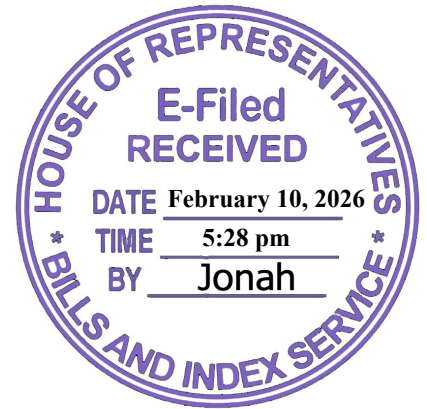


Republic of the Philippines
HOUSE OF REPRESENTATIVES
 Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7724



Introduced by Representative JESUS “Jess” R. MARQUEZ

EXPLANATORY NOTE

This proposed measure seeks to strengthen the National Research Council of the Philippine Islands (NRCP) for the promotion of research and development work along scientific lines.

Technical innovation and economic growth go hand in hand. This has been repeatedly demonstrated by our neighbors Japan, South Korea, and even Taiwan, whose substantial exports of electronic equipment, from handheld gadgets to robotics, resulted to the turnaround of their economies.

Recognizing this reality, the Philippines likewise sought to strengthen the foundations of its scientific research through the creation of the National Research Council of the Philippines (NRCP) under Act No. 4120 of the Ninth Philippine Legislature.

Since its establishment in 1933, the NRCP has been mandated to foster linkages with local and international scientific organizations to enhance cooperation in knowledge generation and sharing, promote and support fundamental research by Filipino scientists and researchers, and provide advice on national policies grounded on scientific study and empirical data.

During the Commonwealth period, the NRCP effectively fulfilled its mandate by providing administrative and policy support guided by scientific inquiry. Its influence on both the Executive and the Legislature Branches was notable, owing to its significant and substantive contributions to policymaking. Over more than 90 years of existence, the NRCP has been shaped by numerous legislative enactments and executive issuances, evolving into the institution that it is today. Notably, it participated in the drafting of the science provisions of the 1935 Constitution and provided legislative advice for the establishment of key institutions such as the Philippine Institute of Volcanology and Seismology and the National Science Development Board, now known as the Department of Science and Technology.

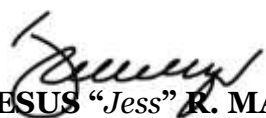
Unfortunately, according to recent reports from the United Nations Educational Scientific and Cultural Organization (UNESCO), the Philippines still falls far short of the recommended level of researchers, with only 106 researchers for every 1 million people (down

from 189 researchers per million in 2013 reports), which is less than a third of the amount (380 researchers per million)¹.

To address these persistent gaps in scientific development, there is a pressing need to review the current structure and organization of the NRCP, as well as the overall direction of the country's research and development agenda. This review is necessary to effectively capacitate more Filipinos across regions to engage in research and to develop a robust pool of State-supported research scientists.

This proposed measure has been repeatedly filed since the 17th Congress. Through this bill, we envision a dynamic and empowered Filipino scientific community, where the public, researchers, and policymakers work closely in crafting and implementing programs, systems, and laws that advance national development through a stronger, more responsive, and more efficient NRCP.

In this regard, the immediate approval of this bill is highly sought.


REP. JESUS "Jess" R. MARQUEZ

¹ UNESCO. (2021). *UNESCO Science Report: The race against time for smarter development*. <https://www.unesco.org/reports/science/2021/en/dataviz/researchers-million-habitants>

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HOUSE BILL NO. 7724

Introduced by Representative JESUS “Jess” R. MARQUEZ

AN ACT
STRENGTHENING THE NATIONAL RESEARCH COUNCIL OF THE PHILIPPINES
FOR THE PROMOTION OF RESEARCH WORK ALONG SCIENTIFIC LINES AND
APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Title. – This Act shall be known as the “National Research Council of the Philippines Act”

SECTION 2. Declaration of Policy. – In consonance with the provisions of Section 10, Article XIV of the Constitution, which provides that the State shall give priority to research and development, it is hereby declared to be the policy of the State to promote research and science or evidenced-based policy legislation and government administration.

