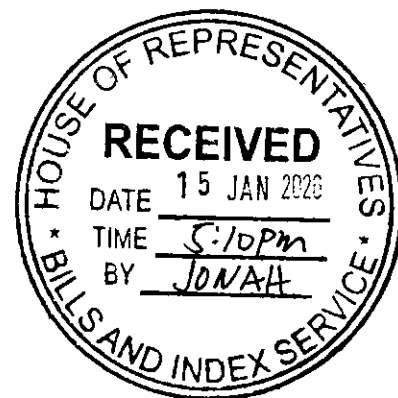


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. **7127**



Introduced by **Representative RAYMOND ADRIAN E. SALCEDA**

**AN ACT
ESTABLISHING THE PHILIPPINE CORN RESEARCH INSTITUTE (PHILCORN),
IN POLANGUI, ALBAY, DEFINING ITS POWERS AND FUNCTIONS,
PROVIDING FOR ITS ORGANIZATIONAL STRUCTURE,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Corn is the second most important crop in the Philippines after rice, both in terms of area harvested and production value. In 2023, the country produced approximately 8.41 million metric tons of corn from about 2.5 million hectares of agricultural land, with a production value of approximately ₱160 billion. The crop supports the livelihood of an estimated 1.8 million corn farmers, the majority of whom are smallholders in the upland areas of the Visayas, Mindanao, and Luzon who depend entirely on rainfall for production.

Yellow corn, which accounts for the bulk of national production, serves as the principal feed ingredient for the livestock and poultry industry. Republic Act No. 12308, otherwise known as the *Animal Industry Development and Competitiveness Act*, explicitly recognizes this strategic linkage by defining corn as "*yellow corn, white corn, and other corn varieties utilized as animal feed in the country*" and including corn among the essential food inputs for livestock, poultry, and dairy-producing animals. The quality, cost, and reliability of domestic corn supply directly affect the competitiveness of Philippine protein production—a sector that RA 12308 seeks to strengthen through the ₱20 billion annual Animal Competitiveness Enhancement Fund (AnCEF).

With domestic demand for corn reaching approximately 10 million metric tons annually and local production unable to keep pace, the country has become increasingly dependent on imports. In marketing year 2023/24, corn imports surged to represent 16 percent of total supplies, up from just 4 percent in 2019/20. The Philippines imported 1.52 million metric tons of corn in MY 2023/24, with projections of continued import dependence in the coming years. This growing reliance on imported corn undermines the very objectives of RA 12308, which seeks to develop a competitive and self-sufficient animal industry.

Philippine corn production faces multiple, compounding challenges. The *fall armyworm* (*Spodoptera frugiperda*) continues to devastate farms, particularly in Mindanao and the Visayas. Climate variability—including El Niño-induced droughts and increasingly severe

typhoons—has caused significant production losses. In the second quarter of 2024 alone, corn production declined by 20.3 percent compared to the same period in 2023, attributed to adverse weather conditions and planting delays. Meanwhile, smallholder farmers in upland areas struggle with acidic soils, limited access to quality seeds, outdated production techniques, and inadequate post-harvest facilities.

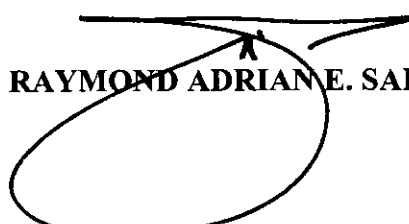
Despite the strategic importance of corn to national food security and the livestock sector, the Philippines lacks a dedicated research institution focused on corn comparable to the Philippine Rice Research Institute (PhilRice) for rice or the Philippine Coconut Authority (PCA) for coconut. While RA 12308 strengthens the Bureau of Animal Industry (BAI), the Philippine Carabao Center (PCC), and the National Dairy Authority (NDA) to support the livestock sector, no corresponding institutional reform addresses the critical upstream challenge of corn production. Corn research and development activities remain dispersed across multiple agencies and programs under the Department of Agriculture, resulting in fragmented efforts, duplication of resources, and inadequate attention to the unique challenges of corn production.

This bill seeks to address these challenges by creating the Philippine Corn Research Institute (PhilCorn) as an attached agency of the Department of Agriculture with the status of a government-owned and controlled corporation. PhilCorn shall serve as the primary government agency for corn research and development, with a comprehensive mandate covering variety development, production systems research, extension services, and the establishment of strategic linkages between corn production and the livestock and poultry industry. The creation of PhilCorn complements the institutional reforms under RA 12308 by ensuring that the animal industry's feed requirements are supported by a robust domestic corn sector.

The proposed Institute shall be headquartered in Barangay Itaran, Municipality of Polangui, Province of Albay, a strategic location within a major corn-producing region with established agricultural infrastructure. PhilCorn shall be governed by a Board composed of representatives from key stakeholder agencies and sectors, ensuring that research priorities are aligned with the needs of farmers, the feed industry, and the broader agricultural sector. The Institute shall implement special programs addressing critical areas including corn-livestock integration, fertilizer reduction and soil health, environmental sustainability, and upland rural development.

