

MALACAÑAN PALACE MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 114

INSTITUTIONALIZING THE BALIK PROBINSYA, BAGONG PAG-ASA PROGRAM AS A PILLAR OF BALANCED REGIONAL DEVELOPMENT, CREATING A COUNCIL THEREFOR, AND FOR OTHER PURPOSES

WHEREAS, the National Capital Region (NCR) accounted for the largest share of the country's Gross Domestic Product at 36 percent based on the 2018 data of the Philippine Statistics Authority, while its population of 12,877,253 accounted for about 12.8 percent of the Philippine population per the 2015 census;

WHEREAS, the epicenters of the COVID-19 pandemic in the Philippines are congested areas located in the NCR;

WHEREAS, the uncontrolled upsurge of population in the NCR brings to the fore longstanding issues on the lack of viable and sustainable employment opportunities in the countryside, unbalanced regional development, and unequal distribution of wealth;

WHEREAS, Sections 9 and 21, Article II of the Constitution declare the State policies of: (i) promoting a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all; and (ii) promoting comprehensive rural development;

WHEREAS, Section 1, Article XII of the Constitution states that the goals of the national economy are a more equitable distribution of opportunities, income and wealth, and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged; thus, the State shall promote full employment based on sound agricultural development and the empowerment and creation of local industries that make full and efficient use of human and natural resources, and ensure that all sectors of the economy and all regions of the country have optimum opportunities to develop;

WHEREAS, the promotion of value chain development to increase agricultural and rural enterprise productivity and tourism, as well as the use of science and technology to enhance innovation and creative capacity towards self-sustaining. inclusive development are key strategies in attaining the Ten-Point Socioeconomic Agenda of this Administration;

WHEREAS, the Philippine Development Plan 2017-2022 espouses the strategies of spatial development which aims to decongest the NCR and direct growth to key centers throughout the country, improve linkages by connecting rural areas to growth centers or strengthening urban-rural linkages, and make growth more inclusive by creating more opportunities for production and employment in the lagging regions, thereby reducing poverty;

WHEREAS, countryside development is one of the priority sectors in building a prosperous, predominantly middle-class society in the AmBisyon Natin 2040;

WHEREAS, to reverse migration to the NCR and other congested metropolises, as well as to attain rural prosperity through equitable distribution of wealth, resources and opportunities, a balanced regional development program to foster socially cohesive, resilient and sustainable rural communities needs to be institutionalized;

WHEREAS, under Section 4 of Republic Act No. 11469 or the "Bayanihan to Heal as One Act," the President is granted the temporary emergency authority to, among others, undertake such measures as may be reasonable and necessary to carry out the declared national policy under the same law, and reprogram, reallocate and realign from savings on other items of appropriations in the Fiscal Year 2020 General Appropriations Act in the Executive Department, as may be necessary and beneficial to fund measures that address and respond to the COVID-19 emergency, including social amelioration for affected communities; and

WHEREAS, under Section 17, Article VII of the Constitution, the President shall have the power of control over all executive departments, bureaus and offices, and ensure the faithful execution of laws;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Policy of Balanced Regional Development. The State shall ensure balanced regional development and equitable distribution of wealth, resources and opportunities through policies and programs that boost countryside development and inclusive growth, provide adequate social services, and promote full employment, industrialization and an improved quality of life in rural areas. Towards this end, the "Balik Probinsya, Bagong Pag-asa (BP2) Program" shall be institutionalized.

Section 2. Creation of the Balik Probinsya, Bagong Pag-asa Council. To ensure whole-of-government action on the implementation of the BP² Program, the Balik Probinsya, Bagong Pag-asa Council ("Council") is hereby created, to be composed of the following:

Chairperson:

Executive Secretary;

Vice Chairperson:

Secretary for Socio-Economic Planning and Director-General, National Economic and Development Authority Members:

Secretary, Department of the Interior and Local Government:

Secretary, Department of Social Welfare and Development (DSWD):

Secretary, Department of Agriculture (DA); Secretary, Department of Agrarian Reform; Secretary, Department of Trade and Industry;

Secretary, Department of Labor and Employment (DOLE):

Secretary, Department of Health;

Secretary, Department of Information and

Communications Technology;

Secretary, Department of Finance;

Secretary, Department of Budget and Management (DBM);

Secretary, Department of Public Works and Highways

Secretary, Department of Transportation;

Secretary, Department of Tourism;

Secretary, Department of Human Settlements and Urban Development:

Secretary, Department of Education (DepEd);

Chairperson, Commission on Higher Education (CHED); Secretary, Department of Environment and Natural Resources:

Director-General, Technical Education and Skills Development Authority (TESDA);

Chairperson, Mindanao Development Authority; and Chairperson, Cooperative Development Authority.

