARY 1995, EO 229 DATED 19 MARCH 1995, EO 259 DATED 11 JULY 1995, EO 373 DATED 10 OCTOBER 1996, AND EO 447 DATED 2 OCTOBER 1997, TO EXPAND ITS COVERAGE TO INCLUDE THE WHOLE OF THE CORDILLERA ADMINISTRATIVE REGION (CAR) AND REGION 2

I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the power vested in me by law, do hereby order the amendment of Executive Order No. 175 dated 30 April 1994, as amended by Executive Order No. 223 dated 7 February 1995, Executive Order No. 229 dated 19 March 1995, Executive Order No. 259 dated 11 July 1995, and, Executive Order No. 447 dated 2 October 1997, which created the Northwestern Luzon Growth Quadrangle (North Quad) Commission, as follows:

The preambulatory portion of EO No. 175, series of 1994, as amended, is hereby amended to expand the program coverage of the North Quad to include all cities and provinces of Region II and the Cordillera Administrative Region (CAR), and, as such, to read as follows:

“WHEREAS, the establishment of growth areas and industrial economic cooperation between and among regions across the country has become the unified response to the outward-looking megatrend of economic globalization;

WHEREAS, the North Luzon, consisting of Regions I, II, and CAR, is envisioned to become a strategic growth area in the country as well as in the North-East Asian region;

WHEREAS, the agglomeration of the three (3) regions into a solid economic bloc takes cognizance, among other things, of their historical and socio-cultural ties, their contiguity, their ecological interdependence where economic activities in the upland affect those in the lowlands;

WHEREAS, the three regions, if developed together under the framework of integrated and sustainable development, could avail of economies of scale and economies of network that will permit synergistic and complementary development;



WHEREAS, major growth zones/areas and development projects within the North Luzon Area do not only include the Northwestern Luzon Growth Quadrangle (North Quad) covering Region I and the province of Abra and the BLIST area (Baguio-La Trinidad-Itogon-Sablan-Tuba) of CAR, but also, the Cagayan Special Economic Zone and Freeport (CSEZF) in Sta. Ana, Cagayan, and all such other economic and tourist zones and centers in Regions 1, 2, and CAR;

WHEREAS, the coordinative and management mechanisms for the planning, implementation and monitoring of some of the growth areas and key programs/projects approved earlier are found to be within the framework of the government's decentralization, regionalization and development dispersal policy as provided under Executive Order Nos. 363 and 505 dated July 17, 1989 and February 12, 1992, respectively;

WHEREAS, the economic integration of Regions I, II and CAR will provide the North Luzon area a competitive advantage vis-a-vis other integrated economies;

WHEREAS, the concept of economic integration of Regions I, II and CAR has been endorsed by the Regional Development Council of Regions I, II and CAR and likewise endorsed by the House of Representatives through House Resolution No. 391."

SECTION 1 Section 1 is further amended to read as follows:

"Section 1. ***North Luzon Growth Commission.*** There is hereby created, under the Office of the President, a Presidential Commission to be called the North Luzon Growth Commission, hereinafter referred to as the Commission, to ensure complementarity and synergy among the various growth zones/areas in Regions I, II and CAR. The Commission shall be responsible in orchestrating overall coordination of all existing areas/zones and key programs/projects. It shall be composed of the following members:

Secretary, Department of Trade and Industry (DTI)
 Secretary, Department of Agriculture (DA)
 Secretary, Department of Tourism (DOT)
 Secretary, Department of Public Works and Highways (DPWH)
 Secretary, Department of Transportation and Communications (DOTC)
 Secretary, Department of Environmental and Natural Resources (DENR)
 Secretary, Department of Interior and Local Government (DILG)
 Director-General, National Economic and Development Authority (NEDA)



- Presidential Assistant for Northern Luzon, Office of the President (OP)
- ✓ Executive Director, Coordinating Council of the Philippine Assistance Program (CCPAP)
- Chairman, Regional Development Councils (RDC) of Regions I and II
- and Executive Director, Cordillera Executive Board (CEB)
- Regional Governors, Philippine Chamber of Commerce and Industry (PCCI) Regions I, II and CAR
- Regional Federation Chairmen, NGO Regions I, II and CAR
- Executive Director, Program Management Office of the North Luzon Growth Commission (Ex-officio member)

The Commission shall be chaired by the Secretary of Trade and Industry.

