

[EXECUTIVE ORDER NO. 230, July 22, 1987]

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;

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.

SEC. 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.

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

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

The President	----- Chairman
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Director-General of the NEDA Secretariat	----- Member
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Executive Secretary	----- Member
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Secretary of Finance	----- Member

Secretary of Trade & Industry	-- -----	Member
Secretary of Agriculture	-- -----	Member
Secretary of Environment & Natural Resources	-- -----	Member
Secretary of Public Works and Highways	-- -----	Member
Secretary of Budget and Management	-- -----	Member
Secretary of Labor & Employment	-- -----	Member
Secretary of Local Government	-- -----	Member

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.

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.

SEC. 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 or all sectors of society;
- (c) In the formulation of basic policies, plans, programs and projects, there shall be maximum participation by 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 nationality and regionally identified of nationality 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.

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.

SEC. 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 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
- (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 Exclusive 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; railway; 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