

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6324



Introduced by **HON. JOSE ANTONIO "KUYA JONATHAN" R. SY-ALVARADO**

**AN ACT ESTABLISHING
THE PHILIPPINE CORN RESEARCH INSTITUTE
AND APPROPRIATING FUNDS THEREOF**

EXPLANATORY NOTE

This bill seeks to establish a Corn Research Institute in the Philippines known as the **Philippine Corn Research Institute** that will unify, coordinate, fund, and strengthen all research and development (R&D) as well as training and technology sharing activities on corn and related crops for food, feeds, industrial and biofuel purposes.

Corn is the second most important crop in the Philippines. About 14 million Filipinos prefer white corn as their main staple and yellow corn accounts for about 50% of livestock mixed feeds. Some 600,000 farm households depend on corn as a major source of livelihood. This does not include transport services, traders, processors and agricultural input suppliers who directly benefit from corn production, processing, marketing and distribution. Corn is also processed into high value products, such as corn starch, corn syrups, corn oil, gluten and snack foods.

However, according to the National Corn Program of the Department of Agriculture (DA), on a national average, the corn production in the Philippines is inefficient compared to Thailand, Argentina, United States, and other major corn-producing countries. The Philippines lags behind with its average corn productivity of 3.21 metric tons/hectare (mt/ha) as recorded by DA. Despite the increasing demand for corn, (white corn consumed as staple by around 12 million Filipinos and yellow corn wherein approximately 70 percent is used as feeds for livestock), overall production is low and inefficient.

Most corn farmers tend to have small farms of up to 2.0 ha only. They also characteristically earn most of their income from corn production and other agricultural enterprises (usually as hired labor in other farms) rather than non-agricultural or non-farm activities. Thus, their lives and their families depend heavily on the conditions of the corn industry.

To increase productivity and incomes of corn farmers, this bill aims to establish productivity improvement programs, provide the needed infrastructure support, enhance research and development on product diversification, provide human resource development and extension services, and provide financial assistance to small corn farmers and farm workers.

In view of the foregoing, the immediate consideration and approval of the bill is earnestly urged.

JOSE ANTONIO "KUYA JONATHAN" R. SY-ALVARADO
Representative
First District of Bulacan

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

SECTION 1. *Short Title.* This Act shall be known as the **Philippine Corn Research Institute Act**.

SEC. 2. *Philippine Corn Research Institute.* The Philippine Corn Research Institute, hereinafter referred to as **PhilCorn**, is hereby established as a *body corporate attached* to the Department of Agriculture (DA) to modernize the corn industry and consequently improve the livelihood and household income of resource-poor corn farmers in the rain-fed, upland, and dry-land farming communities and to empower farmers with the tools of science and technologies so that they can cope up with problems of low yields, droughts, floods, land degradation, global warming, and other risks arising from environmental and climate changes.

SEC. 3. *Objectives.* The objectives and goals of this Act are as follows:

- a) To develop and implement a strong, dynamic, and innovate farmer-centered and need-based national corn research and development, technology sharing, training, and extension programs;
- b) To strengthen the national capacity for corn research and extension, modernize production and utilization as well as industrial processing of corn and corn-based crops, diversify harvests through sequential crops to sustain soil health and fertility and thus enhance long-term higher productivity and household income;
- c) To improve the livelihood and economic conditions of small-scale and resource-poor farmers who are growing corn after rain-fed rice as well as in upland and dry-land farming ecosystems;
- d) To develop and implement sustainable and environment-friendly corn and corn-based farming systems in the vulnerable and marginal areas like sloping terrains and evaluate those areas where crops other than corn may be more appropriate to grow;
- e) To gather and provide reliable, up-to-date data to guide policy makers with regard to corn improvement and development, import and export volumes, and develop strong linkages among stakeholders in promoting the national corn industry;

- f) To expand employment opportunities through corn and corn-based farming systems in the rural areas, and ultimately promote the general welfare of the people through higher efficiency and profitability in production, industrial products development, processing, and marketing;

SEC. 4. *Duties and Functions.* The PhilCorn shall exercise the following duties and functions:

- a) Unify, plan, fund, conduct, monitor, and evaluate corn research, development, and technology promotion in different scientific and technological fields and programs, including but not limited to the following thrusts: (1) germ plasm collection, conservation, breeding, and biotechnology; adaptation and mitigation; (3) corn engineering, farm mechanization, and postharvest management; (4) pest surveillance, early warning system, integrated pest management, and biological control methods; (5) socio-economics, impact assessment, and policy advocacy; (6) technology packaging and demonstration, promotion and deployment, training and communication; (7) processing and industrial-chemical products development; and (8) corn-based farming systems, farm management improvement, and experiment station development.
- b) Unify, lead, fund, and coordinate a national network of corn and corn-based farming systems research and extension agencies, centers, and stations located in the different agro-ecological regions of the country where corn is a major crop;
- c) Develop technologies suitable for the rain-fed, upland, and dry-land agro-ecosystems that will maximize the productivity and quality of locally grown corn and corn-based crops while reducing production costs and ensuring long term and sustainable corn and corn-based production systems through genetic improvement and environmental resources and conservation measures;
- d) Enhance income of corn farmers by developing suitable corn-based crops and livestock farming systems as well as crop rotations where applicable; value-adding corn technologies including on-farm verification, processing, packaging, marketing, and promotion of economically viable technologies as well as entrepreneurial skills, giving emphasis on those aspects necessary for group endeavors of small-scale farmers, cooperatives, and seed growers;
- e) Develop databases needed in the identification and preparation of necessary policy recommendations towards efficient, highly productive and competitive corn industry and corn-based farming systems through appropriate socio-economic measures and public-private sector mobilization and participation;
- f) Organize and develop strong training and communication programs for corn and corn-based farming systems scientists, research managers, and extension specialists to enable them undertake effective and timely technology promotion of packaged technologies among clusters of farmers and corporate growers by utilizing modern extension systems such as information, education, and communication (IEC) technology and participatory social mobilization procedures;

