

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Seventeenth Congress
Second Regular Session

HOUSE BILL NO. **6278**



Introduced by Representative Sharon S. Garin

EXPLANATORY NOTE

Corn is second to rice as the most important crop in the Philippines, with one-third of Filipino farmers, or 1.8 Million farmers, depending on corn as their major source of livelihood. White corn, particularly, is the most important substitute staple in periods of rice shortage, especially for people in rural areas. Yellow corn, on the other hand, is the primary source of feeds for the Philippines' animal industry, and is being increasingly used by the manufacturing sector.

According to DA Secretary Piñol, the yellow and white corn harvest for 2017 is expected to hit 8.1-million metric tons (MT), a surplus of about two million MT since the country's domestic requirement is only 5.6-million MT. This rare surplus in domestic supply means we could export corn for the first time, with Malaysia, Taiwan and South Korea as possible buyers. The DA credits this upswing to ideal planting climate and the use of hybrid seeds.

However, despite all this good news, our corn production is still inefficient when compared to major corn-producing countries like Thailand, Argentina, and the United States. The cost of production in the Philippines is still high, leading expensive prices when compared to low-cost, low-priced corn of our competitors. This could prove the prospect of exporting corn still challenging.

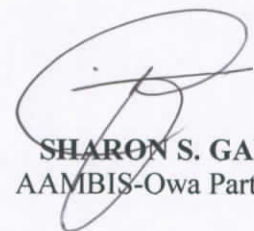
The increase in corn production though, could also lead to certain health benefits. There's no denying that the Philippines is primarily a rice-consuming country. However, current medical consensus is that higher consumption of white rice can cause Type 2 diabetes. This is particularly troubling with the poorer sectors of society who mostly spend their entire food budget just on rice. A sustainable and surplus corn production means we can use more of it as food, particularly as a rice substitute, instead of animal feeds. Less consumption of rice in favor of corn could hopefully lessen the country's risk for diabetes.

This boon in corn production is a step in the right direction, and we must institutionalize these current effective practices, while still continuing to research and introduce additional support for the farmers and the industry, if we are ever to reach a competitive corn production sector.

This bill provides for various Productivity Improvement Programs for the corn industry. This includes socialized credit, a farm management and technical assistance services, and farm mechanization, among others. Personal assistance to corn farmers are also provided for through, capacity building, skills training, scholarship programs and other human resources development projects. Infrastructure support is also given through the construction of farm-to-market roads and irrigation services.

Just like its color, the progress and development of corn and the corn industry, is a golden opportunity for the Philippines. Through this legislation, we not only get to take care of our farmers, but we also get develop a most crucial crop in our agricultural sector. All these advancements leads us a step closer to a food secure Philippines.

In view of the foregoing, the passage of this bill is earnestly sought.



SHARON S. GARIN
AAMBIS-Owa Partylist

1 Republic of the Philippines
2 HOUSE OR REPRESENTATIVES
3 Quezon City, Metro Manila

4
5 Seventeenth Congress
6 Second Regular Session

7
8 HOUSE BILL NO. **6278**

9
10
11 **Introduced by Representative Sharon S. Garin**
12

13
14 **AN ACT**
15 **PROMOTING AND SUPPORTING THE DEVELOPMENT OF THE CORN**
16 **INDUSTRY AND FOR OTHER PURPOSES**
17

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

20
21 **SECTION 1. *Short Title.*** - This Act shall be known as the “**Corn Industry**
22 **Development Act of 2016.**”

23 **SEC. 2. *Declaration of Policy.*** - It is hereby declared the policy of the State to
24 promote and support the development of the corn industry, increase the income of corn
25 farmers and farm workers through improved productivity, product diversification and
26 employment generation.

27 For these purposes, the State shall establish productivity improvement programs,
28 provide the needed infrastructure support, enhance research and development on product
29 diversification, provide human resource development and extension services, and provide
30 financial assistance to small corn farmers and farm workers.