The establishment of PhilCorn is expected to accelerate the development and adoption of improved corn varieties and production technologies, reduce the country's dependence on imported corn, strengthen the competitiveness of the domestic livestock and poultry sector, and improve the livelihoods of millions of corn farmers, particularly those in marginalized upland communities. By consolidating corn research and development functions under a dedicated institution with adequate resources and clear accountability, the government can more effectively address the structural challenges that have long constrained the Philippine corn industry and, in turn, support the full realization of the objectives of RA 12308.

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


RAYMOND ADRIANE E. SALCEDA

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

**CHAPTER I
GENERAL PROVISIONS**

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

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to:

(a) Enhance the competitiveness of the Philippine corn sector through the development of high-yielding, cost-effective, and resilient corn varieties and production systems that can compete with imported corn in price, quality, and reliability of supply;

(b) Strengthen the strategic linkage between corn production and the livestock and poultry industry, recognizing that yellow corn constitutes the principal feed input and that the quality of domestic corn directly affects the quality, cost, and safety of Philippine protein production;

(c) Improve the nutritional quality and feed value of Philippine corn to support a robust, globally competitive, and self-sufficient livestock and poultry sector, thereby enhancing national protein security;

(d) Reduce the country's dependence on imported synthetic fertilizers through the development and promotion of soil health management practices, biological nitrogen fixation, organic amendments, and integrated nutrient management systems suited to corn production;

(e) Promote environmentally sustainable corn production systems that prevent habitat destruction, forest conversion, and biodiversity loss, and that integrate corn farming with watershed protection, agroforestry, and ecosystem conservation;

(f) Advance upland and rural development by improving the productivity and profitability of corn farming in sloping lands, marginal areas, and remote communities, recognizing that corn is the predominant crop of upland farmers and indigenous peoples;

(g) Support the livelihood of corn farmers, who constitute a significant portion of the agricultural workforce, particularly smallholders in the Visayas, Mindanao, and upland areas of Luzon;

(h) Develop and disseminate improved corn varieties, production technologies, and post-harvest systems suited to diverse Philippine agroecological conditions, including drought-prone, flood-prone, and acidic soil environments;

(i) Reduce the country's dependence on imported corn and corn-based products by achieving a level of domestic production sufficient to meet the requirements of the food, feed, and industrial sectors;

(j) Strengthen the linkage between corn research, extension services, the farming community, and end-user industries;

(k) Develop human capital and institutional capacity in corn science and technology; and

(l) Promote climate-resilient corn production systems that enable farmers to adapt to changing weather patterns, extreme events, and long-term climate shifts.

SEC. 3. *Definition of Terms.* — As used in this Act:

(a) Corn refers to *Zea mays* L. and includes yellow corn, white corn, glutinous corn, sweet corn, and other corn types, whether for food, feed, or industrial use;

(b) Yellow corn refers to corn varieties primarily used as feed ingredient for the livestock and poultry industry;

(c) White corn refers to corn varieties primarily used for human food consumption, particularly as a rice substitute or staple in certain regions;

(d) Feed corn refers to corn produced, processed, and marketed primarily as an input for animal feed formulation;

(e) Institute or PhilCorn refers to the Philippine Corn Research Institute created under this Act;

(f) Board refers to the PhilCorn Governing Board;

(g) Executive Director refers to the chief executive officer of PhilCorn;

(h) Research includes basic research, applied research, adaptive research, and strategic research related to corn;

(i) Development includes technology development, product development, and institutional development;

(j) Extension refers to the process of transferring research outputs and technologies to end-users, including farmers, processors, livestock producers, and other stakeholders;

(k) Corn industry refers to the entire value chain of corn, from production to processing to marketing and consumption, including its integration with the livestock and poultry feed industry;

(l) Livestock and poultry sector refers to the industries engaged in the raising, breeding, and production of hogs, chickens, ducks, cattle, and other animals for food, and which rely on corn as a principal feed ingredient;

(m) Stakeholders refer to corn farmers, livestock and poultry producers, feed millers, traders, processors, input suppliers, local government units, academic institutions, civil society organizations, and other entities with interest in the corn industry;

(n) Satellite stations refer to regional or provincial research facilities established by PhilCorn to address location-specific research needs;

(o) Upland areas refer to sloping lands, hillside farms, and elevated agricultural areas typically characterized by rainfed conditions, marginal soils, and limited infrastructure;

(p) Integrated nutrient management refers to the combined use of organic and inorganic nutrient sources, biological processes, and soil health practices to optimize plant nutrition while minimizing environmental impact and input costs;

(q) Sustainable intensification refers to production systems that increase output per unit area while maintaining or enhancing environmental quality and ecosystem services;

(r) Conservation agriculture refers to farming practices that minimize soil disturbance, maintain permanent soil cover, and promote crop diversification to enhance soil health and reduce erosion; and

(s) Agroforestry refers to land-use systems that integrate trees with crops and/or livestock to enhance productivity, sustainability, and ecosystem services.

