

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



EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2617

Introduced by: REP. ANTONIO T. ALBANO and
REP. RODOLFO B. ALBANO

EXPLANATORY NOTE

This bill seeks to unify, coordinate, fund, implement, and strengthen all corn research and development (R&D) as well as manpower training and extension of technologies on corn and corn-based farming systems for the production of more food, feeds, forage, industrial materials, and bioenergy purposes, including those subsequent (or rotation) crops that are grown after rice in rainfed farms and in dryland and marginal upland farms in the country through the establishment of a national agency – the Philippine Corn Research Institute or Philcorn.

To ensure the country's food, feeds, forage, and bioenergy security, it is imperative to develop a modern, highly productive,

efficient and competitive agriculture sector. A comprehensive program to modernize and industrialize corn production is integral to the realization of the vision for a modern, highly productive, efficient and competitive agriculture sector. It would also immensely contribute to improving and expanding employment and livelihood opportunities and thus, reduce poverty and hunger, particularly in the rural areas. Identifying target areas and considering the vulnerable upland and dryland agro-ecosystems where many of the resource-poor farmers, particularly the corn farmers, grow their food and feed crops, including poultry and livestock is imperative toward these ends.

Corn is the second most important national food crop next to rice. It is the staple food of 20 percent (20%) of the Philippine population. It is also the main component of up to 75% of formulated feeds for livestock, poultry, and aquaculture fishery. Corn is grown mainly in rainfed farms after rice is harvested, and in upland and dryland farms, including steep hillsides, in over 2.5 million hectares, mostly in Mindanao, Cagayan Valley, Ilocos Region, Central Luzon, Central Visayas, and Palawan.

The current national grain yield in various ecological regions is still low, ranging from 0.5 to 2.5 tons per hectare in resource-poor areas. That yields can be as high as 6 to 10 tons for hybrid corn varieties in a few favorable farm environments encourage confidence that there are bright prospects in further increasing corn yields in other farm sites.

The country needs to improve the overall productivity to achieve self-sufficiency, to stabilize food security and nutrition

among our rural population and to increase farm incomes.

The demand for both white corn as human food and yellow corn as animal feeds and for industrial uses have been increasing rapidly because of the high demand of our growing human population, the expanding livestock and poultry industries, and the rapid growth of the emerging industrial and bioenergy program (RA 9367, The Biofuels Act of 2006) designed to augment imports of fossil-based fuel as energy source. Thus, targeting the export markets over the medium- and long-term view is also a viable prospect.

Low crop yields and household income of majority of corn farmers in the rainfed, upland, and dryland farms are still far below those obtained in experiment stations because of the following factors and situations:

1. Limited access of farmers to and adoption of genetically improved seeds;
2. Inadequate information and use of integrated nutrient and pest management systems;
3. Slow adoption of crop rotation technologies;
4. Ineffective drought mitigation approaches;
5. Inadequate mechanization of field operations from land preparation to harvesting and drying;
6. Large portions of the corn-growing areas are hilly land with highly variable soil fertility; and
7. Many farms are prone to drought due to erratic rainfall pattern and therefore irrigation facilities should be installed.

Of the major crops other than rice that support the national economy, corn and corn-based farming systems (*including crops planted after corn such as grain legumes*) are the most neglected in research support with an allocation of less than 0.05 percent of the gross value added (GVA) compared to rice at 0.25 percent, coconut at 0.30 percent, and sugarcane at 0.5 percent.

The Philippines has more than three million hectares of upland and dryland areas inhabited by about five million households, most of whom are very poor especially those in Southern Mindanao, Central and Eastern Visayas, parts of Western Luzon, Palawan, and the Bicol Region.

Recurrent droughts and typhoons, environmental degradation due to short-duration and erratic rainfall, recurring El Nino and climate change phenomenon, soil infertility and inaccessibility of high quality crop seeds aggravate the low productivity and untold hardships of poor corn farming communities.

The millions of degraded lands and infertile soils in the upland and dryland areas without irrigation facilities, however, comprise an untapped *potential* resource for the growing of drought-tolerant corn and corn-based cropping systems such as, for example, sorghum and grain legumes for food and feeds. However, when properly managed, these crops will help ensure household food security and sustainable farm productivity.

