



LEGISLATIVE-EXECUTIVE DEVELOPMENT ADVISORY COUNCIL

2016 LEDAC ANNUAL REPORT

The LEDAC Secretariat

National Economic and Development Authority

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Republic of the Philippines

LEGISLATIVE-EXECUTIVE DEVELOPMENT ADVISORY COUNCIL

The LEDAC Secretariat, National Economic and Development Authority

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July 3, 2017

PRESIDENT RODRIGO ROA DUTERTE

President of the Republic of the Philippines
Office of the President, Malacañang Palace



Thru: **EXECUTIVE SECRETARY SALVADOR MEDIALDEA, Jr.**

Dear President Duterte:

Respectfully submitting herewith the LEDAC Annual Report for 2016. This Report is one of the budgetary requirements for submission to the Senate and the House of Representatives relative to the FY 2018 Budget Deliberations.

CY 2016 is the transition year from the previous administration to the current administration, thus the 2016 LEDAC Annual Report comprises of two (2) parts as follows:

- I. LEDAC Accomplishments Under the Aquino Administration which focuses on the enactment of vital legislations in Common Legislative Agenda for the 16th Congress; and
- II. LEDAC Accomplishments Under the Duterte Administration which highlights the reconstitution of the Council and the preparatory activities in the formulation of the Common Legislative Agenda for the 17th Congress.

Under the President's Chairmanship of the newly-reconstituted LEDAC, we look forward to building positive collaboration among the Executive, Legislative, Local Government Units, Private Sector and the Youth towards the attainment of the country's development goals and objectives as enunciated in the President's 0 to10 Socio-Economic Agenda.

Very truly yours,

ERNESTO M. PERNIA

Secretary of Socio-Economic Planning



Preface

The Legislative-Executive Development Advisory Council (LEDAC) was created, under Republic Act No. 7640, as an advisory and consultative body to the President to generate consensus among the legislative and executive branches and other key stakeholders on various socio-economic objectives in order to realize the goals of the national economy.

Since its inception, the LEDAC has proven to be an effective mechanism to achieve this goal. Vital legislations, as prioritized and listed in the LEDAC Common Legislative Agenda, (CLA) have been enacted into laws by previous Congresses in response to the developmental programs of the government.

At the end of the 16th Congress under the previous administration, three (3) significant measures have been enacted into law specifically: the Fair Competition/Anti-trust Act; the Amendments to the Cabotage Law; and the Road Right of Way Law.

As for the start of the 17th Congress under the current administration, both the Executive and the Legislative have started crafting their respective priority legislative measures. Initial discussion on these emerging priority measures of both branches of government was undertaken during a preparatory LEDAC Meeting chaired by President Duterte and well attended by key Cabinet Members and the leaders and members of both Houses of Congress. This signals the onset of a highly productive consensus-building process in pursuing crucial legislations that will advance peace and order and the socio-economic programs of the government under the Duterte administration.

The LEDAC, as an advisory and consultative mechanism, proves that the enactment into law of legislations that are vital to socioeconomic development will always be attainable through persistent cooperation amongst the key players in government including the private sector.

PART I: COMMON LEGISLATIVE AGENDA (CLA) FOR THE 16TH CONGRESS

Notwithstanding the failure to formally convene the LEDAC during the 16th Congress, the Executive and Legislative branches have identified their respective priority measures with a total of sixty-nine (69) measures. Out of this total, nineteen (19) were identified as common measures of both the Executive and Legislative, thus, the same was adopted as the CLA of the LEDAC for the 16th Congress.

In lieu of the convening of Council Meetings, the LEDAC Secretariat maximized the conduct of LEDAC Executive Committee and Technical Working Group meetings as vehicles for advocating and facilitating the passage of the priority measures in the CLA including the monitoring of their progress in the legislative mill during the 16th Congress.

Of the 19 proposed CLA, the three (3) most crucial legislations were enacted into law as follows:

1. Fair Competition/Anti-Trust Act

Republic Act No. 10667, otherwise known as the “Philippine Competition Act” was approved and passed into law on 21 July 2015. This law primarily aims to establish measures that safeguard competitive conditions and protection to consumers.

2. Amendments to Cabotage Law

Republic Act No. 10668, otherwise known as “An Act Allowing Foreign Vessels to Transport and Co-Load Foreign Cargoes for Domestic Transshipment and for Other Purposes,” was approved and passed into law on 21 July 2015. This law primarily aims to enhance Philippine competitiveness in international trade and to lower the cost of shipping cargoes to and from the Philippines for the benefit of the consumers.