CHAPTER II

CREATION, MANDATE, AND POWERS

SEC. 4. *Creation of the Philippine Corn Research Institute.* — There is hereby created an attached agency of the Department of Agriculture (DA), to be known as the Philippine Corn Research Institute (PhilCorn), which shall serve as the primary government agency for corn research and development in the Philippines.

PhilCorn shall have the status of a government-owned and controlled corporation (GOCC) with full autonomy and independence in the discharge of its functions, and shall enjoy fiscal and administrative autonomy.

SEC. 5. *Principal Office.* — The principal office and headquarters of PhilCorn shall be located in Barangay Itaran, Municipality of Polangui, Province of Albay.

The Institute may establish satellite stations, extension centers, and liaison offices in strategic locations throughout the country as may be necessary to effectively carry out its mandate.

SEC. 6. *Mandate.* — PhilCorn shall have the following mandate:

(a) Conduct, coordinate, and support research and development activities on all aspects of corn production, processing, utilization, and marketing;

(b) Develop, adapt, and disseminate improved corn varieties and production technologies;

(c) Provide technical assistance and extension services to corn farmers, local government units, and other stakeholders;

(d) Serve as the national repository of corn germplasm, genetic resources, and scientific information;

(e) Build and strengthen human resource capacity in corn science and technology;

(f) Establish and maintain linkages with local and international research institutions, universities, and development organizations; and

(g) Advise the government on policies, programs, and investments related to the corn industry.

SEC. 7. *Powers and Functions.* — To carry out its mandate, PhilCorn shall have the following powers and functions:

Research and Development:

(a) Formulate and implement a comprehensive national corn research and development agenda in consultation with stakeholders, including the livestock and poultry sector;

(b) Conduct basic, applied, adaptive, and strategic research on corn genetics, breeding, biotechnology, agronomy, pest management, soil and water management, mechanization, post-harvest handling, processing, and other relevant areas;

(c) Develop high-yielding, pest-resistant, drought-tolerant, and climate-resilient corn varieties suited to various Philippine agroecological zones, with particular attention to varieties that perform well under low-input conditions;

(d) Develop and validate cost-effective and sustainable corn production technologies that reduce production costs and enhance competitiveness against imported corn;

(e) Conduct research on the development of value-added corn products for food, feed, and industrial applications;

(f) Establish and maintain a national corn germplasm bank for conservation, characterization, and utilization of corn genetic resources, including traditional varieties adapted to marginal environments;

Livestock Sector Integration:

(g) Conduct research to improve the nutritional quality, feed conversion efficiency, and safety of Philippine corn as a feed ingredient for the livestock and poultry industry;

(h) Develop corn varieties with enhanced protein content, amino acid profiles, energy density, and other characteristics that improve animal nutrition and reduce the need for feed supplements;

(i) Establish quality standards and testing protocols for feed-grade corn to ensure consistency and reliability for livestock producers and feed millers;

(j) Conduct joint research programs with the livestock and poultry sector on optimal corn inclusion rates, feed formulations, and feeding strategies;

(k) Support the development of domestic corn supply chains that meet the volume, quality, and timing requirements of the livestock and poultry industry;

(l) Monitor and analyze corn-livestock market dynamics to inform production planning and policy recommendations;

Fertilizer Reduction and Soil Health:

(m) Conduct research on integrated nutrient management systems that optimize corn yields while reducing dependence on imported synthetic fertilizers;

(n) Develop and promote the use of biological nitrogen fixation, including corn-legume intercropping and rotation systems, biofertilizers, and nitrogen-fixing microorganisms;

(o) Research and disseminate technologies for producing and utilizing organic amendments, compost, vermicast, and other locally-available nutrient sources for corn production;

(p) Develop corn varieties with enhanced nutrient use efficiency, including varieties that produce high yields under low-nitrogen conditions;

(q) Conduct long-term soil health research to understand the impacts of different nutrient management practices on soil fertility, structure, and biological activity;

(r) Promote precision nutrient management approaches, including soil testing, plant tissue analysis, and site-specific fertilizer recommendations;

Environmental Sustainability and Habitat Protection:

(s) Develop and promote sustainable corn production systems that prevent the conversion of forests, grasslands, wetlands, and other natural habitats to cornfields;

(t) Conduct research on sustainable intensification approaches that increase corn production on existing agricultural lands without expanding into natural ecosystems;

(u) Develop and promote conservation agriculture practices, including minimum tillage, cover cropping, and residue management, to reduce soil erosion, enhance carbon sequestration, and protect water quality;