In the Philippines, there are well established research institutes devoted to major crops and disciplines such as: rice, coconut, sugarcane, fiber and abaca, cotton, silkworm, tobacco,

root crops, biotechnology, plant breeding, crop protection, farming systems, irrigation, carabao, dairy, fishery, hogs, farm mechanization and post harvest, and other strategic commodities and disciplines.

There is no similar research institute for corn and corn-based farming systems that includes crops such as sorghum and grain legumes that are important as food, feed, forage, and fuel.

It is imperative to establish the Philippine Corn Research Institute (PhilCorn) now!

Globalization and climate change require that the country continuously develops cutting-edge technology and agricultural innovations that enable corn farmers to increase their income by increasing the productivity and quality of their produce through modern farm planting, harvesting, processing, and packaging systems and techniques for both the domestic and global markets.

The proposed modern agricultural research and extension institute for corn – The **Philippine Corn Research Institute (PhilCorn)** is a strategically imperative step toward achieving these ends because it is designed to :

1. Unify, coordinate, fund, implement, and strengthen all national and farm-level efforts on Research & Development, Extension (RDE) for corn and corn-based farming systems for food, feeds, forage, and fuel; □
2. Hasten technology sharing activities that will improve the livelihood of resource- poor farming communities and empower them to cope up with low yields owing to frequent occurrences of drought, warming temperatures, land degradation, and other risks arising

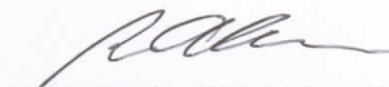
from environmental calamities and climate changes;

3. Ensure adequate and stable supply of quality corn products for domestic and foreign markets, and □
3. Improve the economic condition and income of farmers in the upland and dryland regions of the country. □

That our province, Isabela, is one of the major corn producing provinces in the country, and the Isabela State University (ISU) is the proposed primary site of the Institute further underscores the paramount significance of this bill to our constituents and to the advancement of our development efforts in the farming sector in our province.

In view of the foregoing, and in order to improve farm incomes, expand opportunities for employment and livelihood particularly in the rural areas, and ensure national food sufficiency and security, the immediate approval of this bill is imperative.


REP. ANTONIO T. ALBANO


REP. RODOLFO B. ALBANO

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Introduced by **REP. ANTONIO T. ALBANO** and
REP. RODOLFO B. ALBANO

**AN ACT ESTABLISHING
THE PHILIPPINE CORN RESEARCH INSTITUTE,
APPROPRIATING FUNDS THEREFOR
AND FOR OTHER PURPOSES**

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

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

5 SECTION 2. *Philippine Corn Research Institute.* - The
6 Philippine Corn Research Institute, hereinafter referred to as
7 **PhilCorn**, is hereby established as a body corporate attached to the
8 Department of Agriculture (DA) in order to modernize the corn
9 industry and consequently, to expand livelihood opportunities and
10 increase the income of resource-poor corn farmers in the rainfed,

1 upland, and dryland farming communities, and to equip with and
2 enable farmers to use and harness appropriate science and
3 technologies to effectively address problems of low yields and other
4 farm concerns brought about by droughts, floods, land
5 degradation, global warming, and other risks arising from
6 environmental and climate changes.

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

9 a) To develop and implement a dynamic, innovative, farmer-
10 centered and need-based national corn research and development,
11 technology sharing, training, and extension programs;

12 b) To strengthen and expand the national capabilities and
13 knowledge for corn research and extension, modernize production,
14 utilization and industrial processing of corn and corn-based crops,
15 diversify harvests through sequential crops to sustain soil health
16 and fertility and enhance long-term higher farm productivity and
17 income;

18 c) To improve and expand livelihood opportunities of
19 resource-poor and small-scale farmers who are growing corn after
20 rainfed rice as well as in upland and dryland farming ecosystems;

