

**MALACAÑANG
MANILA**

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 395

**APPROVING AND ADOPTING THE NATIONAL ACTION AGENDA
FOR PRODUCTIVITY AND CREATING THE PHILIPPINE
COUNCIL FOR PRODUCTIVITY**

WHEREAS, there is need to implement national strategies for productivity improvement to further strengthen the competitiveness of the Philippine economy in a rapidly expanding world market and thereby sustain its recent developmental gains;

WHEREAS, the Multi-Sectoral/Agency Committee created under Administrative Order No. 267, s. 1996, has completed its task of formulating a National Action Agenda for Productivity to complement the Philippine Development Plan and serve as a comprehensive strategy for productivity improvement;

WHEREAS, various sectors -- both private and government -- have pledged their commitment to support the National Action Agenda for Productivity by combining their resources, time and effort in order to ensure its successful implementation;

WHEREAS, to ensure consistency of policies and coordination of efforts, it is necessary to create a high-level body to orchestrate activities on productivity improvement;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Approval and Adoption of the NAAP The National Action Agenda for Productivity (NAAP) is hereby approved and adopted.

SEC. 2. Creation of the Philippine Council for Productivity. The Philippine Council for Productivity, (herein referred to as the Council), is hereby created to oversee the implementation of the National Action Agenda for Productivity and to accelerate the country's program for global excellence and international competitiveness.

IN REPLYING, PLEASE CITE

PFVR Letter #

L970142



L970142

SEC. 3. Objectives of the Council. The Council aims to ensure a united effort on productivity improvement and the effective implementation of the National Action Agenda for Productivity. Specifically, it aims to:

- a. Propagate the culture of productivity as a way of life and instrument of sustaining broad-based development and thereby improving the quality of life of all Filipinos;
- b. Maximize the coordinated participation of all sectors in the implementation of the NAAP at the national and regional levels; and
- c. Rationalize the role of the public sector to support the key role of the private sector in the productivity movement.

SEC. 4. Composition of the Council. The Council shall be chaired by the Secretary of Socio-Economic Planning. There shall be two Vice-Chairpersons to be appointed by the Chairperson, one representing the labor sector and another representing the business sector. The Vice-Chairperson for the labor sector shall be nominated by the Secretary, Department of Labor and Employment and the Vice-Chairperson for the business sector shall be nominated by the Secretary, Department of Trade and Industry. The heads of the following agencies/organizations shall serve as members of the Council:

Public Sector

- a Department of Agriculture
- b Department of Budget and Management
- c Department of Education, Culture and Sports
- d Department of Environment and Natural Resources
- e Department of the Interior and Local Government
- f Department of Labor and Employment
- g Department of Science and Technology
- h Department of Trade and Industry
- i Commission on Higher Education
- j Technical Education, Skills and Development Authority
- k Development Academy of the Philippines
- l University of the Philippines

Private Sector

- a Trade Union Congress of the Philippines
- b Labor Advisory and Consultative Council
- c Federation of Free Farmers
- d Employers' Confederation of the Philippines
- e Philippine Chamber of Commerce and Industry

- f Philippine Quality and Productivity Movement
- g Management Association of the Philippines
- h Philippine Society for Quality Control
- i Production Management Association of the Philippines
- j Philippine Association of Technological Education
- k Federation of Philippine Industries

The Council may invite the Civil Service Commissioner to be a member of the Council. The Council may also call on the assistance of other government agencies and private sector organizations, whenever necessary.

Technical and administrative support to the Council shall be provided by a Joint Secretariat to be headed by the National Economic and Development Authority, with the Department of Labor and Employment/National Wages and Productivity Commission, Department of Trade and Industry, and the Development Academy of the Philippines as members.

SEC. 5. Functions. The Council shall have the following functions:

- a Coordinate, monitor and evaluate the implementation of the National Action Agenda for Productivity to make sure that programs and projects in the Agenda are implemented by the concerned sectors, agencies, or organizations;
- b Recommend performance measures/indicators of productivity for both the public and private sectors at the national, local and sectoral levels which may be used to monitor and assess annual performances;
- c Facilitate a review of existing productivity organizations in the public sector, and recommend, if necessary, an institutional set-up that can most effectively support the sustained and coordinated implementation, assessment and updating of the National Action Agenda for Productivity;
- d. Coordinate the preparation of regional action agenda on productivity together with the Regional Development Councils (RDCs) and the Department of the Interior and Local Government (DILG);
- e Formulate an advocacy program to encourage firms to adopt productivity related measures and to instill in every Filipino the importance of productivity as an important value and work ethic; and
- f Submit an annual report to the President and the NEDA Board on the implementation of the NAAP.

SEC. 6. Role of the Technical Working Groups. The Technical Working Groups on Agriculture, Industry and Services, and the Public Sector created under AO 267 (s. 1996), under the direction of the Council, shall take charge of implementing their respective sector's work programs on productivity.

SEC. 7. Funding. The Department of Budget and Management is hereby directed to provide funds necessary to support the activities of the Council in 1997. Henceforth, budget for the operations of the Council shall be incorporated in the budget of the National Economic and Development Authority. If necessary, government agencies involved in the implementation of the National Action Agenda for Productivity shall include in their respective budgets the necessary funds required for the work programs where they are involved. Private sector partners may also provide funds for the implementation of the National Action Agenda for Productivity.

SEC. 8. Effectivity This Executive Order shall take effect immediately.

DONE in the City of Manila, this 24th day of January in the year of Our Lord, Nineteen Hundred and Ninety-Seven.



By the President:



RUBEN D. TORRES
Executive Secretary

FMS LIBRARY

Received

FEB 07 1997

Date *CHA*



PMS LIBRARY BCODE006250