(v) Research and promote corn-based agroforestry systems that integrate trees with corn production to provide ecosystem services, diversify farm income, and enhance biodiversity;

(w) Conduct environmental impact assessments of corn production systems and develop mitigation measures for identified impacts;

(x) Support the development of watershed-friendly corn farming practices in upland areas to protect downstream water resources;

Upland and Rural Development:

(y) Develop corn varieties and production technologies specifically suited to upland conditions, including varieties tolerant to acidic soils, low fertility, drought, and sloping terrain;

(z) Conduct research on contour farming, terracing, hedgerow systems, and other soil and water conservation practices for corn production on sloping lands;

(a) Develop integrated upland farming systems that combine corn with perennial crops, livestock, and trees to enhance productivity, sustainability, and resilience;

(b) Provide technical assistance to upland communities, including indigenous peoples and cultural communities, in improving corn productivity while respecting traditional knowledge and practices;

(c) Support the development of post-harvest facilities, market linkages, and value-adding enterprises in remote corn-producing communities;

(d) Collaborate with rural development agencies in integrating corn improvement with broader programs for infrastructure, education, health, and social services in upland areas;

Technology Transfer and Extension:

(e) Package, disseminate, and promote the adoption of proven corn technologies through various extension modalities, with particular attention to reaching smallholders and upland farmers;

(f) Conduct training programs, field demonstrations, farmers' field schools, and other capacity-building activities for corn farmers, extension workers, livestock producers, and other stakeholders;

(g) Provide technical assistance to local government units in the planning and implementation of corn development programs;

(h) Develop and disseminate information, education, and communication (IEC) materials on corn technologies in appropriate languages and formats;

Institutional Development:

(i) Establish and operate satellite research stations and extension centers in major corn-producing areas, including upland regions;

(j) Develop and implement scholarship and fellowship programs for advanced studies in corn science and related disciplines;

(k) Establish collaborative arrangements with national and international research institutions, universities, and development organizations;

(l) Accredite and certify corn seed growers, nurseries, and other service providers;

Policy Advisory:

(m) Conduct policy research and analysis on issues affecting the corn industry and its linkage with the livestock sector;

(n) Provide policy recommendations to the Department of Agriculture and other government agencies on matters relating to corn production, trade, pricing, and development;

(o) Participate in the formulation of national plans, programs, and policies affecting the corn industry, including feed supply policies and import regulations;

(p) Monitor international corn markets, technologies, and policies, and advise government on their implications for the Philippine corn sector;

Resource Generation:

(q) Accept grants, donations, bequests, and other forms of assistance from local and foreign sources, consistent with existing laws;

(r) Enter into contracts, agreements, and joint ventures with public and private entities for the conduct of research, provision of services, and commercialization of technologies;

(s) Collect reasonable fees for services rendered, technologies provided, and facilities used;

(t) Acquire, own, hold, and dispose of real and personal property; and

General Powers:

(u) Exercise such other powers and perform such other functions as may be necessary to carry out the provisions of this Act.

CHAPTER III ORGANIZATIONAL STRUCTURE

SEC. 8. *Governing Board.* — The governance of PhilCorn shall be vested in a Governing Board, which shall be composed of the following:

(a) The Secretary of the Department of Agriculture, or an Undersecretary designated by the Secretary, as Chairperson;

(b) The Executive Director of PhilCorn, as Vice Chairperson;

(c) The Director of the Bureau of Plant Industry (BPI);

- (d) The Director of the Bureau of Animal Industry (BAI);
- (e) The Director of the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD);
- (f) The Director of the Agricultural Training Institute (ATI);
- (g) A representative from the Department of Environment and Natural Resources (DENR), designated by the DENR Secretary;
- (h) The President of the Philippine Association of Corn Researchers, Inc. (PACRI), or equivalent organization, or their authorized representative;
- (i) A representative from corn farmer organizations, to be nominated by the National Confederation of Corn Farmer Organizations or recognized national corn farmer federations, and appointed by the DA Secretary;
- (j) A representative from upland farmer organizations or indigenous peoples' organizations engaged in corn farming, to be nominated by recognized federations and appointed by the DA Secretary;
- (k) A representative from the livestock and poultry industry, to be nominated by the United Broiler Raisers Association (UBRA), the Pork Producers Federation of the Philippines (ProPork), or equivalent recognized industry associations, and appointed by the DA Secretary;
- (l) A representative from the feed milling industry, to be nominated by the Philippine Association of Feed Millers, Inc. (PAFMI) or equivalent recognized association, and appointed by the DA Secretary;
- (m) A representative from state universities and colleges with corn research programs, to be nominated by the Commission on Higher Education (CHED) and appointed by the DA Secretary; and
- (n) The Provincial Governor of Albay, or their authorized representative.