3. Road Right-of-Way Law

Republic Act No. 10752, otherwise known as “The Right-of-Way Act” was approved and passed into law on 07 March 2016. This law primarily aims to ensure that owners of real property acquired for national government infrastructure projects are promptly paid adequate consideration or just compensation while providing for the expeditious acquisition of the required right-of-way for the projects.

The following were the significant efforts by the NEDA-LEDAC Secretariat in pursuing the passage of other measures included in the CLA:

1. *Monitoring visit/activity on the mining operations in Benguet*

On March 6-9, 2016, the Technical Working Group (TWG) of the LEDAC comprising of the NEDA-LEDAC Secretariat, Presidential Legislative Liaison Office (PLLO) of the Senate and the House, and the Office of the Deputy Executive Secretary for Legal Affairs (ODESLA) was authorized through Special Order No. 90-2016 dated 12 February 2016 to conduct its strategic assessment and monitoring visit on the mining operations in Benguet relative to the Rationalization of the Mining Fiscal Regime. The activity primarily aimed to facilitate the close monitoring of the actual status of mining operations with regard to existing environmental mining standards and revenue sharing arrangement between the Government and the mining contractor for large-scale mining operations, as well as familiarity with the living conditions of various ethnic groups and indigenous peoples (IPs) in the Cordillera Region.

A post-assessment meeting was conducted by the group to validate the issues and concerns raised during the on-site visit and discussion at PhilEx Mining Corporation and consultation meeting with the IPs who were also engaged in small scale mining and backyard mining operations.

2. *Actively participated in the deliberation of vital legislation in both chambers*

The NEDA-LEDAC Secretariat has attended various hearings, meetings and submitted its position papers on the following measures that lagged behind in the 16th Congress:

No.	Measure	NEDA Participation	Status
1	Defining the Philippine Maritime Zones (PMZ)		Advanced stage in both chambers
2	Designation of the Archipelagic Sea Lanes (ASL)		
3	Bangsamoro Basic Law	Attendance in hearings/meetings; Submission of Position Paper	
4	Rights of Internally Displaced Persons (IDPs)		
5	Freedom of Information Act (FOI)	Submission of Position Paper	
6	Delineation of Forest Limits	Attendance in hearings/TWG meetings; Submission of Position Paper	

No.	Measure	NEDA Participation	Status
7	Amendments to the BOT Law	Attendance in hearings; Submission of Position Paper; Provision of technical support during the floor deliberation	
8	National Land Use Act	Attendance in hearings/TWG meetings; Submission of Position Paper	Approved on third reading in the House of Representatives and pending in their respective committees in the Senate
9	Magna Carta of the Poor	Attendance in hearings/meetings; Submission of Position Paper	
10	Amendments to BSP Charter		
11	Whistle Blowers Act		Awaiting clearance from the Committee on Appropriations in the House of Representatives and pending in their respective committees in the Senate
12	Amendments to the Witness Protection Program		
13	Land Administration	Attendance in hearings/meetings; Submission of Position Paper	
14	Fiscal Incentives Rationalization Act	Attendance in hearings/meetings; Submission of Position Paper	Pending in committee in both chambers
15	Rationalization of the Mining Fiscal Regime	Attendance in hearings/meetings	
16	Water Sector Reform Act		

PART II: THE LEDAC UNDER THE ADMINISTRATION OF PRESIDENT RODRIGO R. DUTERTE

With the assumption of the new administration under President Duterte last 30 June 2016, the membership of the LEDAC for the 17th Congress was reconstituted. The President designated seven (7) Cabinet Members who will sit as Members for the Executive Branch. As for the Legislative Branch, the Senate President and the Speaker of the House of Representatives recognized as extensions of their legislative duties the responsibility to sit as members of the LEDAC and they have likewise officially designated three (3) representatives for each Chamber of Congress to join them in performing their functions as members of the Council.

To fully constitute the Council, the NEDA/LEDAC Secretariat completed the shortlisting and nomination of the private sector representative (PSR) and facilitated the appointment of the PSR, as well as, the designation of the representatives of the Local Government Units (LGU) and Youth Sector by the President.

In preparation for the first formal convening of the newly-reconstituted LEDAC, the President as the LEDAC Chair initiated the conduct of the LEDAC Preparatory Briefing held last November 14, 2016 which was attended by the leaders of the Senate and the House of Representatives together with twenty-one (21) other legislators including six (6) key Cabinet Members. During the meeting, extensive discussions on twenty-eight (28) vital measures were pursued. Of the 28, the following measures were highlighted:

(a) Increase the pay of the police and the military to boost morale and discourage illegal activities; (b) increase the retirement pay of the military; (c) creation of separate circuit criminal courts that would try cases on drug crimes; (d) possible termination of Barangay Elections and set up a system of appointment for all elective posts at the barangay level; (e) Lowering of the age of criminal liability by amending the Juvenile Justice Welfare Act of 2006; (f) Restoration of the Death Penalty. Of these six measures, the Legislators acknowledged that five of them, except for item (d) pertaining to a legislation to terminate the conduct of barangay elections, have related bills already filed at the Senate and the House of Representatives.

