

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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 914



Introduced by Representative ALYSSA SHEENA TAN

EXPLANATORY NOTE

Corn is a major crop product in the Philippines. In 2018, the Philippines has produced about 7,772,000 Metric Tons of white and yellow corn, while a total of 2,511,000 Hectares have been used for corn production. It is considered as a basic commodity and a staple food for most Filipinos. In fact, it is promoted as a healthy alternative and a nutritious substitute for rice. Corn contributes to the livelihood of plenty as about 600,000 farm households depend on the same as their primary source of income. Additionally, corn is also a leading source of feed for the Philippine poultry and livestock industry.

Notwithstanding the apparent importance of corn to the Philippines, a specialized corn research institute dedicated to researching and developing corn farming has yet to be established. Consistent with Article XIII, Section 5 of the Constitution where it is expressed that the State shall provide support to agriculture through appropriate technology and research, this bill seeks to finally establish the long absent Philippine Corn Research Institute. This institution, to be known as the "PhilCorn," aims to modernize the corn industry, thereby improving the quality of corn products as well as the livelihood and capacities of Philippine corn farmers.

The creation of the Philippine Corn Research Institute has been previously attempted by prior bills filed in the seventeenth congress through various representatives. Unfortunately, these bills were not able to transform into law. In view of the foregoing the immediate approval of this bill is earnestly sought.


Atty. Alyssa Sheena Tan
Representative, 4th District of Isabela

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- 2 c) To work closely with regulatory agencies such as the Bureau of Plant
- 3 Industry; the Bureau of Agriculture and Fisheries Standards; and
- 4 private stakeholders and NGOs in the collection, conservation, and
- 5 utilization of endemic or traditional corn varieties as well as in the
- 6 experimentation, planting, and monitoring of corn hybrid and
- 7 genetically engineered varieties;
- 8
- 9 d) To improve the livelihood and economic conditions of small-scale and
- 10 resource-poor farmers who are growing corn after rain-fed rice as well
- 11 as in upland and dry-land farming ecosystems
- 12
- 13 e) To develop and implement sustainable and environment-friendly corn
- 14 and corn-based farming systems in the vulnerable and marginal areas
- 15 like sloping terrains and evaluate those areas where crops other than
- 16 corn may be more appropriate to grow;
- 17
- 18 f) To gather and provide reliable, up-to-date data to guide policy makers
- 19 with regard to corn improvement and development, import and export
- 20 volumes, and develop strong linkages among stakeholders in promoting
- 21 the national corn industry;
- 22
- 23 g) To expand employment opportunities through corn and corn-based
- 24 farming systems in the rural areas, and ultimately promote the general
- 25 welfare of the people through higher efficiency and profitability in
- 26 production, industrial products development, processing, and
- 27 marketing;
- 28
- 29 h) To initiate and undertake such other related programs in consultation
- 30 and partnership with the DA-Bureau of Agricultural Research (DA-
- 31 BAR), the DA regional research centers (DA-RIARCs), the Philippine
- 32 Council for Agriculture, Aquatic Resources, Forestry, and Natural
- 33 Resources Research and Development, State Colleges and Universities,
- 34 and the private sector.
- 35

36 **SECTION 4. *Principal and Regional Offices.*** The PhilCorn shall have its principal

37 office at the **Isabela State University** or at any other suitable site as the Board of

38 Trustees may decide. It may also establish other offices, branches, satellite offices, or

39 subsidiaries in any geographically suitable region in the Philippines that are major

40 producers of corn and as may be necessary or proper for the accomplishment of its

41 purposes and objectives.