The State shall support the harmonization of national research agenda, including but not limited to the National Integrated Basic Research Agenda (NIBRA) and the utilization of research in the creation of development plans in national and local governments that will redound to progress and well-being of the people. It shall also endeavor to decentralize research efforts that will expand opportunities for training and providing budget available to researchers, scholars and scientists in the provinces that will accelerate inclusive development. Empowering the researchers in provinces will narrow the disparity on the state research between the National Capital Region (NCR) and the provinces.

Government institutions, agencies and instrumentalities shall endeavor to incorporate or embed evidence-based research or studies in the development and passage of laws within their jurisdiction.

The State shall provide support for the creation of a national repository and clearing house in basic and frontier research, registry of researchers and scientists who are doing different research.

This also includes the added role of the NRCP to conduct impact assessment of researches, and establishment of a Center for Research and Development (R&D), and of a Research for Development (R for D) training in all regions of the country.

SECTION 3. Objectives. – The National Research Council of the Philippines, hereafter referred to as the Council, have the following purposes and objectives:

- a) Stimulate and support research in the mathematical, physical and biological sciences, engineering, agriculture, medicine, social sciences, humanities and the arts, with the objective of increasing knowledge, studies of problems of the national defense and security, and contributing in other ways to the public welfare;
- b) Survey the larger possibilities of sciences, to formulate comprehensive projects of research including but not limited to the National Integrated Basic Research Agenda (NIBRA), and develop effective means of utilizing the scientific and technical resources of the country to carry out these projects;
- c) Promote cooperation in research in all the regions of the country and abroad in order to secure concentration of effort, instill ethical standards, minimize duplication, and stimulate progress; but in all cooperative undertakings to encourage individual initiative as fundamentally important to the advancement of science;
- d) Gather and collate scientific and technical information locally and internationally as national repository, in cooperation with governmental and other agencies and to render such information available to duly accredited persons;
- e) Provide a national training program for researchers in the country and promote the continuing total development of Filipino scientists and researchers as professionals and as members of the larger society;
- f) Provide research-based recommendations and advice to legislators in the crafting of laws or plans that are of national and local importance geared towards solving problems of the country. The Council shall study and monitor the development of research or evidence-based policies in the government;
- g) To serve as an advisory and consultative body to government policy-makers in matters relating to sciences for development, defense, and security; and to provide a forum for discussion and formulation of scientific plans and policies;
- h) Maintain a mapping of the research of its members to serve as guide for research coordination in the country.
- i) Contribute in providing support mechanism and capacitate the research capabilities of higher educational institutions (HEIs) and state universities and colleges (SUCs), government agencies and local government units (LGUs)
- j) Establish a custodial/repository site for basic and frontier research; and become the registry and certifying agency for basic and frontier researchers; and
- k) Investigate, examine, experiment, survey and report any subject of importance as called upon by any branch or department of the Government, Regional Development Councils (RDC) and by the various Local Government Units (LGUs).

SECTION 4. *Definition of Terms.*

- a) *Accreditation* – is the process in which an authoritative body formally recognizes the competence of researchers to conduct research and other related activities based on the prescribed criteria, guidelines and standards defined by the Council.
- b) *Clearing House* – a central institution or agency for the collection, maintenance, and distribution of materials, information, etc.
- c) *Research* – is the diligent and systematic inquiry or investigation into a subject in order to discover or revise facts, theories, applications, etc.
- d) *Repository* – a place in which inventory of registered research and registry of researchers and scientists in the country including researchers and scientists of other National Research Councils in the ASEAN and other parts of the world are maintained and preserved under the custody of a government office.
- e) *Registry* – is a record of document for registration entered in the appropriate registry book.