A member of the Council shall designate a permanent and alternate representative, who is fully authorized to decide for and on behalf of his or her respective department, agency, or office and perform the functions as hereafter provided.

The Council shall be assisted by a Secretariat, to be headed by the General Manager of the National Housing Authority (NHA) as Executive Director, which shall provide technical and administrative support to the Council. The Secretariat shall be composed of personnel from the NHA and, as may be necessary, from member agencies of the Council.

Section 3. Powers and Functions of the Council. The Council shall have the following powers and functions:

- Formulate within thirty (30) days from the issuance hereof, the guidelines necessary to implement this Order, including the BP² Program Framework as defined herein;
- Provide overall direction in the implementation of the BP² Program, including guidance and technical assistance to government agencies and local government units (LGUs) in its implementation;

- Approve or modify key areas and components of the BP² Program, as well as ensure the compliance of government agencies involved in its implementation;
- In coordination with the Presidential Communications Operations Office, develop a strategic communications plan to educate the people and advocate for supportive policies in the local level;
- Identify legislative, regulatory, and policy changes to promote balanced regional development and recommend to the Congress the enactment of such reforms into law;
- f. Engage, consult and coordinate with LGUs in the formulation of policies, and implementation of the components of the BP² Program that will allow for resource-sharing arrangements through, among others, co-financing mechanisms with development partners;
- g. Enlist the support and assistance of other government agencies, instrumentalities, government-owned or -controlled corporations and state universities and colleges, as well as consult and provide avenues for the private sector, relevant stakeholders, advocacy groups and nongovernment organizations to participate in the attainment of the objectives of this Order;
- Create sub-groups, technical working groups or committees as may be deemed necessary to implement the objectives of this Order;
- Adopt mechanisms, such as but not limited to an online platform, and establishment of BP² desks in all offices of member agencies, to facilitate accessibility to the public, enhance monitoring of implementation, and ascertain the compliance of beneficiaries; and
- j. Perform other tasks as the President may direct.

Section 4. The Balik Probinsya, Bagong Pag-asa Program and its Key Areas. The BP² Program is hereby established as a national program of the government, and adopted as a continuing strategy to drive inclusive and balanced urban and rural development, ensure rural prosperity and complement initiatives towards attaining resilient and sustainable communities.

The BP² Program Framework shall be divided into key areas, each having measured policy objectives:

a. <u>Empowerment of Local Industries</u> - Introduce a sustainable program for public sector investment and private sector participation that promotes regional development. Support shall be particularly provided to micro, small and medium enterprises (MSMEs) to foster the continued growth of the sector, and the rationalization of a purposeful system of fiscal incentives shall be prioritized to develop forward and backward linkages and export- and domestic-oriented enterprises, access to markets and a fully integrated value chain and encourage the transfer of medium and large businesses to provincial economic hubs. b. Food Security and Agricultural Productivity – Encourage and facilitate innovations and technologies for agricultural production, such as modern rice farming techniques, seed production and farm mechanization, conducive to long-term and sustainable rural development. Local agricultural industries shall be supported and strengthened through infrastructure and financial support, such as but not limited to loans sourced from the Agricultural Competitiveness Enhancement Fund, as well as existing incentives given to agriculture cooperatives.

Measures to take advantage of economies of scale in agricultural production, promote value chain development, increase farm incomes, and improve the quality of life of farmers, shall be pursued.

c. <u>Social Welfare</u>, <u>Health and Employment</u> – Comprehensive assistance packages shall be designed to encourage the voluntary and immediate movement to their respective home provinces of workers and overseas Filipino workers, especially those stranded in the NCR due to the Enhanced Community Quarantine (ECQ).

Local health facilities shall be upgraded and local health capacity shall be improved to address the health needs of the community, such as building more hospitals and clinics, providing more ambulances and enhancing medical scholarship programs, among others.