The Commission shall have the following functions:

- a) Provide overall policy direction, coordination and monitoring of all programs/project components and development activities of the North Luzon Development Program (NLDP);
- b) Initiate and cause the preparation, update, and refinement of a North Luzon Growth Master Development Plan, and/or an Inter-Regional Development Strategy and Framework Plan, considering existing development plans, programs, projects in the area;
- c) Initiate and cause the preparation of feasibility studies for the financing of various projects identified for North Luzon;
- d) Formulate policies towards effective implementation of the various growth areas/zones particularly those projects which require inter-regional collaboration and complementation;
- e) Resolve conflicts referred to it by the various area and project structures, specifically pertaining to the inter-regional implementation of programs/projects;
- f) Encourage the support and assistance from government and non-government institutions in planning, implementation, and evaluation of the various projects under the North Luzon Development Program (NLDP);
- g) Encourage local and foreign investments in the area by providing attractive climate and business activity;



- h) Network with government and other development institutions to generate resources and economic opportunities for North Luzon;
- i) Develop linkages with other growth areas in the ASEAN and Asia Pacific Region;
- j) Accept and manage grants, donations or any such funds for the development of North Luzon;
- k) Negotiate for the sourcing of funds to include ODA on a bilateral or multi-lateral basis in accordance with existing rules and regulations;
- l) Organize its Executive Committee (Excom) and Program Management Office (PMO), define its organizational set-up, establish its staffing pattern as well as internal operating systems and procedures;
- m) Review and confirm contracts entered into by the Executive Director of the PMO;
- n) Review and endorse to the concerned implementing bodies (central offices) the annual budget of the NLDP to ensure that the funding is included in the annual budgets of concerned government agencies;
- o) Review and endorse to the Department of Budget and Management the annual budget for the operations of the Commission and the PMO;
- p) Submit to the President regular progress reports on the NLDP and other reports as may be required;
- q) Adopt rules, systems and procedures and structures which the Commission may deem necessary to carry out its various functions;
- r) Mobilize private sector participation as the primary actor for the development of North Luzon;
- s) Conduct advocacy and investment promotion activities;
- t) Propose to the President and Congress a more permanent development structure and mechanism for the North Luzon growth, area with a corresponding budget;
- u) Perform such other functions as the President may direct.”



SEC. 2. Section 2 is further amended to read as follows:

“Section 2. **The Executive Committee** - There is hereby created an Executive Committee (ExCom) of the North Luzon Growth Commission to supervise day-to-day program operations. The ExCom, which shall be composed of not more than one-third (1/3) of the total membership of the fully-constituted Commission, shall be comprised of the Executive Director of the Program Management Office of the North Luzon Growth Commission and the representatives from DTL, NEDA, DA, DOT, DPWH, and DOTC, who shall be appointed/designated by their respective cabinet secretaries. The Chairman of the ExCom shall be appointed by the Commission Chairman. Where necessary, action/s undertaken by the ExCom shall be confirmed by the Commission proper.

The Executive Committee shall have the following functions:

- a) Monitor and submit report on the progress of the North Luzon Development Program (NLDP) and other required reports to the Commission;
- b) Perform such functions as may be delegated by the Commissioner proper;
- c) Evaluate and refine North Luzon development plans/projects, considering other plans and inputs of the local government units, concerned entities and endorse to the Commission for approval and adoption;
- d) Evaluate the annual budget of the NLDP and endorse to the Commission for approval;
- e) Prepare an action plan for the utilization of funds (grants, donations, etc.) for the development of North Luzon;
- f) Initiate the negotiation for development funds to include ODA on a bilateral or multi-lateral basis;
- g) Review and approve the terms of reference (TOR) for the conduct of feasibility studies on projects in North Luzon;
- h) Review and evaluate the feasibility of various projects identified in North Luzon;
- i) Endorse/present the feasibility studies to the Commission for adoption/final approval;
- j) Evaluate and approve contracts entered into by the PMO and endorse the same to the Commission for confirmation;



- k) Formulate related policies governing the North Luzon growth area in coordinating and monitoring all program/project components and recommend to the Commission for approval and policy implementations;
- l) Review all progress reports submitted by the PMO and other required reports for submission to the Commission;
- m) Recommend to the Commission the organizational set-up, staffing pattern and internal operating system of the PMO;
- n) Evaluate and endorse to the Commission the annual budget of the PMO; and
- o) Formulate rules, system and procedures and recommend to the Commission for adoption.”

SEC. 3. Section 3 is further amended to read as follows

“Section 3. **Program Management Office** - The existing Program Management Office (PMO) of the North Quad Commission shall continue to serve as the implementing arm as well as technical and administrative Secretariat of the Commission. and as such, shall undertake the day-to-day activities of the Commission. The PMO shall be strengthened and expanded in proportion to the increase in its program coverage. Employee remuneration in terms of salaries, allowances and other benefits shall also be increased in consultation with the Department of Budget and Management. The PMO shall be headed by an Executive Director to be appointed by the President.