- f) *Evidence-based* – demonstrated through thorough or rigorous scientific research to be effective.
- g) *Capacity building* – planned development whereby individuals and organizations obtain, improve, and retain the skills, knowledge, tools, equipment and other resources needed to perform scientific work competently or to a greater extent through acquisition, incentives, technology, and/or training.
- h) *Human development* – is defined as the process of enlarging people's choices, freedoms and opportunities and improving their well-being. A measurement of achievements by humans through advancement of knowledge, biological changes, habit formation or other criteria that displays changes of standard of living over time.
- i) *Interdisciplinary* refers to combining or involving two or more academic discipline or field of study.
- j) *Multiple disciplinary* – involving two or more academic disciplines or fields of study brought together to investigate a topic; may be multidisciplinary, interdisciplinary or transdisciplinary.
- k) *Frontier research* – an undeveloped field of study; a topic inviting research and development; usually addresses highly controversial issues in the scientific community in the area being explored, deals with hard to answer queries employing normal methodological approaches, employs methodologies and concepts atypical for concerned field, takes unexpected findings challenging dominant paradigm used, focuses on issues where resolution is critical for confirmation or rebuttal of the prevailing paradigm, and involves research with extreme degree of uncertainty or failure (high cost, high risk of failure); and
- l) *National Research* – refers to the inclusive quality of research and innovation programs that involve the various disciplines in the sciences and humanities; concerned with national or facets of national concern, and entailing multidisciplinary and interdisciplinary research and training. This type of research aims to achieve academic and societal, and economic impact.

1. *Academic impact* refers to the contribution of quality research to developments and advances in knowledge, method, theory, and application.

2. *Societal and economic impact* refers to the development and contribution that quality research makes to society and the economy, beneficial to individuals, their way of life, and to national development.

SECTION 5. Powers. – The Council shall have the following powers:

- a) Make its own organization, be incorporated, constituted, and declared a corporate body by the name of National Research Council of the Philippines;
- b) Adopt, alter and use an corporate seal; It can sue and be sued in its corporate name;
- c) To review the institutional arrangements for coordinating the research and development activities of the government department and agencies, academe, business sector, and non-government organizations and recommend the appropriate regular and permanent institutional arrangement for coordinating and overseeing the allocation of research and development budgets to government departments, agencies and state colleges and universities;
- d) To recommend a system establishing priority research and development areas where government funding shall be directed;
- e) Promote the continuing total development of the Filipino scientists and researcher as a professional and as member of the larger society;
- f) To institute appropriate measures to establish a monitoring and evaluation system for both public and private research and development institutions that utilize public funds;
- g) Provide implementing rules and regulations to determine its membership, fill vacancies created by death, resignation or otherwise; shall hold an annual meeting at

such place and time as may be determined by the Board; to provide for the election of the Governing Board members, division into classes, and other matters needful or usual in such institution;

- h) Collect, receive and maintain a fund or funds from government appropriations and from donations, grants, gifts, bequests, loans from domestic and foreign sources, and to apply the income and principal thereof to the promotion of its aims and purposes;
- i) Own, manage and hold such real and personal property as shall be necessary for the Council's purposes;
- j) To extend financial assistance to, and enter into contracts of every kind and for any lawful purpose, with any person, firm, association or corporation, domestic or foreign, or others in which it has a lawful interest;
- k) Shall have the authority to invest its funds in such undertaking as it may deem beneficial or necessary to carry out its objectives;
- l) Conduct joint international studies with other councils or research institutions;
- m) Extend research support along multi-disciplinal, inter-disciplinal and trans-disciplinal scientific lines in the conduct of forecast studies along security, defense, development, resiliency and disaster preparedness of the country; and
- n) Investigate, examine, experiment and report upon any subject of science or art, whenever called upon by any department of the government.
- o) Serve as consultative body to government policy-makers in matters relating to sciences for development, defense and security; and to provide a forum for discussion and formulation of scientific plans and policies;
- p) Contribute in providing support mechanism to commercialize or utilize the output of research for industries, commercial, and policy development; capacitate the research capabilities of Higher Educational Institutions (HEIs) / State Universities and Colleges (SUCs), government agencies, and local government units;
- q) Establish a custodial/repository for basic and frontier research; and become the registry and certifying agency for basic and frontier researchers; and
- r) Promulgate rules and regulations not contrary to law as may be necessary to carry out the purpose and functions of the Council.

SECTION 6. The Governing Board. – The affairs of the National Research Council of the Philippines shall be administered by a Governing Board (GB) which shall be composed of the following:

- a. Secretary of the Department of Science and Technology (DOST) or his/her designate;
- b. Chairpersons of the Scientific Divisions;
- c. Chairpersons of the Regional Clusters
- d. Two (2) members-at-large

The officers of the National Research Council shall consist of a President, Vice – President, a Corporate Secretary and a Treasurer. The President of the National Research Council or in case of his absence or inability to act, the Vice-President shall be the Chief Executive Officer of the Council and shall preside over the meetings of the Council and of the Governing Board.

