

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

House Bill No. 10315



Introduced by **Rep. ANGELO MARCOS BARBA**
2nd District, Ilocos Norte

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

EXPLANATORY NOTE

Corn is considered the second most important national food crop next to rice. It serves as the staple food, or part of the staple food, of 20 percent of the Philippine population and the main component of up to 75% of formulated feeds for livestock, poultry, and aquaculture fishery production.

The demand for 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 programs (RA 9367, The Biofuels Act of 2006) designed to augment imports of fossil-based fuel as energy source.

There are farmers with yields as high as 6 to 10 tons per hectare of hybrid corn varieties in few favorable farm environments, suggesting that there is bright prospect in further increasing corn yields in specific farm sites. Consequently, the country needs to improve the overall production among farmers not only to achieve national corn self-sufficiency but also to stabilize food and feed supplies for national security. In fact, there is potential in targeting the export markets over the medium- and long-term production periods.

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 that with proper management will help ensure household food security and sustainable farm productivity.

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

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Of the major crops, other than rice, that support the national economy, corn and corn-based farming systems 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.

In the Philippines, there are well established research institutes devoted to major crops and disciplines such as rice, coconut, sugarcane, tobacco, fiber (abaca, cotton, and silkworm), 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. Unfortunately, there is no such similar institute that is devoted to crops such as corn and corn-based farming systems that includes crops such as sorghum and grain legumes that are important as food, feed, forage, and fuel.

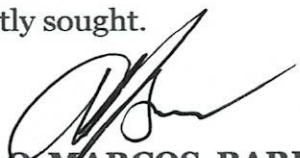
Globalization and climate change require that the country must build and enhance its capability to continuously develop cutting-edge technologies and agricultural innovations that will enable corn farmers to become economically prosperous. Hence, this bill.

This bill seeks to establish the Philippine Corn Research Institute (PhilCorn) that shall unify, coordinate, strengthen, and fund all corn and corn-based research and development activities as well as the training of more scientists, researchers, and extension specialists nationwide. It shall promote technologies on corn and corn-based farming systems for the production of more food, feeds, forage, industrial products, and bioenergy materials (bioethanol).

Likewise, it shall support the production of rotation or subsequent crops that are grown after rice in rainfed farms and in dryland and upland farms in the country. Through the PhilCorn, the national government fortifies and affirms its goal of ensuring the country's security on food, feeds, forage, and bioenergy through the development of a modern, highly productive, efficient, and competitively secured agriculture.

The success in this new and comprehensive venture of modernizing corn production and its industrialization would greatly advance farmers' employment and livelihood and thus reduce poverty and hunger, particularly those living in the rural areas. PhilCorn will ensure high productivity and quality of farmer's produce through modern farm planting practices, harvesting, processing, and packaging techniques for the domestic and global markets.

Premises considered, approval of this bill is earnestly sought.



ANGELO MARCOS BARBA

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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 thus improve the livelihood of corn farmers in the rainfed, upland, and dryland farming communities, and enable them to cope up with low crop yields, droughts, floods, global warming, land degradation, rising food and fuel prices, 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 innovative farmer-centered, need-based national corn research and development, 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 cropping systems, diversify crop harvests through sequential planting to sustain soil health and fertility and thus enhance higher and sustained productivity and household income;

c) To improve the livelihood and economic conditions of small-scale and Resource-poor farmers who are growing corn after rainfed rice as well as those in upland and dryland farming ecosystems;

d) To work closely with regulatory agencies such as the Bureau of Plant Industry (BPI) (i.e. National Seed Quality Control Laboratory, NSQCL;



Quarantine Division; National Seed Industry Council, NSIC), the Bureau of Agriculture and Fisheries Standards (BAFS), and private stakeholders (i.e. PhilMaize) and non-government organizations (NGOs) in the collection, conservation, and utilization of endemic or traditional corn varieties as well as in the experimentation, planting, and monitoring of corn hybrid and genetically modified organism (GMO) varieties;

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

f) 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;

g) 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 and industrial products development, processing, and marketing;

h) To initiate and undertake such other related programs in partnership and in consultation with the DA-Bureau of Agricultural Research (DA-BAR), the DA regional integrated agricultural research centers (DA-RIARCs), the Philippine Council for Agriculture, Aquatic Resources, Forestry, and Natural Resources Research and Development (PCAARRD), State Universities and colleges (SUCs), and the private sector; and

i) To provide guidance and support to entrepreneurs, cooperatives, and NGOs that grow, buy, and process corn for industrial purposes, utilize corn for animal feeds, and undertake value-adding for commercial purposes.