21 d) To work closely with regulatory agencies such as the BPI
22 (i.e. National Seed Quality Control Laboratory, NSQCL; Quarantine
23 Division, and National Seed Industry Council, NSIC), Bureau of
24 Agriculture and Fisheries Standards (BAFS), and relevant private
25 stakeholders (i.e. PhilMaize) and NGOs in the collection,
26 conservation, and utilization of endemic or traditional corn varieties

1 as well as in the experimentation, planting, and monitoring of corn
2 hybrid and genetically engineered varieties;

3 e) To develop and implement sustainable and environment-
4 friendly corn and corn-based farming systems in the vulnerable
5 and marginal areas like sloping terrains and evaluate those areas
6 where crops other than corn may be more appropriate to grow;

7 f) To gather and provide up-to-date and reliable data to guide
8 policy makers with regard to, among others, corn improvement and
9 development, import and export volumes, and develop strong
10 linkages among stakeholders in promoting the national corn
11 industry;

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

17 h) To initiate and undertake such other related programs in
18 partnership with the DA-Bureau of Agricultural Research (DA-
19 BAR), the DA regional research centers (DA-RIARCs), the Philippine
20 Council for Agriculture, Aquatic Resources, Forestry, and Natural
21 Resources Research and Development (PCAARRD), State Colleges
22 and Universities (SCUs), and the private sector.

23 **SEC. 4. *Principal and Regional Offices.*** - The PhilCorn
24 shall have its principal office at the **Isabela State University**.

1 It may also establish other offices, branches, satellite offices,
2 or subsidiaries in any geographically suitable region in the
3 Philippines that are major producers of corn and as may be
4 necessary or proper for the accomplishment of its purposes and
5 objectives.

6 **SEC. 5. Duties and Functions.** - The PhilCorn shall exercise
7 the following duties and functions:

8 a) Unify, plan, fund, conduct, monitor, and evaluate corn
9 research, development, and technology promotion in different
10 scientific and technological fields and programs, including but not
11 limited to the following:

12 (1) germplasm collection, conservation, breeding, and
13 biotechnology;

14 (2) natural resources management, watershed
15 conservation, drought adaptation and mitigation;

16 (3) corn engineering, farm mechanization, and
17 postharvest management;

18 (4) pest surveillance, early warning system, integrated
19 pest management, and biological control methods;

20 (5) socio-economics, impact assessment, and policy
21 advocacy;

22 (6) technology packaging and demonstration, promotion
23 and deployment, training and communication;

1 (7) processing and industrial-chemical products
2 development; and

3 (8) corn- based farming systems, farm management
4 improvement, and experiment station development.

5 b) Unify, lead, fund, and coordinate a national network of
6 corn and corn-based farming systems research and extension
7 agencies, centers, and stations located in the different agro-
8 ecological regions of the country where corn is a major crop;

9 c) Develop technologies suitable for the rainfed, upland, and
10 dryland agro-ecosystems that will maximize the productivity and
11 quality of locally grown corn and corn-based crops while also
12 reducing production costs and ensuring long-term and sustainable
13 corn and corn-based production systems through genetic
14 improvement and environmental resources and conservation
15 measures;

16 d) Enhance income of corn farmers by developing suitable
17 corn-based crops and livestock farming systems as well as crop
18 rotations where applicable; value-adding corn technologies
19 including on-farm verification, processing, packaging, marketing,
20 and promotion of economically viable technologies as well as
21 entrepreneurial skills, giving emphasis on those aspects necessary
22 for group endeavors of small-scale farmers, cooperatives, and seed
23 growers;

24 e) Develop databases needed in the identification and
25 preparation of necessary policy recommendations towards efficient,
26 highly productive and competitive corn industry and corn-based

1 farming systems through appropriate socio-economic measures
2 and public-private sector mobilization and participation;

3 f) Organize and develop strong training and communication
4 programs for corn and corn-based farming systems scientists,
5 research managers, and extension specialists to enable them
6 undertake effective and timely technology promotion of packaged
7 technologies among clusters of farmers and corporate growers by
8 utilizing modern extension systems such as information, education,
9 and communication (IEC) technology and participatory social
10 mobilization procedures;