A majority of the members of the GB shall constitute a *quorum* for the transaction of the business of the GB.

SECTION 7. Divisions. - The Council shall be organized into the following divisions:

- 1. Division of Governmental, Educational & International Policies
- 2. Division of Mathematical Sciences
- 3. Division of Medical Sciences
- 4. Division of Pharmaceutical Sciences
- 5. Division of Biological Sciences

6. Division of Agriculture and Forestry
7. Division of Engineering and Industrial Research
8. Division of Social Sciences
9. Division of Physics
10. Division of Chemical Sciences
11. Division of Humanities
12. Division of Earth and Space Sciences
13. Division of Veterinary Medicine

The number of divisions and the grouping of subjects may be reviewed and modified by the Governing Board of the National Research Council of the Philippines.

The divisions of the Council, with the approval of the Governing Board, may establish sections.

SECTION 8. *Functions and Responsibilities of the Governing Board.* – The Governing Board shall have the following functions:

- (a). Formulate and adopt policies and measures for the management and operation of the Council including the admission of its members;
- (b). Elect the President of the Council who shall come from among the elected members of the Board;
- (c). Approve the staffing pattern of the Council;
- (d). Promulgate rules and regulations for the discharge of its powers and functions and the internal operations of the Council; provided, that, the Chair of the GB shall exercise the power to appoint, promote discipline or remove the personnel of the Council;
- (e). Manage the financial affairs of the Council and approve the annual budget of receipt and expenditures of the Council according to its requirements;
- (f). Delegate any of its powers and duties to the Executive Director or other officials of the Council as it deem appropriate so as to expedite the administration of the affairs of the Council;
- (g). Develop consortia and other forms of linkages with LGUs, institutions and agencies, both public and private, local and foreign, and to appoint experts or specialist as consultants, or visiting or exchange researchers, as the case maybe;
- (h). Establish policy guidelines and procedures for participative decision making and transparency within the Council;
- (i). Approve, monitor and review periodically the institutional programs and projects of the Council; and
- (j). Modify the number of divisions and the grouping of subjects to meet the changing needs of science in the country.

SECTION 9. *President of the Council.* – The President of the Council shall be elected the Governing Board annually and shall serve for one (1) year, and may be reelected for a maximum of three (3) years. He shall be the CHIEF EXECUTIVE OFFICER of the Council and shall receive *honoraria* as may be determined by the Governing Board; and shall have the following powers and duties;

- a) Prepare, for the approval of the GB, the staffing pattern of the Council, which shall include the determination of the qualifications, and fixing the number and compensation of such officials and personnel as may be necessary for the proper discharge of the function of the Council;

- b) Control and supervision over the personnel, staff, operations and internal administration of the Council in accordance with existing laws and rules and regulations promulgated by the Governing Board;
- c) Recommend to the GB such policies and measures which deems necessary for the effective exercise and discharge of the powers and responsibilities of the Council;
- d) Submit the annual report to the GB on the operations, the status of the programs funded by, the financial condition of the Council, including a recommendation for its budget for the ensuing year, and
- e) Represent the Governing Board in national and international events and negotiations.

The President shall continue in his office until the expiration of the term for which he has been elected or appointed. In cases of hold over capacity, the President shall continue serving until his successor shall have been elected and assumed office.

SECTION 10. *Executive Director.* – The Governing Board shall appoint an Executive Director who shall render full service as the CHIEF OPERATING OFFICER of the Council. The Executive Director shall have a term of three (3) years and is eligible for reappointment for another term.

In case of vacancy by reason of death, compulsory retirement, resignation, removal for cause or incapacity of the Executive Director to perform the functions of the office, the Board shall designate an Officer-in-Charge within six (6) months from the date of vacancy, pending the appointment of a new Executive Director. In case vacancy of the office of the ED, the successor shall hold office only for the unexpired portion of the term.

The salary of the Executive Director of the Council is in accordance with the Revised Compensation and Position Classification System, as amended, and other pertinent budget and compensation law.