The members under paragraphs (i), (j), (k), (l), and (m) shall serve for a term of three (3) years, and may be reappointed for another term.

SEC. 9. Powers and Functions of the Board. — The Board shall have the following powers and functions:

- (a) Formulate policies, guidelines, and standards for the operations of PhilCorn;
- (b) Approve the organizational structure, staffing pattern, and compensation scheme of PhilCorn, subject to existing laws and regulations;
- (c) Approve the annual and supplemental budgets of PhilCorn;
- (d) Approve the national corn research and development agenda;
- (e) Review and approve major programs, projects, and activities of PhilCorn;

(f) Appoint, promote, and discipline personnel of PhilCorn upon recommendation of the Executive Director, subject to civil service laws, rules, and regulations;

(g) Accept grants, donations, and other forms of assistance;

(h) Authorize the acquisition and disposition of real and personal property;

(i) Approve collaborative arrangements with local and international partners;

(j) Create committees and technical working groups as may be necessary;

(k) Promulgate rules and regulations for the effective implementation of this Act; and

(l) Exercise such other powers as may be necessary or incidental to the attainment of the purposes of PhilCorn.

SEC. 10. *Board Meetings.* — The Board shall meet at least once every quarter, or as often as may be necessary upon the call of the Chairperson or upon the written request of majority of the members. A majority of all members shall constitute a quorum, and all decisions shall be by majority vote of the members present.

Members of the Board shall receive per diems for every meeting actually attended, subject to existing rules and regulations.

SEC. 11. *Executive Director.* — The Institute shall be headed by an Executive Director who shall be appointed by the President of the Philippines upon recommendation of the DA Secretary. The Executive Director shall serve for a term of four (4) years, unless sooner removed for cause, and may be reappointed for another term.

The Executive Director shall have the following qualifications:

(a) A natural-born citizen of the Philippines;

(b) At least thirty-five (35) years of age at the time of appointment;

(c) A holder of at least a master's degree in agriculture, agricultural sciences, or related fields;

(d) At least ten (10) years of experience in agricultural research, education, or extension, with at least five (5) years in a managerial or supervisory capacity; and

(e) Of proven integrity, competence, and leadership.

SEC. 12. *Powers and Functions of the Executive Director.* — The Executive Director shall be the chief executive officer of PhilCorn and shall have the following powers and functions:

(a) Execute and administer the policies, plans, programs, and projects of PhilCorn;

(b) Direct and supervise the day-to-day operations of PhilCorn;

(c) Represent PhilCorn in all dealings with government agencies, private entities, and international organizations;

- (d) Prepare the annual and supplemental budgets for approval of the Board;
- (e) Submit to the Board periodic reports on the operations and accomplishments of PhilCorn;
- (f) Appoint personnel below the level of division chief, subject to civil service laws, rules, and regulations;
- (g) Enter into contracts and agreements in behalf of PhilCorn, subject to approval of the Board for major contracts;
- (h) Exercise disciplinary authority over personnel, subject to civil service laws, rules, and regulations; and
- (i) Perform such other functions as may be delegated by the Board or as may be necessary to carry out the provisions of this Act.

SEC. 13. *Deputy Executive Directors.* — The Executive Director shall be assisted by two (2) Deputy Executive Directors: one for Research and Development, and one for Administration and Finance. They shall be appointed by the Board upon recommendation of the Executive Director.

The Deputy Executive Directors shall have the following minimum qualifications:

- (a) A natural-born citizen of the Philippines;
- (b) At least thirty (30) years of age at the time of appointment;
- (c) A holder of at least a master's degree in agriculture, agricultural sciences, public administration, management, or related fields;
- (d) At least seven (7) years of experience in agricultural research, education, extension, or administration, with at least three (3) years in a supervisory capacity; and
- (e) Of proven integrity, competence, and leadership.

SEC. 14. *Organizational Units.* — Subject to the approval of the Board, PhilCorn shall have the following major organizational units:

- (a) Office of the Executive Director - responsible for overall management, policy coordination, and external relations;
- (b) Corn Breeding and Genetics Division - responsible for the conduct of research on corn genetics, breeding, biotechnology, and varietal development, including varieties suited to upland conditions and low-input systems;
- (c) Agronomy and Crop Management Division - responsible for research on corn agronomy, soil and water management, integrated nutrient management, pest management, and sustainable production systems;
- (d) Livestock Feed and Quality Division - responsible for research on corn nutritional quality, feed value, quality standards, and linkages with the livestock and poultry sector;

(e) Soil Health and Sustainable Systems Division - responsible for research on fertilizer reduction technologies, biological nutrient sources, organic amendments, conservation agriculture, and environmental sustainability;

(f) Upland Systems and Rural Development Division - responsible for research and extension focused on upland corn production, sloping land management, agroforestry systems, and integrated upland farming;

(g) Technology Development and Extension Division - responsible for technology packaging, transfer, training, and extension services to farmers, livestock producers, and other stakeholders;

(h) Genetic Resources and Seed Technology Division - responsible for germplasm conservation, seed production, quality assurance, and variety registration;

(i) Planning, Monitoring, and Evaluation Division - responsible for program planning, project monitoring, impact assessment, and management information systems;

(j) Administrative and Finance Division - responsible for human resource management, financial management, procurement, and general services; and

(k) Satellite Stations - responsible for conducting location-specific research and extension activities in major corn-producing regions, including upland areas.