31 **SEC. 3. *Corn Industry Development Committee*** – The Corn Industry Development
32 Committee, hereinafter referred to as the Committee, is hereby created under the Office of the
33 President, and shall be composed the following members:

- 34 a) Secretary of Department of Agriculture (DA) as Chairman;
35 b) Secretary of Department of Labor and Employment (DOLE);

- c) Director General of Technical Education and Skills Development Authority (TESDA);
- d) Secretary of Department of Science and Technology (DOST);
- e) Secretary of Department of the Interior and Local Government (DILG);
- f) Commissioner of Commission of Higher Education (CHED);
- g) Commissioner of Professional Regulation Commission (PRC);
- h) Secretary of National Economic Development Authority (NEDA);
- i) Secretary of Department of Transportation and Communications (DOTC);
- j) Secretary of Department of Public Works and Highways (DPWH);
- k) Representative of Philippine Ports Authority (PPA);
- l) Representative of National Irrigation Administration (NIA);
- m) Secretary of Department of Environment and Natural Resources (DENR);
- n) Commissioner of Bureau of Customs (BOC);

The Committee is hereby mandated to implement the provisions of this act.

SEC. 4. *Productivity Improvement Programs.* - To boost the production of corn, and increase the incomes of corn farmers and farm workers, the following Productivity Improvement Programs shall be implemented:

- a) Farm Support Program - The Committee, particularly Department of Agriculture (DA) shall make available a support program which shall include, among others, the provision of socialized credit, and a farm management and technical assistance services.

- (i) Socialized credit shall be made available, through the Land Bank of the Philippines (LBP), for the acquisition of farm inputs, farm machineries and implements necessary for the continuous production of corn: Provided that the loans shall be made available to corn farmers duly

1 registered with the DA: Provided, further, that the lender shall have a
2 lien on the harvest of farmers who obtained the loan until the crop loan
3 is fully paid: Provided, finally, that farmer borrowers cannot be granted
4 another loan until existing loans are fully paid.

5 (ii) Farm Management and Technical Assistance Services - The
6 Committee, particularly the DA, the Department of Labor and
7 Employment (DOLE), the Technical Education and Skills
8 Development Authority (TESDA), state universities and colleges
9 (SUCs), and other concerned private and non-government
10 organizations (NGOs), shall formulate and implement a deployment
11 program of agricultural engineers, agriculturists and farm technicians
12 for the provision of farm management and technical assistance services
13 to corn farmers.

14 b) Farm Mechanization Program - Corn farmers and farm workers shall be
15 encouraged and trained to utilize appropriate agricultural machineries and
16 equipment necessary for the efficient planting, cultivation, care and maintenance,
17 harvesting and handling of and corn and its by-products. The Committee,
18 particularly the DA, in partnership with local government units (LGUs), consistent
19 with the provisions of Republic Act No. 10601, otherwise known as the
20 Agricultural and Fisheries Mechanization Law, shall:

21 (i) Introduce and expand the use of machineries for the different stages of
22 and corn farming; and,

23 (ii) Formulate and implement a Corn Farm Mechanization Program at the
24 barangay level.

1 To develop and deploy appropriate machineries and equipment, the Committee
2 particularly the DA, through its research centers, in collaboration with the Philippine Center
3 for Post-Harvest Development and Mechanization, the Bureau of Agricultural Research,
4 SUCs, other concerned government agencies, and industry stakeholders, shall formulate and
5 conduct research development and extension programs for corn farm mechanization and
6 engineering.

7 **SEC. 5. *Research and Development.*** - The Committee, particularly the DA, in
8 coordination with the Department of Science and Technology (DOST), as well as relevant
9 SUCs, and government research and development institutions, and the private sector, shall
10 intensify researches on high yielding or flood resistant corn varieties; pest control and
11 prevention; latest farming and harvesting technologies; soil analysis and fertility mapping of
12 corn areas; weather monitoring and climate change adaptation measures; and other viable
13 products that can be derived from corn.

14 **SEC. 6. *Extension Services.*** - Extension services that can be provided shall include,
15 but not limited to, provision of technical assistance and advice, conduct of tests, propagation,
16 and dissemination of high yielding varieties, and operation of demonstration farms.