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

15 **SEC. 6. Corporate Powers.**- The PhilCorn shall exercise the
16 following corporate powers:

17 a) Exercise all the powers of a corporation under the general
18 corporation law, in so far as such powers are not inconsistent with
19 the provisions of this Act;

20 b) Enter into, make and execute lawful contracts and
21 agreements of any kind or nature, and to sue and be sued in its
22 corporate name;

23 c) Obtain loans from all sources, whether local or foreign and
24 whether government or private, in accordance with existing laws
25 and regulations, to help finance its research programs and its

1 capital and operating expenditures, or provide support to farmer
2 entrepreneurial activities;

3 d) Invest in, purchase or otherwise acquire, own, lease,
4 mortgage, pledge, sell, assign, convey, exchange, encumber,
5 borrow, or otherwise engage in lawful transactions involving real
6 and personal properties of whatever kind and nature, or any
7 interest therein, including shares of stock, bonds, notes, securities,
8 and other evidences of indebtedness of natural or juridical persons,
9 whether domestic or foreign and whether government or private;

10 e) Receive and acquire, in accordance with law and
11 regulations, from any person, government and private entity,
12 whether foreign or domestic, or from any corporation, partnership,
13 association or other entity such characters, licenses, franchises,
14 rights, privileges, concessions, assistance, grants, donations, loans,
15 and contributions consisting of such properties, real or personal,
16 including funds and valuable effects, as may be useful, necessary
17 or proper to finance its research, capital and operating
18 expenditures or otherwise carry out its purposes and objectives,
19 and to administer the same in accordance with the terms and
20 agreement consistent with its purposes and objectives; and

21 f) Acquire from the government, whether national or local or
22 from any person, corporation, partnership, association or other
23 entity, such characters, franchises, rights, privileges, assistance,
24 financial or otherwise and concessions as may be conducive to and
25 necessary or proper for the attainment of the purposes and
26 objectives of PhilCorn.

1 **SEC. 7. Board of Trustees.** The Board of Trustees,
2 hereinafter referred to as the Board, shall exercise all the corporate
3 functions and powers of the PhilCorn and shall control and
4 supervise all the activities, transactions and properties of the
5 Institute.

6 The Board shall be composed of the Secretary of Agriculture
7 or his designate as *ex-officio* Chairperson and ten (10) members
8 from the following agencies and sectors:

- 9 a) Executive Director of the Philippine Council for
10 Agriculture, Aquaculture, Forestry, and Natural
11 Resources Research and Development (PCAARRD) of
12 the Department of Science and Technology (DOST)
13 who will act as Co-Chairperson;
- 14 b) Director of the Bureau of Agricultural Research (BAR)
15 who will act as Vice-Chairperson;
- 16 c) Undersecretary of the Department of Budget and
17 Management (DBM);
- 18 d) Director of the Agriculture Division of the National
19 Economic and Development Authority (NEDA);
- 20 e) two (2) University Presidents from the State
21 Universities and Colleges (SUCs) representing major
22 corn producing and corn-based agriculture regions;
- 23 f) two (2) private sector representatives from among the
24 national outstanding corn farmers, farmers'
25 organizations or federations (Philippine Maize
26 Federations, Inc.), private companies engaged in corn
27 research and seed production, and the

1 livestock/poultry industry; and

2 g) two (2) distinguished scientists from the public and
3 private sectors.

4 The credentials of private sector representatives shall be
5 evaluated and scrutinized by competent members of the Board.

6 b) The term of office of the members of the Board who are
7 heads or officials from their respective agencies or institutions shall
8 be co-terminus with their respective appointments; *Provided*,
9 however, That the term of office of the private sector representatives
10 shall be for four (4) years without prejudice to a reappointment for
11 another four (4) years based on merits and excellent performance in
12 the Board. The PhilCorn Executive Director shall serve as Secretary
13 of the Board. All government officials in the Board shall serve as *ex-*
14 *officio* members and shall receive only *per diems* or every meeting
15 attended but not any fixed salary or compensation.