Educational institutions and technical and vocational schools shall be built in strategic rural areas, state universities and colleges shall be linked to industries, through, among others, conversion of their idle lands into science or technology parks. Access to Open Distance Learning shall also be enhanced in rural communities.

Employment shall be created and restored through various support programs and assistance packages, including resettlement to provincial township sites and community interventions or projects based on area/resettlement site.

- d. <u>Development of Infrastructure</u>- Infrastructure such as means of transport and communications, power resources, and irrigation facilities which support the operation and development of other sectors of the economy shall be developed in all the different regions of the country. The completion of existing and future railway projects to facilitate the movement of people, as well as the creation and improvement of transport terminals and construction of public markets in communities, shall be prioritized.
- Section 5. Categorization of the BP² Program Framework Components.

 The components of the BP² Program Framework to be formulated by the Council shall be aligned with the key areas mapped in the preceding Section, and shall be categorized under specific progress points, as follows:
- a. Short-term Pipeline or existing programs, activities or projects (PAPs) with available funds or appropriations, which can be adapted to support the required interventions under the BP² Program and which can be readily implemented during the Enhanced and General Community Quarantine. Due priority shall be given to individuals and enterprises qualified under the implementing guidelines mentioned in Section 3(a) hereof.

For the efficient voluntary movement of individuals and enterprises from the NCR to identified rural areas, initial assessment may be provided for assistance, such as but not limited to the following:

> (i) Transportation and relocation coursed through the DOTr and DILG which are tasked to coordinate with the LGUs concerned. For this purpose, the Department of National Defense, the Armed Forces of the Philippines, and all its main service branches, as well as the Philippine Coast Guard, may be called to render the necessary logistical support;

(ii) Transitory support from existing DSWD and NHA programs;

(iii) Livelihood and employment packages that are implemented or may be developed by the DOLE and DTI;

(iv) Agri-based support services offered by the DA;

 (v) Educational programs, including internet-based learning, through the DepEd, CHED and TESDA;

 (vi) Fiscal incentives and transition assistance for MSMEs, including but not limited to tax incentives and fast-tracked processing of licenses and permits, as may be applicable; and

(vii) Other forms of aid as may be necessary or formulated by relevant government agencies.

b. Medium-term - Existing PAPs with available funds or appropriations to support required interventions or new PAPs for funding, which can be implemented when the ECQ or travel restriction is lifted. It may consist of, but is not limited to the following:

- Identification of existing special economic zones, as well as development of MSME-oriented industries;
- (ii) Livelihood and employment opportunities suitable to rural development;
- (iii) Strengthening and prioritizing the National Spatial Strategy integrated in the Philippine Development Plan and spearheaded by the NEDA;
- (iv) Integration of institutional assistance, such as progression of formal education, improved healthcare services and medical facilities, maintenance and promotion of peace, order, and security; and
- (v) Establishment of new special economic zones in Visayas and Mindanao including the Bangsamoro Autonomous Region;

c. Long-term – PAPs that require longer time horizons to implement but whose initial steps must already be taken by national government agencies, such as but not limited to the proposed decentralization of powers and seat of governance, priority legislation on rationalized and results-based tax incentives for agricultural or tourism industries and the National Land Use Act, and the creation of new urban centers outside of the NCR and existing major urban centers.

Section 6. Funding. The amount necessary for the implementation of this Order shall be charged against existing appropriations of the member agencies of the Council, and from sources to be identified by the DBM, subject to existing budgeting, accounting and auditing laws, rules and regulations. To the extent permitted by law, agency heads are hereby authorized to realign items in their respective appropriations to fund PAPs approved as part of the BP² Program. Funding requirements for the succeeding years shall be included in the respective budgets of government agencies implementing the BP² Program.

Section 7. Reporting. The Council shall submit to the President, a bi-annual report on the implementation of this Order, including its accomplishments in terms of short-, medium- and long-term goals and budget utilization.

Section 8. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 9. Repeal. All issuances, rules and regulations contrary to or inconsistent with this Order are hereby repealed, modified, or amended accordingly.

Section 10. Effectivity. This Order shall take effect immediately.

DONE, in the City of Manila, this 6th day of May , in the year of our Lord. Two Thousand and Twenty.

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By the President:

SALVADOR C. MEDIALDEA Executive Secretary

REPUBLIC OF THE PHILIPPINES