SEC. 4. *Principal and Regional Offices.* The PhilCorn shall have its principal office at the Mariano Marcos State University (MMSU) or Isabela State University (ISU) or at any other suitable site as the Board of Trustees may decide. It may also establish branch stations and satellite offices in geographically suitable regions in the Philippines that are major producers of corn and as may be necessary or proper for the accomplishment of its purposes and objectives, Provided, however, that PhilCorn shall have four experiment stations in Luzon (one main station, two branch stations, and one field office), and three stations in Mindanao (two branch stations and one field office) for a total of nine experiment stations (see attached list of experiment stations).

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

a) Plan, unify, coordinate, conduct, fund, monitor, and evaluate the national corn research, development, and technology promotions in different scientific and technological fields and programs;



b) Undertake the following eight major thrusts that will increase and sustain productivity of corn and corn-based farming systems, namely: (1) germplasm collection, conservation, breeding, and biotechnology activities; (2) natural resources management, watershed conservation, drought adaptation and mitigation; (3) corn engineering, farm mechanization, and postharvest management; (4) pest surveillance, early warning systems, integrated pest management, and biological control methods; (5) socio-economics, impact assessment, and policy advocacy; (6) seed production and dissemination, 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.

c) Lead 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;

d) Develop technologies suitable for the rainfed, upland, and dryland agro-ecosystems that will maximize the productivity and quality of locally grown corn and corn-based crops while also reducing production costs and ensuring long-term and sustainable corn and corn-based production systems through genetic improvement, environmental resources management, and soil and water conservation measures;

e) Enhance farmers' income by developing suitable corn-based crops through crop rotation where applicable; value-adding corn technologies through processing, packaging, and 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;

f) 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;

g) Organize, develop, and implement strong training and communication programs for corn and corn-based farming systems scientists, research managers, and extension specialists, enabling them to 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;

h) 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. 6. *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 and extension 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 domestic or foreign, 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 consistent with its purposes and objectives; and

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. 7. *Board of Trustees.* The Board of Trustees (BOT), hereinafter referred to as the Board, shall exercise all the corporate functions and powers of the PhilCorn and shall control all its businesses, activities, and properties relevant to the goals and functions of the Institute.

a) The Board shall be composed of the Secretary of Agriculture or his designate as ex-officio Chairperson and fourteen (14) members from the following agencies and sectors: Executive Director of the Philippine Council for Agriculture, Aquaculture, Forestry, and Natural Resources Research and Development (PCAARRD) of the Department of Science and Technology (DOST) who will act as Co-Chairperson; Director of the DA-Bureau of Agricultural Research (DA-BAR) who will act as Vice-Chairperson; Regional Executive Director (RED) representing the DA Regional Field Offices



(DA-RFOs); Undersecretary of the Department of Budget and Management (DBM); Director of the Agriculture Division of the National Economic and Development Authority (NEDA); Director of the DA-Philippine Council for Agriculture and Fisheries (PCAF); two (2) University Presidents from the State Universities and Colleges (SUCs) representing major corn producing and corn-based agriculture regions; four (4) private sector representatives, namely: one each from among the national outstanding corn farmers, farmers' organizations or federations, private companies engaged in corn research and seed production, and President of the livestock/poultry industry, and two (2) distinguished scientists, one each from the public and private sectors. The credentials of nominees to represent the different private sectors shall be evaluated and scrutinized by competent ex-officio members of the Board and selection shall be in accordance with the guidelines prepared and approved by the Board.

b) The term of office of the members of the Board who are heads or officials from their respective agencies or institutions shall be co-terminus with their respective appointments; Provided, however, That the term of office of the Regional Executive Director who represents the DA-RFOs where corn is a major crop and the four (4) private sector representatives and the two (2) distinguished scientists shall be for five years without prejudice to reappointment for another five years based on merits and excellent performances in the Board. All government officials in the Board shall serve as ex-officio members and their terms shall terminate immediately upon completion of their terms as officials of the agencies they represent. The PhilCorn Executive Director shall serve as Secretary of the Board.