SECTION 11. *Duties of the Executive Director.* - The Executive Director of the Council shall exercise the following powers and duties:

- a) Submit for the consideration of the Governing Board the policies and measures necessary to carry out the purposes and objectives of the Council;
- b) Recommend, coordinate and administer the programs and projects of the Council;
- c) Direct and supervise the operations and internal administration of the Council, and to delegate administrative responsibilities in accordance with the rules and regulations of the Council;
- d) Submit annual report to the Governing Board setting forth the work of the Council during the year, its financial operations and status, and a program and budget for the ensuing year, and
- e) Exercise such powers and to discharge such functions as may be vested in him by the Governing Board.

SECTION 12. *Research and Development Efficiency.* The Council shall establish a Research and Development Audit and Support Committee who shall be responsible for reviewing regulations affecting research and research universities and making recommendations on how to:

- a) Harmonize, streamline and eliminate duplicative regulations and reporting requirements; and
- b) Minimize the regulatory burden on institutions of higher education performing government funding research while maintaining accountability for expenditures.

It shall take into account best practices, learnings, challenges and recommendations from various stakeholders including national and local government funded researchers, institutions of higher education, scientific disciplinary societies and associations, nonprofit research institutions, industry, including small business, government-funded research and development centers, and others with a stake in ensuring effectiveness, efficiency, and accountability in the performance of scientific research.

SECTION 13. *Satellite Cluster Offices.* – In order to decentralize research and empower the capacity of the different regions to perform academic or pure research, and basic researches with policy outputs, satellite cluster offices shall be established in Luzon, Visayas and Mindanao selected areas. The NRCP shall oversee the Satellite Cluster Office which will be established in order to address region-specific concerns and to promote a research culture.

SECTION 14. *Research Fellows.* – The Council is hereby authorized to engage its member-researchers to conduct specialized studies and research of the Council. Those engaged by the Council shall be issued appointments as Researcher Fellows and shall be paid an honoraria as determined by the Governing Board.

SECTION 15. *Government Contribution To Research Funding.* – There shall be an amount from the National Government not less than 10% of the Research and Development (R&D) budget equivalent to that of the Department of Science and Technology (DOST) in financing the research activities of the Council for national application.

SECTION 16. *Endowment Fund.* An NRCP endowment fund shall be established, which shall be self-sustaining and consist of contributions, donations, grants, or loans from domestic and/or foreign sources, government subsidies, and other income accrued from the operations of the Council. For the initial organizational and operational requirements of the Council, there is hereby appropriated out of any funds in the National Treasury not otherwise appropriated the sum of five hundred million pesos (₱500,000,000.00). Hereafter, funding for the operational activities of the Council shall be generated by the Council from earnings of this Fund.

In granting the endowment fund, the national government shall provide a 3-year allocation beginning from the year of the approval of this Act.

The NRCP is hereby authorized and empowered to receive bequests and donations, hold the same in trust, to be applied by the Council in aid of scientific investigations, examinations, and experiments

SECTION 17. *Local Government Units (LGUs) Research Fund.* – The initial funding requirements for the implementation of this Act shall be charged against the current appropriations of municipalities, cities and provinces. Thereafter, such sums as may be necessary for the implementation of this Act shall be included in the LGUs' yearly budgets under the General Appropriations Act. The State shall prioritize allocation of all available resources to effectively fulfill its obligations specified under this Act. The LGUs' research budgets, which shall be at least one percent (1%) of their total budgetary allocation, shall also be utilized for the programs and activities to implement this Act.

SECTION 18. *National Training Centers* – In order to provide a human resource component in the development of research capability of Filipinos, the NRCP shall establish a National Training hub. It shall offer specialized and demand-driven needs on research which will respond to gaps in knowledge, competencies, and development.

The National Government shall provide a one-time lump sum appropriation. The Institute shall be financially sufficient, and its funds shall come from the following sources:

- a) Revenue generated from its operations;

- b) Donations, bequests, and similar financial contributions; and
- c) Others, such as investment and interest income.