17 **SEC. 7. *Human Resources Development.*** – The Committee, particularly the DOLE,
18 in collaboration with the DA, the Commission of Higher Education (CHED), the TESDA, the
19 Professional Regulation Commission (PRC), and the private sector, shall formulate and
20 implement a Human Resources Development (HRD) Master Plan for the corn industry which
21 shall include, but not limited to, the following:

- 22 a) Capacity-building, skills trainings, institutional strengthening of corn industry
23 workers and small farmers and their organizations to actively contribute in
24 productivity and competitiveness;

- b) Conduct of capability trainings or attendance to local or international trainings and seminars by corn farmers and farm workers on the latest technologies related to corn farming and production of other products from corn;
- c) Formulation and implementation of competency standards and training regulations for technical vocational education and training for the corn industry by the TESDA,
- d) Scholarship programs for the underprivileged but deserving college and post-graduate students who are taking up courses in relevant fields of discipline in SUCs which have programs in agriculture, agricultural engineering and mechanics, and chemical engineering; and for vocational courses and skills development for farmers and farm technicians and skilled corn farm workers; and,
- e) Upgrading of facilities, faculty development and strengthening of the on-the-job training programs for agri-based higher education institutions in corn areas towards the production of highly employable and globally competitive graduates needed by the corn industry.

SEC. 8. Infrastructure Support. - To facilitate the transport, marketing and export of corn produce and other products derived therefrom, and complement productivity improvement measures in this Act, transport infrastructures, farm-to-market roads and irrigation facilities shall be provided.

- a) *Transport Infrastructures* – The National Economic Development Authority (NEDA), the Department of Transportation and Communications (DOTC), the Department of Public Works and Highways (DPWH), and the Philippine Ports Authority (PPA) shall include in their annual Development Plans and Priority Investment Programs the immediate construction and/or improvement of existing transloading ports for coast-wide transport, sale or export of corn products in key corn producing areas.

1 b) *Farm-to-Market Roads* – The NEDA, the DA, the DPWH, and concerned local
2 government units (LGUs), shall include in their annual Priority Investment Programs
3 the immediate construction and/or rehabilitation of farm-to-market roads in key corn
4 producing areas.

5 c) *Irrigation* – The National Irrigation Administration (NIA), the Bureau of Soils and
6 Water Management (BSWM), and concerned LGUs, in coordination with the DA,
7 shall construct appropriate, efficient and cost effective irrigation facilities, pump and
8 other pressurized irrigation systems, rain capture and water impounding facilities in
9 corn producing areas. The DA and NIA shall include in its annual budget the item or
10 provision on construction and rehabilitation of irrigation facilities, rain capture and
11 water impounding facilities in corn producing areas.

12 **SEC. 9. *Classification and Regulation of Supply of Corn.*** - The Committee,
13 particularly the DA, in the exercise of its regulatory authority, shall classify imported corn
14 according to their appropriate classification when imported at a time that domestic
15 productions are sufficient to meet domestic requirements. The Bureau of Customs (BOC)
16 shall require importers or consignees to secure from the DA the classification of the imported
17 corn prior to its release.

18 **SEC. 10. *Appropriation.*** - In the succeeding years from the effectivity of this Act, the
19 amount of Two billion pesos (P 2,000,000,000.00) shall be appropriated annually and to be
20 allocated as follows :

21 a) Twenty percent (20%) for socialized credit under the Farm Support and farm
22 Mechanization Programs;

23 b) Fifteen percent (15%) for research and development, capability-building and
24 technology transfer activities under Research and Development, Extension Services
25 and Human Resources Development;

- 1 c) Fifteen percent (15%) for scholarship grants to be provided under paragraph (d) of
2 Section 7 of this Act; and,
3 d) Fifty percent (50%) for infrastructure support programs.

4 In the identification and prioritization of specific programs and projects, the
5 Committee, particularly the DA shall conduct prior consultations with corn farmers and farm
6 workers, and producers of corn by-products. The Committee shall issue the necessary
7 guidelines for this purpose.

8 **SEC. 11. *Implementing Rules and Regulations.*** - The Committee, in consultation
9 with concerned government agencies and corn industry stakeholders, shall issue the
10 implementing rules and regulations of this Act within ninety (90) days from the effectivity of
11 this Act.

12 **SEC. 12. *Separability Clause.*** - If any provision of this Act is declared
13 unconstitutional, the validity of the remaining provisions hereof shall remain in full force and
14 effect.

15 **SEC. 13. *Repealing Clause.*** - All laws, decrees, executive orders and rules and
16 regulations or parts thereof inconsistent with any provision of this Act are hereby repealed,
17 modified or amended accordingly.

18 **SEC. 14. *Effectivity Clause.*** - This Act shall take effect after fifteen (15) days from
19 its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

20 *Approved,*