42

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

- a) Unify, plan, fund, conduct, monitor, and evaluate corn research, development, and technology promotion in different scientific and technological fields and programs, including but not limited to the following thrusts: (1) germplasm collection, conservation, breeding, and biotechnology; (2) natural resources management, watershed conservation, drought adaptation and mitigation; (3) corn engineering, farm mechanization, and post-harvest management; (4) pest surveillance, early warning system, integrated pest management, and biological control methods; (5) socio-economics, impact assessment, and policy advocacy; (6) technology packaging and demonstration, promotion and deployment, training and communication; (7) processing and industrial-chemical products development; and (8) corn-based farming systems, farm management improvement, and experiment station development.
- b) Unify, lead, fund, and coordinate a national network of corn and corn-based farming systems research and extension agencies, centers, and stations located in the different agro-ecological regions of the country where corn is a major crop;
- c) Develop technologies suitable for the rain-fed, upland, and dry-land agro-ecosystems that will maximize the productivity and quality of locally grown corn and corn-based crops while also reducing production costs and ensuring long-term and sustainable corn and corn-based production systems through genetic improvement and environmental resources and conservation measures;
- d) Enhance income of corn farmers by developing suitable corn-based crops and livestock farming systems as well as crop rotations where applicable; value-adding corn technologies including on-farm verification, processing, packaging, marketing, and promotion of economically viable technologies as well as entrepreneurial skills, giving emphasis on those aspects necessary for group endeavors of small-scale farmers, cooperatives, and seed growers;
- e) Develop databases needed in the identification and preparation of necessary policy recommendations towards efficient, highly productive and competitive corn industry and corn-based farming systems through appropriate socio-economic measures and public-private sector mobilization and participation;

- 1
2 f) Organize and develop strong training and communication programs for
3 corn and corn-based farming systems scientists, research managers, and
4 extension specialists to enable them undertake effective and timely
5 technology promotion of packaged technologies among clusters of
6 farmers and corporate growers by utilizing modern extension systems
7 such as information, education, and communication technology and
8 participatory social mobilization procedures; and
9
10 g) Publish and disseminate research and extension findings and
11 recommendations through scientific journals, books, technical and
12 extension bulletins, videos, and other print and communication
13 channels.
14

15 **SECTION 6. *Corporate Powers.*** The PhilCorn shall exercise the following corporate
16 powers:
17

- 18 a) To adopt and use a corporate seal;
19
20 b) To sue and be sued in its corporate name;
21
22 c) To have perpetual existence unless a law provides otherwise;
23
24 d) To adopt its by-laws and promulgate such rules and regulations as may
25 be necessary or proper to implement this Act, and to amend or repeal
26 the same from time to time;
27
28 e) To enter into, make and execute contracts and agreements of any kind or
29 nature;
30
31 f) To borrow funds and obtain loans from all sources, whether local or
32 foreign and whether government or private, to help finance its research
33 programs and its capital and operating expenditures, or support to
34 farmer entrepreneurial activities;
35
36 g) To invest in, purchase or otherwise acquire, own, lease, mortgage,
37 pledge, sell, assign, convey, exchange, encumber, borrow, or otherwise
38 deal in real and/or personal properties of whatever kind and nature, or
39 any interest therein, including shares of stock, bonds, notes, securities,
40 and other evidences of indebtedness of natural or juridical persons,
41 whether domestic or foreign and whether government or private, as
42 may be useful, necessary or proper to serve the objectives of this Act;
43

1 h) To receive and acquire from any person, government and private
2 entities, whether foreign or domestic, or from any corporation,
3 partnership, association or other entity such characters, licenses,
4 franchises, rights, privileges, concessions, assistance, grants, donations,
5 loans, and contributions consisting of such properties, real or personal,
6 including funds and valuable effects, as may be useful, necessary or
7 proper to finance PhilCorn's research, capital and operating
8 expenditures or otherwise carry out its purposes and objectives, and to
9 administer the same in accordance with the terms and agreement
10 consistent with its purposes and objectives; and
11

12 i) To acquire from the government, whether national or local or from any
13 person, corporation, partnership, association or other entity, such
14 characters, franchises, rights, privileges, assistance, financial or
15 otherwise and concessions as may be conducive to and necessary or
16 proper for the attainment of the purposes and objectives of the PhilCorn.
17

18 **SECTION 7. Board of Trustees.** The Board of Trustees, hereinafter referred to as "the
19 Board," shall exercise all the corporate functions and powers of the PhilCorn and
20 shall control all its businesses, activities, and properties that are relevant to the goals
21 and functions of the Institute.
22

23 a) The Board shall be composed of the Secretary of Agriculture or his
24 designate as *ex-officio* Chairperson and fourteen (14) members from the
25 following agencies and sectors:
26