c) The Chairperson and members of the Board shall not receive any salary or compensation but shall receive per diem, as the Board may determine, for each Board meeting actually attended; Provided, however, That such members shall also be entitled to reimbursable transportation and representation allowances in going to and coming from board meetings and in transacting official business for the Institute; Provided, further, That per diem and representation allowances shall be at the amount allowed by the DBM.

d) The Board shall meet regularly for at least once (1) every quarter or as often as the exigencies of the service demands. The presence of the Chairperson or the Co-Chairperson and at least seven (7) members of the Board shall constitute a quorum and the majority vote of the members present, there being a quorum, shall be necessary for the adoption of any resolution, rule, regulation, decision or any other act of the Board.

e) Any vacancy in the Board shall be filled up within two months from the date a post is vacated. No person with conflict of interest shall be appointed as member of the Board.

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

a) To adopt by-laws and promulgate policies, rules, regulations, and procedures for the efficient and effective operations of the Institute;



b) To define and guide top PhilCorn Management staff in the formulation of the vision, mission, strategy, and research-extension priorities, general plans and programs, and guidelines or manuals for the proper operation and management of the PhilCorn in accordance with its purposes and objectives and in line with research planning and monitoring policies and procedures of PCAARRD and BAR;

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

d) To approve the plantilla and salary ranges, benefits, privileges, bonuses, scholarship and manpower development, housing facilities and support to staff, and other terms and conditions of service, including promotion systems similar to those in the Department of Science and Technology (DOST) and State Universities and Colleges (SUCs) as well as life and medical insurances and retirement schemes or benefits for all officers and employees of the PhilCorn, upon recommendation of the Executive Director;

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

f) To create such committee or committees and appoint the members thereof, as may be necessary and proper for the management of the PhilCorn or for the attainment of its purposes and objectives; and

g) To exercise such other powers and functions and perform such other acts as may be necessary or proper for the attainment of the purposes and objectives of the PhilCorn.

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

a) The Executive Director shall have a doctorate degree (PhD) in agriculture with at least ten (10) years of meritorious experiences in corn research, extensive scientific publications in referred journals, and proven administrative and managerial abilities both in organizing and motivating highly productive colleagues as well as in generating financial resources.

b) The Executive Director shall serve for a term of five (5) years, subject to one (1) term extension of five (5) years for very meritorious performance, or a maximum total of ten (10) years without further extension for any reason whatsoever; Provided, however, That there shall be a reserved plantilla position of the same salary rate for the outgoing Executive Director, if he is previously a holder of a plantilla position at PhilCorn and shall not yet be of retirement age at the end of his term as Executive Director; Provided, further,



That the Board of Trustees, through a duly organized Search Committee, shall have chosen a new Executive Director who shall immediately assume office during a turn-over ceremony upon the expiration date of the term of office of the outgoing Executive Director.

b) The Executive Director shall be assisted by three Deputy Executive Directors, namely: Deputy Executive Director for Research and Development; Deputy Executive Director for Partnership, Technology Promotion, and Information; and Deputy Executive Director for Administration and Finance; and Division Heads, and Branch Station Directors as the Board may determine, to carry out the purposes and objectives of the PhilCorn.

SEC. 10. Powers, Functions, and Duties of the Executive Director. The Executive Director shall be directly responsible to the Board of Trustees and shall have the following powers, functions, and duties:

a) To exercise dynamic leadership, create a vision, map out the mission, provide strategic direction, and undertake systematic supervision over the planning and implementation of all research and development, technology promotion and information, training and extension, upgrading of scientists and staff of the Institute and its network and, in general, administer and direct the management and operation in a transparent and corrupt-free administration of the PhilCorn;

b) To execute all contracts, incur obligations, acquire and dispose of assets, and deliver documents on behalf of the PhilCorn within the framework of the authority delegated by the Board;

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

d) To arrange for the conduct of an External Program and Management Review (EPMR) by a Panel of Experts every five (5) years or as often as necessary in order to organize and understand the output, outcome, and impact of PhilCorn programs to the farmers and stakeholders of the corn industry and to provide guidance or directions to management in charting the future thrusts of the institute; and