16 c) The Chairperson, Co-Chairperson, Vice-Chairperson, and
17 members of the Board shall receive *per diem*, as the Board may
18 determine, for each Board meeting actually attended; *Provided*,
19 however, That such members shall also be entitled to reimbursable
20 transportation and representation allowances in going to and
21 coming from board meetings and in transacting official business for
22 the Institute.

23 d) The Board shall meet regularly at least once (1) every two
24 months or as often as the exigencies of the service demands. The
25 presence of the Chairperson, Co-Chairperson or Vice-Chairperson
26 and at least seven (7) members of the Board shall constitute a

1 quorum and the majority vote of the members present, there being
2 a quorum, shall be necessary for the adoption of any resolution,
3 rule, regulation, decision or any other act of the Board.

4 **SEC. 8. Powers and Functions of the Board.** - The PhilCorn
5 Board shall exercise the following powers and functions:

6 a) Adopt its by-laws and promulgate policies, rules,
7 regulations, and procedures for the efficient and effective
8 operations of the Institute;

9 b) To define and guide in the formulation of the vision,
10 mission, strategy, and research- extension priorities, general plans
11 and programs, and guidelines for the proper operation and
12 management of the PhilCorn in accordance with its purposes and
13 objectives and in line with research planning and monitoring
14 policies and procedures of PCAARRD and BAR;

15 c) To approve the PhilCorn's organizational structure and
16 staffing pattern, operation and capital expenditures, and financial
17 budget prepared in accordance with its corporate plans;

18 d) To approve the plantilla and salary ranges, benefits,
19 privileges, bonuses, scholarship and manpower development,
20 housing facilities and support to staff as warranted by job
21 conditions, and other terms and conditions of service, including
22 promotion systems, medical insurance and retirement benefit
23 systems and such other lawful benefits for all officers and
24 employees of the PhilCorn, upon recommendation of the Executive
25 Director;

1 e) To appoint, promote, transfer, suspend, remove or
2 otherwise discipline any subordinate officer or employee of the
3 Institute, upon recommendation of the Executive Director;

4 f) To create committees and appoint the members thereof, as
5 may be necessary and proper for the effective management of the
6 PhilCorn and for the attainment of its purposes and objectives; and

7 g) To exercise such other powers and functions and perform
8 such other acts as may be necessary or proper for the attainment
9 of the purposes and objectives of the PhilCorn, or as may be
10 delegated by the Secretary of Agriculture or any competent
11 authority through the Board of Trustees.

12 **SEC. 9. *Executive Director and Other Officers.*** - The
13 PhilCorn shall be headed by an Executive Director who shall be
14 appointed by the President of the Philippines, upon
15 recommendation of the Board of the Trustees (BOT), based on the
16 findings and recommendations of a *Search Committee* duly
17 organized and commissioned by the Board for such purpose.

18 a) The Executive Director shall serve for a term of four (4)
19 years, subject to a one term extension of four (4) years for
20 meritorious performance, or a maximum total of eight (8) years
21 without further extension; *Provided*, however, That there shall be a
22 reserved plantilla position of the same salary rate for the outgoing
23 Executive Director, if he is previously a holder of a plantilla position
24 at PhilCorn and shall not yet be of retirement age at the end of his
25 term as Executive Director; *Provided*, further, That the Board of

1 Trustees, through a *Search Committee* duly organized at least four
2 (4) months earlier, shall have chosen a new Executive Director who
3 shall immediately assume office during a turn-over ceremony on
4 the expiration date of the term of office of the outgoing Executive
5 Director; and *Provided*, finally, that no *Officer-in-Charge* shall be
6 designated as head of the Institute.

7 b) The Executive Director shall be assisted by two (2) Deputy
8 Executive Directors, Division Heads, and Branch Station Directors
9 or Managers as the Board may determine, to carry out the purposes
10 and objectives of the PhilCorn.