- 27 1. Executive Director of the Philippine Council for Agriculture,
28 Aquaculture, Forestry, and Natural Resources Research and
29 Development of the Department of Science and Technology
30 (DOST) who will act as Co-Chairperson;
31
- 32 2. Director of the Bureau of Agricultural Research (BAR) who will
33 act as Vice-Chairperson;
34
- 35 3. Regional Executive Director (RED) representing the DA Regional
36 Field Offices (DA-RFOs);
37
- 38 4. Undersecretary of the Department of Budget and Management
39 (DBM);
40
- 41 5. Director of the Agriculture Division of the National Economic and
42 Development Authority (NEDA);
43

- 1 6. Director of the DA-Philippine Council for Agriculture and
2 Fisheries (DA-PCAF);
3
- 4 7. Two (2) University Presidents from the State Universities and
5 Colleges representing major corn producing and corn-based
6 agriculture regions;
7
- 8 8. Four (4) private sector representatives, namely: one each from
9 among the national outstanding corn farmers, farmers'
10 organizations or federations, private companies engaged in corn
11 research and seed production, and the livestock/poultry industry;
12 and
13
- 14 9. Two (2) distinguished scientists from the public and private
15 sectors. The credentials of private sector representatives shall be
16 evaluated and scrutinized by competent members of the Board.
17
- 18 b) The term of office of the members of the Board who are heads or officials
19 from their respective agencies or institutions shall be co-terminus with
20 their respective appointments; *Provided*, however, That the term of office
21 of the Regional Executive Director who represents the DA-RFOs where
22 corn is a major crop and the four (4) private sector representatives shall
23 be for five years without prejudice to a reappointment for another five
24 years based on merits and excellent performance in the Board. The
25 PhilCorn Executive Director shall serve as Secretary of the Board. All
26 government officials in the Board shall serve as *ex-officio* members and
27 shall not receive any salary or compensation.
28
- 29 c) The Chairperson, Co-Chairperson, Vice-Chairperson, and members of
30 the Board shall receive *per diem*, as the Board may determine, for each
31 Board meeting actually attended; *Provided*, however, That such members
32 shall also be entitled to reimbursable transportation and representation
33 allowances in going to and coming from board meetings and in
34 transacting official business for the Institute.
35
- 36 d) The Board shall meet regularly at least once (1) every quarter or as often
37 as the exigencies of the service demands. The presence of the
38 Chairperson, Co-Chairperson or Vice-Chairperson and at least seven (7)
39 members of the Board shall constitute a quorum and the majority vote of
40 the members present, there being a quorum, shall be necessary for the
41 adoption of any resolution, rule, regulation, decision or any other act of
42 the Board.
43

1 **SECTION 8. Powers and Functions of the Board.** The PhilCorn Board shall exercise
2 the following powers and functions:

- 3
- 4 a) To define and guide the formulation of the vision, mission, strategy, and
5 research-extension priorities, general plans and programs, policies,
6 procedures, and guidelines for the proper operation and management of
7 the PhilCorn in accordance with its purposes and objectives;
- 8
- 9 b) To approve the PhilCorn's organizational structure and staffing pattern,
10 operation and capital expenditures, and financial budget prepared in
11 accordance with its corporate plans;
- 12
- 13 c) To approve the plantilla and salary ranges, benefits, privileges, bonuses,
14 scholarship and manpower development, housing facilities and support
15 to staff, and other terms and conditions of service, including promotion
16 systems similar to those in the State Universities and Colleges and the
17 Department of Science and Technology (DOST) as well as life and
18 medical insurances and retirement schemes or benefits for all officers
19 and employees of the PhilCorn, upon recommendation of the Executive
20 Director;
- 21
- 22 d) To appoint, promote, transfer, suspend, remove or otherwise discipline
23 any subordinate officer or employee of the Institute, upon
24 recommendation of the Executive Director;
- 25
- 26 e) To create such committee or committees and appoint the members
27 thereof, as may be necessary and proper for the management of the
28 PhilCorn or for the attainment of its purposes and objectives; and
- 29
- 30 f) To exercise such other powers and functions and perform such other acts
31 as may be necessary or proper for the attainment of the purposes and
32 objectives of the PhilCorn, or as may be delegated by the Secretary of
33 Agriculture or any competent authority through the Board of Trustees.
- 34

35 **SECTION 9. Executive Director and Other Officers.** The PhilCorn shall be headed
36 by an Executive Director who shall be appointed by the President of the Philippines,
37 upon recommendation of The Board, based on the findings and recommendations of
38 a Search Committee duly organized and commissioned by the Board for such purpose.

