

NINTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
Second Regular Session }

S E N A T E
S. B. NO. 1555

Introduced by Senator Macapagal-Arroyo

AN ACT
CREATING THE EXPORT DEVELOPMENT COUNCIL, DEFINING
ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled :

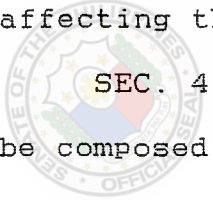
SECTION 1. Short Title. - This Act shall be known as the "Export Development Council of 1994".

SEC. 2. Declaration of Policy. - It shall be the policy of the State to make export development as the key to sustainable and balanced agri-industrial Philippine economic growth.

SEC. 3. Creation of the Economic Development Council.
- There is hereby created an Export Development Council, hereinafter referred to as the "Council", which shall be the central agency that shall review and assess policy issues affecting the export industry.

SEC. 4. Composition of the Council. - The Council shall be composed of the following :

- (a) President of the Philippines as Ex-Officio Chairman;
- (b) Secretary of Trade and Industry as Vice-Chairman and the following as Members ;
- (c) Governor of the Bangko Sentral ng Filipinas;
- (d) Secretary of Finance ;
- (e) Secretary of Agriculture ;



- (f) Secretary of Foreign Affairs ;
- (g) Director-General of National Economic and Development Authority ;
- (h) Secretary of Science and Technology ;
- (i) Presidential Assistant for the Visayas ;
- (j) Presidential Assistant for Mindanao ;
- (k) Chairman of the Senate Committee on Trade and Industry ;
- (l) Chairman of the House Committee on Trade and Industry ;
- (m) Twelve (12) representatives of the private sector, comprising the following : the Chairman and the President of the Philippine Exporters Confederation, Inc. (PHILEXPORT) or its successor-in-interest, the President of the Philippine Chamber of Commerce and Industry (PCCI), and the President of the Confederation of Small and Medium Exporters, all four (4) being ex-officio members; a representative each from PHILEXPORT in the Visayas and in Mindanao; and six (6) other private sector representatives.

The private sector representatives who are not ex-officio members shall be appointed by the President of the Philippines from a list of 24 nominees submitted by PHILEXPORT.

The private sector representatives shall be exempted from divesting their interests in any private company or corporation or in such other business as they are engaged in as precondition to their appointment as members of the Council.

SEC. 5. Powers and Functions. - The Council shall have the following powers and functions :

(a) Initiate the formulation, after consultation with the private sector, of a rolling three (3)-year Philippine Export Development Plan that shall define the country's annual and medium-term export thrusts, strategies, programs and projects; coordinate, monitor and assess the implementation thereof, and every semester, update and validate the same in the light of changing conditions in both the domestic and international environment;

(b) Periodically review and assess the country's export performance, problems and prospects;

(c) Identify the main bottlenecks, problem areas and constraints in all the areas, sectors and activities influencing the development of exports, including, but not limited to, such matters as policy framework, physical infrastructure, finance, specialized support services, production, promotion and marketing;

(d) Provide advice on specific measures required to remove the bottlenecks and problems constraining the development of exports in any of the areas mentioned in paragraph (c) of this Section;

(e) Recommend appropriate and necessary export development services and programs for adoption by the government and the private sector;

(f) Assume the powers, duties and responsibilities of the Commission on Export Procedures including the power to review the efficiency of the One-Stop Export Documentation Centers as provided for in Executive Order No. 843 (1982);

(g) Undertake three (3) Special Initiatives to improve Philippine export competitiveness, namely :

- (1) Reduce bureaucratic red tape;
- (2) Reduce business taxes;
- (3) Accelerate tariff reforms;

Such initiatives shall be planned and implemented over a period of one year upon the approval of this Act.

Within 45 days after the approval of this Act, the Council shall submit to the Senate President and the Speaker of the House of Representatives its draft of the required legislation for the implementation of the above Special Initiatives; and

(h) Constitute such subcommittees and task forces as may be necessary.

SEC. 6. Executive Committee. - An Executive Committee composed of representatives from DTI, NEDA and three (3) from the private sector is hereby constituted to assist the Council in the coordination, monitoring and assessment of the implementation of the Philippine Export Development Plan.

SEC. 7. Secretariat. - The Council shall be assisted by a Secretariat based in the Department of Trade and Industry, headed by an official designated by the Chairman of the Council, and whose personnel shall be detailed from the government agencies and private sectors representing the Executive Committee.

SEC. 8. Meetings. - The Council shall meet at least once a month, and at least once every quarter with the President of the Philippines: Provided, That whenever the President deems it necessary, he may convene a meeting with the Council at any time.

SEC. 9. Implementing Rules and Regulations. - The Council shall formulate the rules and regulations necessary to implement the provisions of this Act within ninety (90) days from its approval. Such rules and regulations shall

take effect fifteen (15) days after its publication in a newspaper of general circulation.

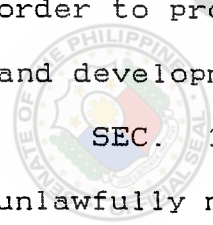
SEC. 10. Export Development Fund. - There is hereby created an Export Development Fund (EDF) which shall be managed by the Council and allocated for export promotion and development activities and services with such sectors, organizations or entities that the Council may deem necessary.

The EDF shall come from a levy on international trade transactions over a one-year period from the date of the effectivity of this Act, amounting to one percent (1%) on exports and two percent (2%) on imports.

SEC. 11. Funding. - Funding activities and operation expenses of the Council shall be supported by contributions from the government and the private sector. A seed capital in an amount recommended by the Department of Budget and Management, and approved by the President of the Philippines shall be taken from funds in the National Treasury not otherwise appropriated. Thereafter, the EDF shall come from an international trade development levy of one-tenth of one percent (1/10 of 1%) on exports and imports per annum in order to provided a continuing funding for export promotion and development.

SEC. 12. Misuse of Funds. - Any person who shall unlawfully misappropriate or divert funds provided for under this Act for purposes other than those for which such funds are intended shall, after being found guilty, be punished by imprisonment ranging from three (3) to six (6) years and a fine equivalent to the fund so misappropriated or diverted.

SEC. 13. Repealing Clause. - All laws, decrees, orders, rules and regulations, or parts thereof inconsistent



(b)

with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 14. Separability Clause. - If any provision of this Act is declared invalid, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 15. Effectivity Clause. - This Act shall take effect upon its approval.

Approved,

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Senate Archives (LRAS)