11 **SEC. 10. Powers, Functions, and Duties of the Executive**
12 **Director.** - The Executive Director shall be directly responsible to
13 the Board and shall have the following powers, functions, and
14 duties:

15 a) To establish a clear vision, map out the mission, provide
16 strategic direction, and undertake systematic supervision over the
17 planning and implementation of all research, development,
18 technology sharing programs, training and extension, upgrading of
19 scientists and staff of the Institute and, in general, administer and
20 direct the management and operation in a transparent and
21 accountable administration of the PhilCorn;

22 b) To enter into all contracts, incur obligations, acquire and
23 dispose of assets, and deliver documents on behalf of the PhilCorn
24 within the parameters of the authority delegated by the Board
25 through an appropriate Board Resolution, and upon prior approval
26 by the Chairman of the Board;

1 c) To implement and enforce policies, decisions, orders, rules,
2 and regulations that are promulgated by the Board;

3 d) To arrange for the conduct of an External Program and
4 Management Review (EPMR) by a Panel of Experts every four (4)
5 years or as often as may be necessary in order to assess the
6 outputs and understand the impact of PhilCorn programs on corn
7 production and on the farmers and stakeholders of the corn
8 industry, and to provide guidance to management in charting
9 directions for future researches and programs of the institute; and

10 e) To exercise such other powers and perform such other
11 duties and functions as may be authorized, assigned, or delegated
12 by the Board.

13 **SEC. 11. Technical Advisory Committee.** - A Technical
14 Advisory Committee (TAC), organized and approved by the Board,
15 shall assist the Executive Director, Division heads, Program
16 Directors, and Branch Station Directors or Managers in pursuing
17 inter-agency activities and participation of the national RD&E
18 network.

19 The TAC shall be composed of not more than nine (9)
20 members designated by the Board from among the heads,
21 representatives, or scientists and experts of agencies, government
22 or private, that are actively involved in any critical aspect of corn
23 research, corn-based farming systems, seed quality certification,
24 training and extension, production and processing, marketing and
25 consumption, policy advocacy, and capacity building. TAC

1 members may be assigned to assist specific programs, divisions, or
2 branch stations as the services may require in achieving the goals
3 of PhilCorn.

4 **SEC. 12. *Services of Other Government Personnel.*** - The
5 PhilCorn may, for the purpose of its research, development,
6 training, and extension activities, obtain and secure the services of
7 scholars and scientists as well as specialists in research, training,
8 extension, and communication of any unit, experiment station,
9 institute or center of the Department of Agriculture, University of
10 Southern Mindanao, Central Mindanao University, Visayan State
11 University, University of the Philippines Los Banos, Mariano
12 Marcos State University, Isabela State University, Central Luzon
13 State University, and other agencies and universities of the
14 national government and foreign institutions.

15 Those personnel of national and international reputations,
16 from public or private institutions, shall be designated as visiting
17 scientists and research fellows for a term of one year to five years to
18 assist in conducting major research problems of strategic
19 importance and consequences in pursuing the goals and objectives
20 of the Institute. The selected personnel may be paid such honoraria
21 or incentives acceptable to all concerned and as may be fixed and
22 authorized by the Board.

23 **SEC. 13. *Buildings, Facilities, and Equipment.*** -The
24 PhilCorn is hereby authorized to own, acquire, borrow, lease, plan,
25 and construct or repair buildings, laboratories, experimental farms,
26 and other facilities as may be necessary or proper to attain its
27 purposes and objectives. It may also utilize facilities of any unit of

1 any cooperating SUC, the Department of Agriculture, and of the
2 national government that is engaged, directly or indirectly, in
3 activities that relate to agriculture, farming systems, corn
4 production or products development of the corn industry.

5 The PhilCorn is further authorized to purchase equipment,
6 materials and articles, either locally or abroad, as may be
7 necessary or proper to carry out its powers and functions and
8 attain its purposes and objectives.

9 It shall be exempted from the payment of any and all forms of
10 taxes, duties, fees and charges on any and all such importation of
11 equipment, materials, articles, and services; *Provided*, however,
12 That the same are not available locally on favorable terms.

13 The PhilCorn shall be authorized to expropriate lands for corn
14 and corn-based farming systems research and development
15 purposes provided that just compensation is paid to the owners of
16 the land. If the land belongs to the government or is inalienable,
17 the Institute is granted automatic title to the land.

