

MALACAÑANG
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 225

RENAMING THE EXPORT DEVELOPMENT COUNCIL AS THE TRADE AND INDUSTRY DEVELOPMENT COUNCIL AND EXPANDING ITS MANDATE TO ABSORB THE DOMESTIC TRADE DEVELOPMENT COUNCIL AND THE INDUSTRY DEVELOPMENT COUNCIL

WHEREAS, the integration of the Philippine economy into the global arena must be managed to ensure sustained economic growth and increased opportunities for Filipinos;

WHEREAS, the successful integration of the Philippine economy into the global arena rests on the capacity of Philippine industries to compete globally;

WHEREAS, under a global trade regime, even the domestic market takes on the character of a global market with the increased entry of foreign competition;

WHEREAS, developing and sustaining the competitiveness of Philippine products and services requires the development of competitive industrial foundations, a strong local base, and domestic linkages, which are rooted in the various regions of the country;

WHEREAS, public policy must be coordinated to support the drive towards global competitiveness to enable Philippine firms to enter new markets, develop and exploit new technological and organizational advantages, and operate with reduced risks and costs within the global economic environment;

WHEREAS, the Export Development Council (EDC) has been institutionalized under Republic Act 7844 or the Export Development Act of 1994, and the Industry Development Council and the Domestic Trade Development Council have significant similarities in composition, powers and functions, and underlying objectives as the EDC;

WHEREAS, there is a need to integrate all three Councils into one high-level body to ensure policy coherence and consistency, and harmonize strategic directions and courses of action, while optimizing



the use of public and private resources, in the drive to develop globally-competitive Philippine industries, products and services;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

SECTION 1. Reorganizing the Export Development Council into the Trade and Industry Development Council. The Export Development Council is hereby renamed as the Trade and Industry Development Council (hereinafter referred to as TIDC) and its mandate shall be expanded to absorb the functions of the Industry Development Council and Domestic Trade Development Council, thereby abolishing the two latter councils.

SEC. 2. Composition. The TIDC shall be composed of the following members:

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| (a) Secretary of Trade and Industry | Chairperson |
| (b) Secretary of Agriculture | Member |
| (c) Governor of the Bangko Sentral ng Pilipinas | Member |
| (d) Secretary of Finance | Member |
| (e) Secretary of Foreign Affairs | Member |
| (f) Secretary of Interior and Local Government | Member |
| (g) Secretary of Labor and Employment | Member |
| (h) Director-General of the National Economic Development Authority | Member |
| (i) Secretary of Science and Technology | Member |
| (j) 9 representatives from the private sector, one of whom shall be appointed as Vice-Chairperson | Member |

The private sector representatives shall be appointed by the President from among nominees of the accredited exporters organization, leading industry associations and the Secretary of Trade and Industry, and shall serve a term of two years. They shall be selected from among leaders of the export sector, leading industrialists, industry experts, members of the academe, and other special interest groups. The

inclusion of representatives from the Visayas and Mindanao shall also be ensured.

A permanent representative from the Office of the President shall be present during all meetings of the TIDC.

Representatives from other Departments and Agencies and private organizations, and individuals may be called upon to attend meetings and assist the TIDC in addressing issues and problems that concern their respective offices.

SEC. 3. Powers and Functions. The TIDC shall:

- (a) Define the overall trade development strategy for the country which will be based on the development of a strong domestic industrial base and directed towards global competitiveness;
- (b) Approve a Philippine Trade Development Plan; coordinate, monitor and assess the implementation thereof, and when necessary, institute appropriate adjustments thereon in the light of changing conditions in both the domestic and international environment;
- (c) Periodically review and assess the country's performance in terms of exports, industrial growth and development, and domestic trade;
- (d) Identify the main bottlenecks, problem areas and constraints in all areas/sectors/activities which influence the growth and flow of trade, and development of industries, including, but not limited to, such matters as policy framework, physical infrastructure, finance, technology, production, promotions and marketing;
- (e) Mandate specific departments and agencies to attend to the bottlenecks and problems constraining the development of exports in any of the areas mentioned in paragraph (d) above, and require the concerned Secretaries to deliver progress reports on the actions/initiatives taken to resolve these areas of concern at the next meetings;
- (f) Ensure product and services quality by overseeing the formulation and implementation of quality control guidelines by appropriate agencies to make Philippine products and services at par with world-class products;