The Board may create additional divisions, sections, or units as may be necessary for the effective operation of the Institute.

CHAPTER IV PERSONNEL AND COMPENSATION

SEC. 15. *Staffing and Compensation.* — PhilCorn shall have a staffing complement necessary to carry out its mandate. The positions, qualifications, and compensation of personnel shall be determined by the Board, subject to the following:

(a) The compensation scheme shall be comparable to that of similar government research institutions and shall be competitive enough to attract and retain qualified scientists, researchers, and technical personnel;

(b) PhilCorn may adopt a Scientific Career System for its research personnel, consistent with existing laws and regulations;

(c) PhilCorn personnel shall be covered by the civil service laws, rules, and regulations; and

(d) PhilCorn may hire consultants, experts, and contractual personnel as may be necessary, subject to existing laws and regulations.

SEC. 16. *Incentives.* — PhilCorn may grant the following incentives to its personnel:

(a) Research incentives, including publication awards, invention awards, and technology commercialization incentives;

- (b) Productivity incentives based on performance;
 - (c) Scholarship and fellowship grants for advanced studies;
 - (d) Attendance in local and international conferences, seminars, and training programs;
- and
- (e) Other incentives as may be approved by the Board, subject to existing laws and regulations.

CHAPTER V

FUNDING AND FISCAL MANAGEMENT

SEC. 17. *Sources of Funds.* — The funds of PhilCorn shall come from the following sources:

- (a) Annual appropriations from the General Appropriations Act;
- (b) Income from services, fees, and charges;
- (c) Income from the sale or lease of properties, technologies, and other assets;
- (d) Grants, donations, bequests, and other forms of assistance from local and foreign sources;
- (e) Proceeds from bonds, securities, and other financial instruments that may be issued by PhilCorn, subject to existing laws; and
- (f) Other sources as may be authorized by law.

SEC. 18. *Initial Appropriation.* — The amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated out of the funds of the National Treasury not otherwise appropriated, to be used for the initial capitalization and operations of PhilCorn, including the following:

- (a) Construction and improvement of research facilities, laboratories, and other infrastructure;
- (b) Procurement of equipment, machinery, and research materials;
- (c) Establishment of satellite stations;
- (d) Initial operating expenses; and
- (e) Other purposes as may be necessary for the establishment of PhilCorn.

Thereafter, the amount necessary for the continued operation of PhilCorn shall be included in the annual General Appropriations Act.

SEC. 19. *Retention and Use of Income.* — All income generated by PhilCorn from its operations, services, and other sources, except grants and donations with specific purposes, shall be retained by the Institute and shall be used to augment its operational and capital

expenditure requirements, subject to existing budgeting, accounting, and auditing rules and regulations.

SEC. 20. *Exemptions.* — PhilCorn shall be exempt from the payment of all taxes, duties, fees, and other charges of whatever nature on:

(a) Importation of equipment, materials, and supplies necessary for research and development, subject to certification by the Executive Director that such items are not locally available or that local equivalents do not meet required specifications;

(b) Donations, grants, and bequests received from local and foreign sources for research and development purposes; and

(c) Income derived from the conduct of its mandated functions.

This exemption shall not extend to the personal income of officers and employees of PhilCorn.

CHAPTER VI SPECIAL PROGRAMS

SEC. 21. *National Corn.* — Livestock Integration Program. - PhilCorn shall establish and implement a National Corn-Livestock Integration Program

(NCLIP) in coordination with the Bureau of Animal Industry, the National Meat Inspection Service, the Philippine Carabao Center, and the livestock and poultry industry. The NCLIP shall:

(a) Develop feed-grade corn quality standards and establish a certification system for corn intended for livestock and poultry feed;

(b) Conduct research on corn varieties and production practices that optimize nutritional quality for animal feed, including protein content, amino acid balance, energy density, and mycotoxin resistance;

(c) Establish demonstration farms showcasing integrated corn-livestock production systems;

(d) Facilitate contract growing arrangements between corn farmers and livestock producers or feed millers to ensure stable markets and reliable supply;

(e) Develop corn silage production technologies and promote the use of corn stover and other by-products as ruminant feed;

(f) Support the development of community-based feed mills in corn-producing areas to add value and reduce logistics costs;

(g) Monitor and report on corn supply and demand dynamics in relation to livestock sector requirements; and

(h) Coordinate with the National Food Authority and the Department of Trade and Industry on corn pricing and trade policies affecting the livestock sector.