18 Likewise, all lands, farms, plantations, whether directly or
19 indirectly owned, used, utilized or administered by the PhilCorn
20 and those that it may hereinafter acquire or utilize for research,
21 training, extension and technology demonstration, and seed
22 production purposes shall be exempted from the coverage of the
23 Comprehensive Agrarian Reform Law.

24 **SEC. 14. Appropriation.** - The Secretary of Agriculture and
25 the Secretary of Budget and Management are hereby authorized
26 and directed to set aside out of the existing funds of the

1 Department of Agriculture the amount of Four Hundred Million
2 Pesos (P400M) as the initial fund of the PhilCorn for CY 2019 to be
3 used for its initial operations, including provisions for salary of
4 personnel, conduct of research and technology promotion,
5 construction of laboratories and other physical infrastructures,
6 purchase and development of experimental farms, and acquisition
7 and purchase of equipment for laboratories, farm development, and
8 offices. This initial amount shall be drawn from the DA National
9 Corn Program, BAR appropriations for research, RP-Japan
10 Fertilizer Grant (KR-2), Public Law PL 480 (PL480), and/or any
11 other existing bilateral funding sources in the Department of
12 Agriculture. Thereafter, the government contribution to the
13 Institute's operations shall be provided for under its own Key
14 Budgetary Inclusion (KBI) in the Annual General Appropriations
15 Act.

16 Furthermore, the PhilCorn Board of Trustees may seek and
17 receive financial support from foreign donors such as Japan
18 International Japan Agency (JICA), Korean International
19 Cooperation Agency (KOICA), Australian Agency for International
20 Development (AusAID), United States Agency for International
21 Development (USAID), and similar institutions for the
22 establishment and improvement of PhilCorn infrastructures,
23 laboratory facilities, field experiment station development, and
24 training and scholarship of qualified personnel.

25 The annual appropriations herein provided shall be subject to
26 the fiscal control and management procedures provided for in
27 Executive Order 714 of 1981.

1 **SEC. 15. Use of Funds, Savings, Income and Grants.** - All
2 funds, savings, grants, and income of the PhilCorn shall constitute
3 a revolving fund, to be managed as Trust Fund, and shall be
4 considered part of the funds automatically released to the PhilCorn.

5 **SEC. 16. Applicability of Civil Service Laws.** -The PhilCorn
6 and its officers and employees shall be subject to the Civil Service
7 Law, rules and regulations; *Provided*, however, That all technical
8 personnel shall be selected on the basis of the highest standards of
9 merit and fitness for public officials and employees, preferably
10 those with postgraduate degrees, to be determined in accordance
11 with such policies and guidelines as may be approved by the
12 Board.

13 **SEC. 17. Auditor.** - The Chairperson of the Commission on
14 Audit (COA) shall be the *Ex- Officio* Auditor of the PhilCorn. For this
15 purpose, he may appoint a representative who shall be the auditor
16 of the PhilCorn, together with the necessary personnel to assist the
17 COA representative in the performance of his duties.

18 **SEC. 18. Legal Counsel.** - The Government Corporate
19 Counsel shall be the Legal Counsel of the PhilCorn; *Provided*,
20 however, That the PhilCorn may establish its own legal unit,
21 subject to the supervision and control of the Government Corporate
22 Counsel, to handle the day-to-day legal matters affecting the affairs
23 of the PhilCorn.

24 **SEC. 19. Annual Report.** - The Board shall submit to the
25 President of the Philippines through the Secretary of Agriculture an

1 annual report, together with the audit report on the relevant
2 accounts, generally dealing with the activities and operations of the
3 PhilCorn.

4 **SEC. 20. *Separability Clause.*** - The provisions of this Act
5 are hereby declared separable. If any portion hereof shall be held
6 invalid or unconstitutional, such invalidity or unconstitutionality
7 shall not affect the other provisions, which shall remain in full force
8 and effect in their entirety.

9 **Sec. 21. *Effectivity.*** - This Act shall take effect within fifteen
10 (15) days from its publication in the Official Gazette or in any
11 national newspaper of general circulation.

Approved,