The Program Management Office shall have the following functions:

- a) Coordinate with the RDCs concerned in the upholding, refinement, endorsement and implementation of the investment programs and projects for North Luzon;
- b) Coordinate the preparation of feasibility studies or other related studies of the project components of the North Luzon Development Program (NLDP) and the evaluation and financing of feasible projects;
- c) Coordinate with the RDCs in the preparation of the annual budgetary requirements of the programs/projects of North Luzon to ensure that their funding requirements will form part of the annual budget of the concerned implementing bodies and submit the same to the Commission;



- d) Prepare the annual budget of the Commission for the latter's approval;
- e) Enter into contracts with the proper approval of the Commission;
- f) Undertake day-to-day operations to include securing the release, transfer, deposit of funds from the proper agency and administering the funds of the NLDP, including disbursements for proper expenses and payables;
- g) Undertake periodic policy implementation review and evaluation of the NLDP and shall, for that purpose, design and operationalize the implementation, monitoring and evaluation system consistent with the Regional Project Monitoring and Evaluation System (RPMES);
- h) Provide research and technical assistance to the Commission:
 - i) Develop and maintain a comprehensive information system;
 - j) Conduct or coordinate training and other capability-building programs on areas of interest which are crucial to the activities of the Commission and its Excom; and,
 - k) Perform such other functions and responsibilities as the Commission/ExCom may direct.

Additional staff support may be provided to the PMO by the NEDA, DTI and such other agencies in Regions I, II and CAR as the need arises."

SEC. 4. Section 4 is further amended to read as follows:

"Section 4. *Role of Implementing Bodies (National Line Agencies/Local Government Units, NGOs/Pos, GOCCS).* - In close coordination with concerned RDCs, the National Line Agencies in the region, development authorities and special project offices, government-owned and controlled corporations, local government units, non-government organizations/private sector shall, as appropriate, serve as implementing entities of the North Luzon Development Program (NLDP) related activities.

SEC. 5. Section 5 is further amended to read as follows:

"Section 5. *Role of Local (Regional/Provincial/City/Municipal Development Councils).* - The Local Development Councils within the program area shall perform the following functions:



- a) Approve the respective local components of the multi-year and annual plans and investment programs under the North Luzon Development Program (NLDP);
- b) Monitor and conduct periodic review (in accordance with the project program of work) of the local project component with respect to achievement of goals, objectives and targets of the NLDP;
- c) Coordinate and facilitate the preparation of site specific development plans, programs and projects;
- d) Coordinate the passage of municipal and/or provincial resolutions declaring the areas for industrial and tourism use, if not declared or classified as such;
- e) Coordinate with the Regional/Provincial Land Use Committees and Sangguniangs concerned on the review and approval of the land use and zoning plans of North Luzon growth area component sites;
- f) Spearhead the coordination of area inter-agency activities within the area/province of jurisdiction on the implementation of the NLDP;
- g) To perform advocacy and consultative role; and
- h) Perform such other functions as the PMO may request."

SEC. 6. Section 6 is further amended to read as follows:

Section 6. *Advisory Council.* - There is hereby created an advisory council whose members are Senators, Representatives, and other Cabinet Secretaries from Region I, II and CAR.

The advisory council shall have the following functions:

- a) To ensure that the development goals, policies and programs formulated by the Commission are properly coordinated with the overall national goals, policies and programs;
- b) To provide national leadership in promoting investment in North Luzon; and
- c) To maintain liaison with Congress and central government offices and, as necessary, arrange the needed support for projects under NLDP from central agencies, including funding agencies."



SEC. 7. Section 7 is hereby amended to read as follows:

"Section 7. Funding Requirements. - The amount of Fifteen Million Pesos (PhP 15.0 Million), to be drawn from the budget of the Office of the President-DBM savings/organizational adjustment fund, shall be released as additional budget for the operations of the expanded PMO, for the preparation of a new master development plan for the North Luzon growth area, and as start-up fund for pre-feasibility and pre-investment studies.

Appropriations for the year 2000 and the succeeding years for the operation of the PMO shall be incorporated and singled out in the budget of the Office of the President."

SEC. 8. Section 8 is hereby amended to read as follows:

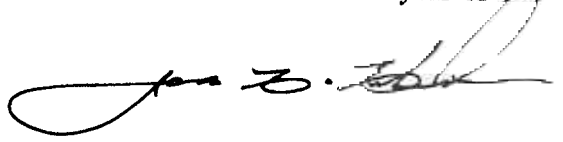
"Section 8. The Term of the Commission and the Program Management Office. - The Commission and Program Management Office shall have a term corresponding to the implementation period of the North Luzon Development Program (formerly North Quad Development Program). The NEDA Board, through its Secretariat, is hereby directed to conduct an annual review and evaluation of the management and coordinating structures of the Commission and the Project Management Office. Recommendations and revisions, if any, shall be submitted to the President for approval not later than the last working day of January of the following year."

SEC. 9. Section 9 is hereby amended to read as follows:

"Section 9 Effectivity. - This Executive Order shall take effect immediately."

SEC 10. All subsequent sections of Executive Order 75, as amended, are hereby repealed.

Done in the City of Manila, this 28th day of JUNE, in the year of our Lord, nineteen hundred and ninety-nine.



By the President:



RONALDO B. ZAMORA
Executive Secretary

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Date



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