SEC. 22. *Fertilizer Reduction and Soil Health Program.* — PhilCorn shall establish and implement a Fertilizer Reduction and Soil Health Program

(FRSHP) in coordination with the Bureau of Soils and Water Management, the Fertilizer and Pesticide Authority, and the Bureau of Agricultural Research. The FRSHP shall:

(a) Conduct long-term research trials comparing various nutrient management systems, including conventional fertilization, integrated nutrient management, organic systems, and biological approaches;

(b) Develop and promote corn-legume intercropping and rotation systems that harness biological nitrogen fixation, with particular focus on systems using locally-adapted legumes such as peanut, mungbean, and Desmodium species;

(c) Research and promote the use of biofertilizers, including Azospirillum, mycorrhizae, and other beneficial microorganisms suited to corn production;

(d) Develop technologies for producing and utilizing organic amendments from farm and community wastes, including composting, vermicomposting, and biochar production;

(e) Establish soil health monitoring and benchmarking systems in major corn-producing areas;

(f) Develop corn varieties with enhanced nutrient use efficiency, including varieties with improved root architecture, nutrient uptake mechanisms, and internal nutrient cycling;

(g) Promote precision nutrient management approaches, including accessible soil testing services, decision support tools, and site-specific recommendations; and

(h) Develop training programs and extension materials on fertilizer reduction technologies for corn farmers and agricultural technicians.

SEC. 23. *Environmental Sustainability and Habitat Protection Program.* — PhilCorn shall establish and implement an Environmental Sustainability and Habitat Protection Program (ESHPP) in coordination with the Department of Environment and Natural Resources, the National Commission on Indigenous Peoples, and relevant environmental organizations. The ESHPP shall:

(a) Develop and promote sustainable intensification technologies that enable increased corn production on existing farmlands without expansion into forests, grasslands, wetlands, or other natural habitats;

(b) Establish a monitoring and reporting system to track the environmental footprint of corn production, including land use change, greenhouse gas emissions, water use, and agrochemical impacts;

(c) Develop and promote conservation agriculture practices for corn, including minimum tillage, permanent soil cover, and diversified cropping systems;

(d) Research and promote corn-based agroforestry systems that integrate timber trees, fruit trees, or perennial crops with corn production;

(e) Develop corn production guidelines for environmentally sensitive areas, including buffer zones around protected areas, critical watersheds, and biodiversity corridors;

(f) Conduct research on climate change mitigation and adaptation in corn production, including carbon sequestration potential and climate-resilient farming systems;

(g) Develop certification standards for sustainably-produced corn that may command premium prices or preferential market access; and

(h) Provide technical assistance to corn-producing local government units in integrating corn development with environmental protection and land use planning.

SEC. 24. *Upland and Rural Development Program.* — PhilCorn shall establish and implement an Upland and Rural Development Program (URDP) in coordination with the Department of Agrarian Reform, the Department of the Interior and Local Government, the National Commission on Indigenous Peoples, and the Department of Social Welfare and Development. The URDP shall:

(a) Develop and disseminate corn varieties and production technologies specifically suited to upland conditions, including tolerance to acidic soils, aluminum toxicity, low phosphorus availability, drought, and sloping terrain;

(b) Research and promote soil and water conservation practices for corn production on sloping lands, including contour farming, bench terracing, hedgerow systems, natural vegetative strips, and grass waterways;

(c) Develop integrated upland farming systems that combine corn with perennial crops, livestock, trees, and other enterprises to enhance farm productivity, income stability, and ecological sustainability;

(d) Establish satellite stations and extension centers in strategic upland areas to bring research and services closer to upland farmers;

(e) Develop training programs tailored to the needs and circumstances of upland communities, including programs for indigenous peoples that respect and integrate traditional knowledge;

(f) Support the development of post-harvest facilities, storage systems, and market linkages in remote corn-producing communities to reduce post-harvest losses and improve farm-gate prices;

(g) Collaborate with rural development agencies in integrating corn improvement with programs for rural roads, electrification, water supply, education, health, and social services;

(h) Support community-based seed production and distribution systems to improve access to quality seeds in remote areas;

(i) Develop and promote labor-saving technologies suited to upland conditions where mechanization is challenging; and

(j) Document and evaluate traditional corn varieties and practices used by upland communities and indigenous peoples, and incorporate valuable traits and knowledge into research programs.

SEC. 25. *Funding for Special Programs.* — The special programs established under this Chapter shall be funded through:

- (a) Annual appropriations specifically earmarked for each program;
- (b) A portion of PhilCorn's general research and extension budget, as determined by the Board;
- (c) Grants and donations from local and international development partners;
- (d) Collaborative funding arrangements with other government agencies; and
- (e) Other sources as may be identified by the Board.