SECTION 19. *Inter-Agency Collaboration for Research and Development (IACRD)* – In order to have the primary responsibility of determining which proposals should receive funding from the government, there is hereby established an Inter-Agency Center for Research and Development, hereinafter known as the IACRD, which shall be composed of the following head of agencies:

- a) Secretary of the Department of Science and Technology, as Chairperson;
- a) President of the National Research Council of the Philippines, as Vice Chairperson;
- b) President of the National Academy of Science and Technology, as Vice Chairperson;
- c) Secretary of the Department of Agriculture;
- d) Secretary of the Department of Energy;
- e) Secretary of the Department of Health;
- f) Secretary of the Department of National Defense;
- g) Secretary of the Department of Trade and Industry;
- h) Secretary of the Department of Information and Communications;
- i) Secretary of the Department of Education;
- j) Chairperson, Commission on Higher Education;
- k) (1) representative each from PCAARD, PCHRD, and PCIEERD and
- l) (1) representative from the private sector organizations of scientists and engineers in research and development, as members

The IACRD members may designate their duly authorized representative who shall have a rank not lower than an assistant secretary or its equivalent. These representatives shall attend meetings in their behalf, and shall receive emoluments as may be determined by the IACRD in accordance with existing budget and accounting rules and regulations.

The representatives from the private sector organizations of scientists and engineers engaged in research and development shall be appointed by the IACRD upon recommendation by the President. They shall serve for a term of three (3) years without reappointment.

In case of vacancy by reason of death, resignation, removal for cause or incapacity of the representatives from the private sector and from organizations of scientists and engineers, the successor shall hold office only for the unexpired portion of the term.

The IACRD Secretariat shall be created and placed under the supervision of the Executive Director of the NRCP. The IACRD secretariat shall perform coordinating and Secretariat functions and ensure the effective and efficient implementation of the IACRD objectives and programs. The IACRD secretariat shall be supported by technical support offices, which composition and staffing pattern are in coordination with the Department of Budget and Management and in accordance with Civil Service Rules and Regulations.

SECTION 19-A. Powers and Functions of the Inter-Agency Collaboration for Research and Development (IACRD)

The IACRD shall exercise the following purpose and functions:

- a) Formulate programs and projects in coordination and collaboration with the abovementioned agencies to harmonized Research and Development (R&D), and of Research for Development (R for D) based on their mandates as well as develop capability

programs for their employees to become more sensitive to the needs of the country or the region.

- b) Serve as the monitoring body related to Research and Development initiatives and require mechanism for the guidelines of funding requirements, submission of periodic accomplishment reports and submit annual status report
- c) Create and maintain a central databank of persons who availed of the R&D funding and serve as directory and guide in promoting Filipino scientific research and development.
- d) Coordinate the research and development activities of government departments and agencies, academe, business sector, and non-government organization and recommend a system of establishing priority research and development areas for coordinating and overseeing the allocation of research and development budget to government departments, agencies and state colleges and universities;
- e) Recommend mechanism, structure and measures to encourage greater private research and development funding as well as international funding for research and development initiatives; and
- f) To undertake, assist or promote scientific and industrial research including but not limited to: a) researches in the utilization of the natural resources, b) researches which aim to improve conditions of agriculture, c) researches with the objective of improving the technical processes and methods used in the industries and discovering processes and methods that may promote the expansion of existing or the development of new technologies;
- g) Shall promulgate Rules and Regulations necessary to effectively implement the provisions of this Act

SECTION 19-B. *Mechanism for granting research fund.* The government shall directly fund research and development proposals submitted to it by Filipino Citizens or Filipino entities, at the discretion of the IACRD. At the start of every year, the IACRD shall publish requirements and criteria for proposals, specifying therefore priority areas depending on the urgent needs and programs of the Philippine government. The IACRD shall accept proposals from all persons, whether publicly or privately employed and from all entities, whether government or non-government.

Funding shall either be a full grant or in the form of a subsidy. Funding for proposals shall be a period of one (1) year but may be extended at the discretion of the IACRD. The IACRD may impose conditions on the grants, including but not limited to:

- a. Government ownership of any patentable invention that may result from the research;
- b. Government share in any financial gains that may result from the research; and
- c. Confidentiality, particularly when the research is undertaken with access to sensitive government research and data.

The IACRD shall regularly publish the grants that it has approved and the results of any completed research unless such information is deemed confidential. Such publications shall be furnished to the Joint Congressional Oversight Committee created for this Act, Confidential information, while not published, must be made available to the members of the Joint Congressional Oversight Committee.