- g) Publish and disseminate research and extension findings and recommendations through scientific journals, books, technical and extension bulletins, videos, and other print and communication channels.

SEC. 5. *Corporate Powers.* The PhilCorn shall exercise the following corporate powers.

- a) Exercise all the powers of a corporation under the general corporation law, in so far as such powers are not inconsistent with the provisions of this Act;
- b) Enter into, make and execute contracts and agreements of any kind or nature, and to sue and be sued in its corporate name;
- c) Borrow funds and obtain loans from all sources, whether local or foreign and whether government or private, to help finance its research programs and its capital and operating expenditures, or support to farmer entrepreneurial activities;
- d) Invest in, purchase or otherwise acquire, own, lease, mortgage, pledge, sell, assign, convey, exchange, encumber, borrow, or otherwise deal in real and/or personal properties of whatever kind and nature, or any interest therein, including shares of stock, bonds, notes, securities, and other evidences of indebtedness of natural or juridical persons, whether domestic or foreign and whether government or private;
- e) Receive and acquire from any person, government and private entities, whether foreign or domestic, or from any corporation, partnership, association or other entity such characters, licenses, franchises, rights, privileges, concessions, assistance, grants, donations, loans, and contributions consisting of such properties, real or personal, including funds and valuable effects, as may be useful, necessary or proper to finance its research, capital and operating expenditures or otherwise carry out its purposes and objectives, and to administer the same in accordance with the terms and agreement;
- f) Acquire from the government, whether national or local or from any person, corporation, partnership, association or other entity, such characters, franchises, rights, privileges, assistance, financial or otherwise and concessions as may be conducive to and necessary or proper for the attainment of the purposes and objectives of PhilCorn.

SEC. 6. *Services of Government Personnel.* The PhilCorn may, for the purpose of its research, development, training, and extension activities, obtain and secure the services of scholars and scientists as well as specialists in research, training, extension, and communication of any unit, experiment station, institute or center of the Department of Agriculture, University of Southern Mindanao, Central Mindanao University, Visayan State University, Isabela State University, Central Luzon State University, and other agencies and universities of the national government and foreign institutions. Those personnel of national and international reputations, from public or private institutions, shall be designated as visiting scientists and research fellows for a term of one year to five years to assist in conducting major honoraria or incentives acceptable to all concerned and as may be fixed and authorized by the Board.

SEC. 7. *Buildings, Facilities, and Equipment.* The PhilCorn is hereby authorized to own, acquire, borrow, lease, plan, and construct or repair buildings, laboratories, experimental farms, and other facilities as may be necessary or proper to attain its purposes and objectives. It may

also utilize facilities of any unit of any cooperating SUC, the Department of Agriculture, and of the national government that is engaged, directly or indirectly, in activities that relate to agriculture, farming systems, corn production or products development of the corn industry.

- a) The Philcorn is further authorized to purchase equipment, materials and articles, either locally or abroad, as may be necessary or proper to carry out its powers and functions and attain its purposes and objectives. It shall be exempted from the payment of any and all forms of taxes, duties, fees, and charges on any and all such importation of equipment, materials, articles, and services, *Provided*, however, That the same are not available locally on favorable terms.
- b) The PhilCorn shall be authorized to expropriate lands for corn and corn-based farming systems research and development purposes provided that just compensation is paid to the owners of the land. If the land belongs to the government or is inalienable, the institute is granted automatic title to the land.
- c) Likewise, all lands, farms, plantations, whether directly or indirectly owned, used, utilized or administered by the PhilCorn and those that it may hereinafter acquire or utilize for research, training, extension and technology demonstration, and seed production purposes shall be exempted from the coverage of the Comprehensive Agrarian Reform Law.

SEC. 8. Appropriations. The amount necessary to implement the provisions of this Act shall be included in the budget of the Department of Agriculture in the annual General Appropriations Act.

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

SEC. 10. Separability Clause. The provisions of this Act are hereby declared separable. If any portion hereof shall be held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions. Which shall remain in full force and effect in their entirety.

SEC. 11. Effectivity Clause – This act shall take effect fifteen (15) days following its publication in two (2) newspaper of general circulation.

Approved.