- (g) Impose sanctions on any government agency or officer or employee thereof, or private sector entity that impedes efficient trade of Philippine goods;
- (h) Recommend to Congress any proposed legislation that would contribute to the development of Philippine industries, products and services;
- (i) Submit quarterly reports to Congress;
- (j) Formulate policies or recommend measures relative to the rationalization and streamlining of government's trade and industry development and promotion functions/activities and programs;
- (k) Formulate policies for the grant of incentives;
- (l) Adopt such policies, rules and procedures, and administrative systems for the efficient and effective exercise of its powers and functions;
- (m) Grant and review the accreditation of the organization of exporters or other business organizations, provided, that the organizations shall be the dominant ones among existing organizations as determined under guidelines initially promulgated by the EDC and reviewed by the TIDC;
- (n) Issue standards and policies to be observed by Local Government Units (LGUs) in order to:
 - (1) Ensure that LGUs plans and budgets are supportive of the agri-industrial growth and global competitiveness thrusts of the national government; and
 - (2) Ensure optimal allocation of expenditures.

The DILG and the regional development councils shall be the channels through which these standards and policies shall be coursed.

SEC. 4. Secretariat. The TIDC shall be assisted by a Secretariat based in the Department of Trade and Industry, headed by an official designated by the Chairman, and which will be composed of personnel assigned by the government agencies and private sector organizations represented in the TIDC.

SEC. 5. Meetings. The TIDC shall meet at least once a month, and at least once every quarter with the President; Provided, whenever the President deems it necessary, he may convene the TIDC.



SEC. 6. Funding. The activities and operational expenses of the TIDC shall be funded jointly by budgetary appropriations from the government and by contributions from the private sector.

SEC. 7. Repealing Clause. All other executive issuances, rules and regulations or parts thereof which are inconsistent with the provisions of this Executive Order are hereby repealed, amended or modified accordingly, including:

7.1 Executive Order No. 499 (1991) entitled "Creating an Export and Investment Development Council, Defining its Composition, Powers and Functions";

Executive Order No. 520 (1992) entitled "Amending Executive Order No. 499 dated December 23, 1991, Creating an Export and Investment Development Council, Defining its Composition, Powers and Functions to include in the Council the Secretary of Foreign Affairs";

Executive Order No. 24 (1992) entitled "Strengthening the Export and Investment Development Council, Amending for this purpose Executive Order Nos. 499 and 520, to increase the government and private sector members of the Council";

Executive Order No. 98 (1993) entitled "Reorganizing the Export and Investment Development Council into the Export Development Council";

Executive Order No. 110 (1993) entitled "Strengthening the Export Development Council, Amending for this purpose Executive Order No. 98 to increase the government and private sector members of the Council";

Executive Order No. 180 (1994) entitled "Strengthening the Export Development Council, Amending for this purpose Executive Order No. 110, Further amending EO No. 98";

Executive Order No. 380 (1996) entitled "Creating the Industry Development Council, Defining its Composition, Powers and Functions";

Executive Order No. 480 (1998) entitled "Amending Executive Order No. 380 dated 2 December 1996, Creating the Industry Development Council, Defining its Composition, Powers and Functions";

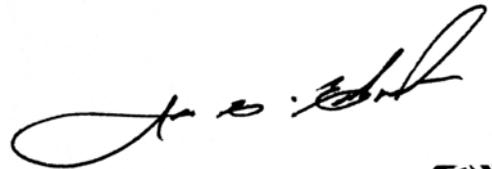


Executive Order No. 58 (1998) entitled "Creating a Domestic Trade Development Council, Defining its Composition, Powers and Functions".

8. Effectivity. This Order takes effect immediately.

DONE in the City of Manila, this *3rd* day of *April* in the year of Our Lord, Two Thousand.

By the President:



RONALDO B. ZAMORA
Executive Secretary



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