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

SEC. 11. Technical Advisory Committee. A Technical Advisory Committee (TAC), organized by the Executive Director and approved by the Board, shall assist the Executive Director, Division heads, and Branch Station Directors in pursuing interagency activities, on technical concerns, and participation of the national research, development, and extension (RD&E) network. The TAC shall be composed of not more than nine (9) members, or as the Board may determine, who are heads, representatives, or scientists and experts of agencies, government or private, that are actively involved in any major aspect of corn research, corn-based farming systems, seed quality



certification, training and extension, production and processing, marketing and consumption, policy advocacy, and capacity building. TAC members may be assigned to assist specific programs, divisions, or branch stations as the services may require in achieving the goals and objectives of PhilCorn.

SEC. 12. *Services of Government Personnel.* The PhilCorn may, for the purpose of its research, development, training, extension, and information 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, Visayas State University, University of the Philippines Los Banos, Mariano Marcos 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 research problems of strategic importance and consequences in pursuing the goals and objectives of the Institute. The selected personnel may be paid such honoraria or incentives acceptable to all concerned and as may be fixed and authorized by the Board.

SEC. 13. *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 and experimental land 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. 14. Appropriation. The Secretary of Agriculture and the Secretary of Budget and Management are hereby authorized and directed to set aside out of the existing funds of the Department of Agriculture the amount of Six Hundred Million Pesos (P600M) as the initial fund of the PhilCorn for CY 2021 to be used for its initial operations, including provisions for salary of personnel, conduct of research and technology promotion, construction of office buildings and laboratories, and other physical infrastructures, purchase and development of experimental farms, and acquisition and purchase of equipment for laboratories, farm development, and offices. This initial amount shall be drawn from the DA National Corn Program, BAR appropriations for research, RP-Japan Fertilizer Grant (KR-2), Public Law 480 (PL480), and any other existing bilateral funding sources in the Department of Agriculture. Thereafter, the government contribution to the PhilCorn's budget shall be provided for under its own Key Budgetary Inclusion (KBI) in the Annual General Appropriations Act. Furthermore, the PhilCorn Board of Trustees shall seek financial support from foreign donors such as JICA, KOICA, AusAid, USAID, and similar institutions for the establishment and improvement of PhilCorn infrastructures, laboratory facilities, field experiment station development, training and extension programs, scholarship and training, and dormitory and housing for its qualified personnel.

To further sustain the financial support to PhilCorn, at least ten percent (10%) of the tariff collected from the importation of feed wheat and soybean meal for animal feeds shall be appropriated in an annual basis and shall be released directly to PhilCorn the use of which shall be prepared for approval by the Board of Trustees.

The annual appropriations herein provided shall be subject to the fiscal control and management procedures provided for in Executive Order 714 of 1981. All funds, savings, grants, and income of the PhilCorn shall constitute a revolving fund, to be managed as Trust Fund, and shall be considered part of the funds automatically released to the PhilCorn.

SEC. 15. Applicability of Civil Service Laws. The PhilCorn and its officers and employees shall be subject to the Civil Service Law, rules and regulations; Provided, however, That all technical personnel shall be selected on the basis of the highest possible standards of merit and fitness for public officials and employees, preferably those with postgraduate degrees, to be determined in accordance with such policies and guidelines as may be recommended by the Executive Director and approved by the Board.

SEC. 16. Auditor. The Chairperson of the Commission on Audit (COA) shall be the Ex-Officio Auditor of the PhilCorn. For this purpose, he may appoint a representative who shall be the auditor of the PhilCorn, together with the necessary personnel to assist the COA representative in the performance of his duties, Provided, however, That the Branch Stations shall also be served by an auditor.



SEC. 17. *Legal Counsel.* The Government Corporate Counsel shall be the Legal Counsel of the PhilCorn; Provided, however, That the PhilCorn may establish its own legal unit, subject to the supervision and control of the Government Corporate Counsel, to handle the day-to-day legal matters affecting the affairs of the PhilCorn.

SEC. 18. *Annual Report.* The Executive Director, through the Board, shall submit to the President of the Philippines an annual report, together with the audit report on the relevant accounts, generally dealing with the activities and operations of the PhilCorn.

SEC. 19. *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. 20. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,