The Board shall ensure that adequate resources are allocated to each special program commensurate with its importance to national food security, rural development, and environmental sustainability.

CHAPTER VII COORDINATION AND LINKAGES

SEC. 26. *Coordination with Other Agencies.* — PhilCorn shall coordinate with the following agencies in the performance of its functions:

- (a) Department of Agriculture (DA) - for policy guidance and program integration;
- (b) Bureau of Plant Industry (BPI) - for variety registration, seed certification, and plant quarantine matters;
- (c) Bureau of Animal Industry (BAI) - for livestock and poultry sector linkages and feed quality standards;
- (d) Bureau of Soils and Water Management (BSWM) - for soil health, nutrient management, and water conservation programs;
- (e) Fertilizer and Pesticide Authority (FPA) - for biofertilizer registration and fertilizer reduction initiatives;
- (f) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD) - for research planning, funding, and networking;
- (g) Agricultural Training Institute (ATI) - for training and extension services;
- (h) National Food Authority (NFA) - for corn procurement, storage, and price stabilization;
- (i) Department of Science and Technology (DOST) - for science and technology policy and support;

(j) Department of Environment and Natural Resources (DENR) - for environmental sustainability, watershed protection, and habitat conservation;

(k) National Commission on Indigenous Peoples (NCIP) - for programs involving indigenous peoples and cultural communities engaged in corn farming;

(l) Department of Agrarian Reform (DAR) - for programs benefiting agrarian reform beneficiaries engaged in corn production;

(m) Department of the Interior and Local Government (DILG) - for coordination with local government units on upland and rural development;

(n) State Universities and Colleges (SUCs) - for collaborative research and human resource development;

(o) Local Government Units (LGUs) - for program implementation and extension services;

(p) National Irrigation Administration (NIA) - for irrigation support in corn production areas;

(q) Philippine Crop Insurance Corporation (PCIC) - for crop insurance programs covering corn;

(r) Land Bank of the Philippines - for credit and financing programs for corn farmers and corn-based enterprises; and

(s) Other agencies as may be relevant to the corn industry and its linkages with the livestock sector, environment, and rural development.

SEC. 27. *International Cooperation.* — PhilCorn may enter into collaborative arrangements with international research centers, foreign universities, development agencies, and other international organizations for purposes consistent with its mandate, subject to existing laws on international agreements.

Priority shall be given to partnerships with the International Maize and Wheat Improvement Center (CIMMYT), the International Livestock Research Institute (ILRI), the Food and Agriculture Organization (FAO), and other institutions with expertise relevant to corn-livestock integration, sustainable production, and upland development.

SEC. 28. *National Corn Research and Extension Network.* — PhilCorn shall establish and coordinate a National Corn Research and Extension Network

(NCREN), which shall serve as a platform for collaboration among government agencies, state universities and colleges, private research institutions, and other stakeholders engaged in corn research and extension.

The NCREN shall:

(a) Facilitate the sharing of research results, technologies, and best practices;

(b) Promote collaborative research programs;

- (c) Avoid duplication of efforts and optimize the use of resources;
- (d) Strengthen linkages between research and extension; and
- (e) Provide a forum for discussing issues and opportunities in the corn industry.

CHAPTER VIII

TRANSITORY AND FINAL PROVISIONS

SEC. 29. *Transfer of Functions, Assets, and Personnel.* — Upon the effectivity of this Act:

(a) All functions, programs, projects, and activities of the Department of Agriculture and its attached agencies relating to corn research and development shall be transferred to PhilCorn;

(b) All assets, equipment, records, and other properties of the DA and its attached agencies used primarily for corn research and development shall be transferred to PhilCorn;

(c) All personnel of the DA and its attached agencies whose positions are primarily devoted to corn research and development shall be transferred to PhilCorn without diminution in rank, compensation, and benefits;

(d) Transferred personnel who do not wish to join PhilCorn may opt to be absorbed by other units of the DA or may avail of the benefits under existing laws on government reorganization; and

(e) The DA shall provide administrative support to PhilCorn during the transition period.

SEC. 30. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the Department of Agriculture, in consultation with PhilCorn and other stakeholders, shall promulgate the implementing rules and regulations necessary for the effective implementation of this Act.

SEC. 31. *Congressional Oversight.* — The Congressional Oversight Committee on Agricultural and Fisheries Modernization created under Republic Act No. 8435, otherwise known as the Agriculture and Fisheries Modernization Act of 1997, shall oversee, monitor, and evaluate the implementation of this Act.

PhilCorn shall submit an annual report to Congress on its accomplishments, financial status, and plans, not later than April 30 of each year.

SEC. 32. *Separability Clause.* — If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SEC. 33. *Repealing Clause.* — All laws, decrees, executive orders, rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

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SEC. 34. *Effectivity.* — This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,