- 39
- 40 a) The Executive Director shall serve for a term of five (5) years, subject to a
41 one term extension of five (5) years for very meritorious performance, or
42 a maximum total of ten (10) years without further extension for any
43 reason whatsoever; *Provided, however, That there shall be a reserved*

1 plantilla position of the same salary rate for the outgoing Executive
2 Director, if he is previously a holder of a plantilla position at PhilCorn
3 and shall not yet be of retirement age at the end of his term as Executive
4 Director; *Provided*, further, That the Board of Trustees, through a *Search*
5 *Committee* duly organized at least four (4) months earlier, shall have
6 chosen a new Executive Director who shall immediately assume office
7 during a turn-over ceremony on the expiration date of the term of office
8 of the outgoing Executive Director; *Provided*, finally, that no *Officer-in-*
9 *Charge* shall be designated as head of the Institute.

- 10
11 b) The Executive Director shall be assisted by two Deputy Executive
12 Directors, Division Heads, and Branch Station Directors or Managers as
13 the Board may determine, to carry out the purposes and objectives of the
14 PhilCorn.

15
16 **SECTION 10. Powers, Functions, and Duties of the Executive Director.** The
17 Executive Director shall be directly responsible to the Board and shall have the
18 following powers, functions, and duties:

- 19
20 a) To exercise dynamic leadership, create a vision, map out the mission,
21 provide strategic direction, and undertake systematic supervision over
22 the planning and implementation of all research, development,
23 technology sharing programs, training and extension, upgrading of
24 scientists and staff of the Institute and, in general, administer and direct
25 the management and operation in a transparent and corrupt-free
26 administration of the PhilCorn;
27
28 b) To execute all contracts, incur obligations, acquire and dispose of assets,
29 and deliver documents on behalf of the PhilCorn within the framework
30 of the authority delegated by the Board;
31
32 c) To implement and enforce policies, decisions, orders, rules, and
33 regulations that are promulgated or adopted by the Board;
34
35 d) To arrange for the conduct of an External Program and Management
36 Review (EPMR) by a Panel of Experts every 5 years or as often as
37 necessary in order to understand the output and impact of PhilCorn
38 programs to the farmers and stakeholders of the corn industry and to
39 provide guidance to management in charting the future of the institute;
40 and
41
42 e) To exercise such other powers and functions and performs such other
43 duties as may be authorized, assigned, or delegated by the Board.

1
2 **SECTION 11. *Technical Advisory Committee.*** A Technical Advisory Committee
3 (TAC), organized and approved by the Board, shall assist the Executive Director,
4 Division heads, Program Directors, and Branch Station Directors or Managers in
5 pursuing inter-agency activities and participation of the national research,
6 development, and extension network. The TAC shall be composed of not more than
7 nine (9) members, or as the Board may designate, who are heads, representatives, or
8 scientists and experts of agencies, government or private, that are actively involved
9 in any critical aspect of corn research, corn-based farming systems, seed quality
10 certification, training and extension, production and processing, marketing and
11 consumption, policy advocacy, and capacity building. TAC members may be
12 assigned to assist specific programs, divisions, or branch stations as the services may
13 require in achieving the goals and objectives of PhilCorn.
14

15 **SECTION 12. *Services of Government Personnel.*** The PhilCorn may, for the
16 purpose of its research, development, training, and extension activities, obtain and
17 secure the services of scholars and scientists as well as specialists in research,
18 training, extension, and communication of any unit, experiment station, institute or
19 center of the Department of Agriculture, University of Southern Mindanao, Central
20 Mindanao University, Visayan State University, University of the Philippines Los
21 Banos, Mariano Marcos State University, Isabela State University, Central Luzon
22 State University, and other agencies and universities of the national government and
23 foreign institutions. Those personnel of national and international reputations, from
24 public or private institutions, shall be designated as visiting scientists and research
25 fellows for a term of one year to five years to assist in conducting major research
26 problems of strategic importance and consequences in pursuing the goals and
27 objectives of the Institute. The selected personnel may be paid such honoraria or
28 incentives acceptable to all concerned and as may be fixed and authorized by the
29 Board.
30