SECTION 19-C. *Joint Congressional Oversight Committee.* There is hereby created a Joint Congressional Oversight Committee to monitor the implementation of this Act. The Oversight Committee shall be composed of three (3) Senators and three (3) Representatives to be appointed by the Senate President and Speaker of the House of Representatives,

respectively. The Oversight Committee shall be co-chaired by the Chairpersons of the Committee on Science and Technology of both Houses of Congress and shall convene at least once a year.

SECTION 20. *International cooperation in research and development.* The DOST shall undertake and encourage collaboration in the scientific research and development activities with different international scientific organizations and facilitate the active participation of domestic and foreign private entities in order to establish a system of priorities towards filling the basic and immediate needs of the country.

SECTION *Exemption from taxes.* – All grants, bequests, endowments, donations and contributions made to and used actually, directly and exclusively by the council shall be exempt from donor's tax, and the same shall be considered as allowable deduction from gross income for purposes of computing the taxable income of the donor in accordance with the provisions of the national internal revenue code of 1997, as amended.

SECTION 21. *Tax Incentives.* – Expenses for research shall henceforth be deemed as deductions from gross income within the contemplation of the National Internal Revenue Code. Such expenses for research shall include, among others, that for research grants to faculty members of universities conducting independent research or commissioned by the private sector for business purposes.

All entities doing business in the Philippines in the field of research or those that use new technology or research-based business activities shall be exempt from the payment of income tax for a period of two (2) years from the time of the commencement of their research or technology-based business.

SECTION 21. *Tax Subsidy* – The Council may avail of the tax expenditure subsidy administered by the Fiscal Incentives Review Board (FIRB), subject to the provisions of Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended.

SECTION 22. *Tax Deductions For Research Grants.* – Grants for research shall henceforth be deemed as deductions from gross income in accordance with Section 34 (I) of the National Internal Revenue Code OF 1997, as amended

SECTION 23. *Monitoring and Reporting Responsibility.* –The NRCP shall submit an Annual Summary Report to both Houses of Congress and to the Office of the President, an accurate account of its research work and activities during the corresponding fiscal year.

SECTION 24. *Data Banking Responsibility.* The NRCP shall serve as the national repository and shall create and maintain a databank or registry of research and researchers/scientists in the country including those from other National Research Councils in the ASEAN and other parts of the world.

Likewise, the NRCP shall serve as Clearing house for purposes of identifying redundancy and duplication in the conduct of research to avoid wastage of resources and efforts.

SECTION 25. *Other Benefits and Privileges.* – The NRCP may draw up other benefits and privileges, such as the ***Magna Carta for Scientists (RA8439)***, which may be extended to the researchers in the rules and regulations to be issued to implement this Act in accordance with other existing laws, codes, presidential decrees, executive orders, department orders and other issuance promulgated for the purpose of accelerating the research and development of the country.

Said rules and regulations may include a one-time incentive bonus and such additional incentives, benefits and privileges that may be necessary to attract the researchers to conduct research to help in the scientific, technological and innovative advancement of the country.

SECTION 26. *Building Site.* – The parcel of land presently occupied by the National Research Council of the Philippines (NRCP), more particularly described and delineated under Proclamation No. 376, Series of 1968, for building site and science community site purposes, containing an area of fourteen thousand four hundred sixteen (14,416) sq. meters, is hereby permanently entitled to NRCP.

SECTION 27. *Appropriations.* - The amount necessary to cover the initial implementation of this Act shall be charged against the current year's appropriation of the national government agency, office, or instrumentality. Thereafter, such sums as may be needed for its continued operations shall be included in the annual General Appropriations Act.

SECTION 28. *Implementing Rules and Regulations (IRR).* – The NRCP with other concerned government departments, agencies and bureaus shall within ninety (90) days from the effectivity of this Act issue the necessary implementing rules and regulations of this Act.

SECTION 29. *Repealing Clause.* – Act No. 4120, otherwise known as "An Act Creating a National Research Council of the Philippine Island for the Promotion of Research Work Along Scientific Lines," is hereby repealed. All laws, orders, proclamation, rules and regulation or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 30. *Separability Clause.* – Any provision or part of this Act declared invalid or unconstitutional, the other provisions hereof which are not affected are thereby repealed or modified accordingly.

SECTION 31. *Effectivity Clause.* – This Act shall take effect fifteen days after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,