Seventeen (17) measures were also presented by the Secretary of the Department of Finance which were all deemed as critical to the attainment of the President's 10-Point Socioeconomic Agenda. The Legislators acknowledged the importance of the seventeen socioeconomic measures and they committed to support the passage of said measures.

On the other hand, the President and the members of the Cabinet recognized the significance of prioritizing the three (3) other measures which were brought up by several legislators as follows: (a) The Coco Levy Fund; (b) Expanded Anti-Red Tape Ease of Doing Business Act; and (c) End of Contract (ENDO).

After the Preparatory Briefing, the NEDA-LEDAC Secretariat spearheaded the preparation of several trigger and discussion papers that tackled vital issues and concerns relating to the socioeconomic programs of the new administration. These discussion papers shall serve as trigger papers for the First Meeting of the LEDAC.

ACTIVITIES OF THE LEDAC SECRETARIAT

A. In line with its secretariat function, the NEDA conducted the following meetings for 2016:

- ❖ Six (6) LEDAC TWG Meetings held on January 15, February 16, March 21, June 7, June 27, and November 29, 2016, where the consolidated and updated list of proposed priority legislative measures and criteria for vetting thereto for the 16th and 17th Congresses were discussed;
- ❖ Preparatory briefing for the President and selected legislators on the LEDAC on November 14, 2016.

The coordination of the conduct of these meetings entailed the preparation of meeting papers including technical papers (Discussion Flow and Agenda Briefs for the President; Pointers and Presentation Materials for the Head of the LEDAC Secretariat; Narrative and Matrix of Priority Legislative Measures, Highlights and Summary of Agreements; Organizational Structure of LEDAC, its Subcommittees, and Secretariat including Duties and Responsibilities; Proposed Criteria for Prioritization, CLA Prioritization and Monitoring Process Flow, etc).

B. In addition, the NEDA/LEDAC Secretariat also participated and provided necessary inputs in the Legislative Liaison System (LLS) networking activities and in Senate and House of Representatives committee hearings, as part of its coordinative and monitoring functions:

- a. Committee Hearings on the proposed CLA conducted in the House of Representatives and the Senate;
- b. Regular preparatory and coordination meetings with PLLO, and ODESLA, among others;
- c. Legislative Liaison System (LLS) Cluster and Plenary meetings; and
- d. Continued Status updating of the CLA thru visits with the various Committee Secretaries in the Senate and House of Representatives

C. Preparation of Reports and Working Papers:

- Matrix of Common Legislative Agenda (CLA) from 10th to 16th Congress
- Matrix of Legislative Agenda contained in the PDP from Ramos administration to Aquino administration (PDP Legislative Agenda)
- Matrix/Analysis on the Priority Legislative Measures contained in the Philippine Development Plan (PDP) by sector/cluster (PDP Legislative Agenda vis-à-vis Cabinet Clusters)
- Updated list of the 16th Congress Common Legislative Agenda enacted into law and those that lagged behind in Congress as part of the agenda of the TWG meeting held on 7 June 2016

- Narrative Report and the updated Matrix of Common Legislative Agenda (CLA) from 10th- 16th Congress
- Matrix of the Consolidated Priority Legislations of the NEDA Sector Staffs as basis for preparation of the LEDAC Agenda Forecast for 2017
- Narrative Report of Agenda Forecast for 2017
- Various trigger papers relative to vital issues and concerns
- Various documents in relation to the reconstitution of the membership of LEDAC for the 17th Congress including the shortlisting and nomination of the representative of the private sector as member of the LEDAC
- Updated list of the 16th Congress Common Legislative Agenda enacted into law and those that lagged behind in Congress

D. For the effective management of LEDAC's operations, the NEDA/LEDAC Secretariat attended to all financial, budgetary, procurement and auditing requirements of the LEDAC as follows:

- 2017 budget proposal of LEDAC to the HOR and Senate and the Budget Execution Documents for FY 2017 to the DBM
- Work and Financial Plan for FY 2016 and Annual Procurement Plan for FY 2016
- Annual Report of Accomplishment for FY 2015
- Physical Report of Operations for the 4th quarter of FY 2015 and 1st – 3rd quarters of FY 2016
- Documents in relation to the Performance-based Bonus (PBB), Strategic Performance Management System (SPMS) and Program Expenditure Classification (PrExC) of the Secretariat
- Procurement documents
- Comments to COA's AOM
- LEDAC Organizational Transition Matrix
- Operations Manual
- Reviewed and evaluated NBAC-TWG documents (eligibility requirements, bids/quotations).
- Revised Work and Financial Plan and Annual Procurement Plan for 2nd Semester 2016, Work and Financial Plan for FY 2017 and Annual Procurement Plan for FY 2017
- Prepared and submitted Annual Gender and Development Plan and Budget for FY 2017 and Annual GAD Accomplishment Report for FY 2015

The secretariat also attended the following trainings/seminars/meetings:

- Plenary meeting of the Legislative Liaison System (LLS)
- DBM Budget Forum and prepared 2017 budget proposal of LEDAC
- Plenary meetings/workshops of the Legislative Liaison System (LLS)
- Other various capacity-building trainings/seminars/workshops/courses.
- Budget hearings on the proposed 2017 LEDAC budget in both Houses of Congress.

- GAD-Celebration of International Women's Day held on March 16, 2016 at the Luneta Park and the following GAD training courses:
 - ❖ Gender Fair Education (GFE) from June 6 to 10, 2016;
 - ❖ Gender Responsive Planning and Budgeting (GPRB) from June 20 to 23, 2016; and
 - ❖ International Women's Human Rights and Governance (IWHRG) from July 18 to 22, 2016

THRUSTS AND DIRECTIONS FOR 2017

The LEDAC aims to strengthen its consultative and advisory functions and ensure sustainability in collaboration and coordination with the Legislative and Executive branches of government, as well as key stakeholders to facilitate the timely enactment of CLA and other priority measures into vital laws.

In 2017, the LEDAC shall continue to:

- ❖ Provide consultative and advisory services to the President on vital issues affecting national economic development;
- ❖ Coordinate the formulation and adoption of CLA with special focus on concerns that will fast track the attainment of the Socioeconomic Agenda to ensure that it will push forward the identified legislative measures in the Philippine Development Plan 2017-2022;
- ❖ Provide general administrative support services, including the improvement and operationalization of mechanisms, to ensure that the CLA reflect the consensus of both the legislative and the executive while taking into account the interest and welfare of all the key sectors of society; and
- ❖ Strengthen the LEDAC ExCom, TWG, and its Secretariat through the institutionalization of its working structure, and thereby, strategically assist the Council in the performance of its mandated functions.

LEGISLATIVE-EXECUTIVE DEVELOPMENT ADVISORY COUNCIL

Mandate

The LEDAC was created by virtue of RA 7640 as a consultative and advisory body to the President, who chairs the NEDA Board, on certain programs and policies essential to the realization of the goals of the national economy.

Vision

By 2022, the LEDAC envisions to become an effective high-level advisory and consultative body to the President that ensures consistency in executive development planning and congressional budgeting by providing the mechanism for generating consensus among the different sectors of the economy.

The LEDAC aims to develop, strengthen, and sustain interaction and collaboration among the executive and legislative branches of government and stakeholders to facilitate the provision, adoption, and implementation of appropriate policies, which aim to achieve the country's socioeconomic and development goals.

Mission

The LEDAC serves as a mechanism for consensus-building among the executive and legislative branches and key stockholders on vital issues affecting the country's socioeconomic and development goals.

Regular Members for the 17th Congress

President Rodrigo Roa Duterte, Chairperson

Members from the Cabinet:

Vice President Maria Leonor G. Robredo
Secretary Ernesto M. Pernia, NEDA
Secretary Carlos G. Dominguez III, DOF
Secretary Benjamin E. Diokno, DBM
Secretary Delfin N. Lorenzana, DND
Secretary Jesus G. Dureza, OPAPP
Secretary Mark A. Villar, DPWH
Secretary Arthur P. Tugade, DOTr

Members from the Senate:

Senate President Aquilino dL. Pimentel III
Senator Ralph G. Recto, *Senate President Pro Tempore*
Senator Vicente C. Sotto III, *Majority Floor Leader*
Senator Franklin M. Drilon, *Minority Floor Leader*

Members from House of Representatives:

Speaker Pantaleon D. Alvarez
Rep. Rodolfo C. Fariñas, *Majority Leader*
Rep. Danilo E. Suarez, *Minority Leader*
Rep. Dakila Carlo E. Cua

Other Members:

Mayor Ma. Laarni L. Cayetano (LCP), *LGU Representative*
Chairperson Cariza Y. Segueria (NYC), *Youth Representative*
Mr. George T. Barcelon (PCCI), *Private Sector Representative*

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