31 **SECTION 13. *Buildings, Facilities, and Equipment.*** The PhilCorn is hereby
32 authorized to own, acquire, borrow, lease, plan, and construct or repair buildings,
33 laboratories, experimental farms, and other facilities as may be necessary or proper
34 to attain its purposes and objectives. It may also utilize facilities of any unit of any
35 cooperating State Universities and Colleges, the Department of Agriculture, and of
36 the national government that is engaged, directly or indirectly, in activities that
37 relate to agriculture, farming systems, corn production or products development of
38 the corn industry.
39

- 40 a) The PhilCorn is further authorized to purchase equipment, materials and
41 articles, either locally or abroad, as may be necessary or proper to carry
42 out its powers and functions and attain its purposes and objectives. It
43 shall be exempted from the payment of any and all forms of taxes, duties,

1 fees and charges on any and all such importation of equipment,
2 materials, articles, and services; *Provided*, however, That the same are not
3 available locally on favorable terms.
4

5 b) The PhilCorn shall be authorized to expropriate lands for corn and corn-
6 based farming systems research and development purposes provided
7 that just compensation is paid to the owners of the land. If the land
8 belongs to the government or is inalienable, the Institute is granted
9 automatic title to the land.
10

11 c) Likewise, all lands, farms, plantations, whether directly or indirectly
12 owned, used, utilized or administered by the PhilCorn and those that it
13 may hereinafter acquire or utilize for research, training, extension and
14 technology demonstration, and seed production purposes shall be
15 exempted from the coverage of the Comprehensive Agrarian Reform
16 Law.
17

18 **SECTION 14. Appropriation.** The Secretary of Agriculture and the Secretary of
19 Budget and Management are hereby authorized and directed to set aside out of the
20 existing funds of the Department of Agriculture in the amount of Four Hundred
21 Million Pesos (P400M) as the initial fund of the PhilCorn for CY 2019 to be used for
22 its initial operations, including provisions for salary of personnel, conduct of
23 research and technology promotion, construction of laboratories and other physical
24 infrastructures, purchase and development of experimental farms, and acquisition
25 and purchase of equipment for laboratories, farm development, and offices. This
26 initial amount shall be drawn from the DA National Corn Program, BAR
27 appropriations for research, RP-Japan Fertilizer Grant (KR-2), Public Law PL 480
28 (PL480), and/or any other existing bilateral funding sources in the Department of
29 Agriculture. Thereafter, the government contribution to the Institute's operations
30 shall be provided for under its own Key Budgetary Inclusion (KBI) in the Annual
31 General Appropriations Act. Furthermore, the PhilCorn Board of Trustees shall seek
32 financial support from foreign donors such as JICA, KOICA, AusAid, USAID, and
33 similar institutions for the establishment and improvement of PhilCorn
34 infrastructures, laboratory facilities, field experiment station development, and
35 training and scholarship of qualified personnel.
36

37 The annual appropriations herein provided shall be subject to the fiscal control and
38 management procedures provided for in Executive Order 714 of 1981. All funds,
39 savings, grants, and income of the PhilCorn shall constitute a revolving fund, to be
40 managed as Trust Fund, and shall be considered part of the funds automatically
41 released to the PhilCorn.
42

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

7
8 **SECTION 16. *Legal Counsel.*** The Government Corporate Counsel shall be the Legal
9 Counsel of the PhilCorn; *Provided,* however, That the PhilCorn may establish its own
10 legal unit, subject to the supervision and control of the Government Corporate
11 Counsel, to handle the day-to-day legal matters affecting the affairs of the PhilCorn.

12
13 **SECTION 17. *Annual Report.*** The Board shall submit to the President of the
14 Philippines through the Secretary of Agriculture an annual report, together with the
15 audit report on the relevant accounts, generally dealing with the activities and
16 operations of the PhilCorn.

17
18 **SECTION 18. *Separability Clause.*** The provisions of this Act are hereby declared
19 separable. If any portion hereof shall be held invalid or unconstitutional, such
20 invalidity or unconstitutionality shall not affect the other provisions, which shall
21 remain in full force and effect in their entirety.

22
23 **SECTION 19. *Effectivity.*** This Act shall take effect fifteen (15) days after its
24 publication in the Official Gazette or in two (2) newspapers of general circulation.