

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

18TH CONGRESS
First Regular Session

HOUSE BILL NO. 2334



Introduced by: REP. EVELINA G. ESCUDERO

EXPLANATORY NOTE

Since agriculture in the Philippines is predominantly rainfed and covers about 7.5 million hectares of its total cultivated area, rainfed agriculture consequently becomes an important economic activity producing about 40% of food supply and generates about 60% of the country's staple food.

However, the looming water scarcity and climate change threaten these rainfed areas and its inhabitants. Inputs of knowledge-intensive institutions like research, extension and development organizations become critical in enhancing the resilience of rural people to cope with the changing climatic patterns. In fact, farming in rainfed areas now become risky due to recurrent droughts, pest infestation, poor and degraded soils, lack of physical infrastructure and weak social services.

Therefore, it has become urgent to establish a proactive, modern agricultural research for development organization that will unify, coordinate, and strengthen all rainfed agriculture research and development and extension programs to improve the livelihood of resource-poor communities and empower them to cope with a brewing "perfect storm" brought about by the confluence of drought, increasing temperatures, land degradation, rising food prices and other challenges arising from environment and climate change.

This bill aims to establish the Philippine Rainfed Agriculture Institute (PhilRAI) as an attached agency of the Department of Agriculture. Through PhilRAI, the Philippines agricultural land will be developed using modern agricultural research programs geared towards adaptation of the effect of globalization and climate change and enhance to have a strong food security and sustainability.

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


EVELINA G. ESCUDERO

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AN ACT
ESTABLISHING THE PHILIPPINE RAINFED AGRICULTURE INSTITUTE
(PhilRAI) AND FOR OTHER PURPOSES

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 "Philippine Rainfed Agriculture Institute Act".

SEC. 2. Declaration of Policy. - It is the policy of the State to afford full protection and the advancement of the right of the people to a healthy ecology in accordance with the rhythm and harmony of nature. In this light, the State has adopted the Philippine Agenda 21 framework which espouses sustainable development to fulfill human needs while maintaining the quality of the natural environment for current and future generations.

The State adopts the principle of protecting natural resources to ensure food security, reduce poverty, protect the environment and address issues such as climate change, community empowerment and improved livelihoods. The results of Comprehensive Assessment of Water for Food and Poverty Reduction globally showed that a vast scope exists for doubling the productivity of rainfed agriculture in Asia with available technologies. The required increase in food production to meet the increasing demand of the Philippines has to come largely from rainfed cropped areas.

Hence, it is urgent to establish a proactive, modern agricultural research for development organization that will unify, coordinate, and strengthen all rainfed agriculture research, development and extension programs to improve the livelihood of resource-poor communities and empower them to cope with a brewing "perfect storm" brought about by the confluence of drought, increasing temperatures, land degradation, rising food prices and other challenges arising from environment and climate change.

SEC. 3. Philippine Rainfed Agriculture Institute. - The Philippine Rainfed Agriculture Institute, hereinafter referred to as PhilRAI, is hereby established as an attached agency of the Department of Agriculture (DA) to improve the livelihoods of resource-poor rainfed communities and empower them to cope with drought, global warming, rising food prices, land degradation and other risks arising from environmental and climate changes.

SEC 4. Objectives. - The objectives of this Act are as follows:

- a) Build climate resilient agriculture in rainfed areas through sustainable and integrated approach by enhancing the impact of natural resources and adapting various coping strategies on climate change and building capacity of different stakeholders;
- b) Develop a robust and innovative farmer-centered, needs-based national rainfed agriculture research for development and extension corporate programs;
- c) Strengthen and modernize Philippine rainfed agriculture;
- d) Improve the livelihoods of resource-poor rainfed farmers and promote the general welfare of rainfed farming communities; and
- e) Develop or strengthen related programs in partnership and consultation with the DA-Bureau of Agriculture Research (DA-BAR), DA regional research centers, the Philippine Council for Agriculture, Aquatic, Forestry, and Natural Resources Research and Development (PCAARRD), State Universities and Colleges (SUCs), the private sectors, civil society organizations and international research organizations.

SEC. 5. Strategic Framework of PhilRAI. - The Institute shall, within six (6) months from the effectivity of this Act, formulate a Strategic Framework on Philippine rainfed agriculture. The Framework shall serve as the basis for developing programs on rainfed agriculture, and action plans for research, development, extension and monitoring activities. The Framework shall be reviewed every three (3) years, or as may be deemed necessary.

SEC. 6. Components of the Strategic Framework of PhilRAI. - The Framework shall include, but not limited to the following components:

- a) Building climate resilient communities;
- b) Resilient farming systems innovation;
- c) Integrated natural resources management;
- d) Enabling policy guidelines and institutional arrangements;
- e) Database development and management;
- f) Capacity building;
- g) Productivity enhancement;
- h) Advocacy and information dissemination;
- i) Monitoring and evaluation; and
- j) Gender mainstreaming and development.

SEC. 7. *Programs and Action Plans.* - The Institute shall formulate Programs and Action Plans in accordance with the Framework within one (1) year after the formulation of the latter. The PhilRAI Programs and Action Plans shall include, but not limited to, the following components:

- a) Assessment of benchmark information on Philippine rainfed agriculture;
- b) Assess the climate variability/change in selected communities and identify natural resources management strategies with high probability of success in the context of climate variability and change;
- c) Designing the biophysical landscape of the agro-ecosystem that will incorporate water harvesting and management, soil erosion prevention, and social preparation for community-based shared water use arrangements;
- d) Developing appropriate farming systems where crops and livestock are identified, together with farmers that are adapted to such environment situations as well as responding to market opportunities;
- e) Understanding socio-culture and socio-economic dynamics towards better farmer participation and commitment on its programs;
- f) Developing community and institution capabilities for shared management of resources and products;
- g) Common understanding and capability among program proponents (researchers, extension personnel, development managers and local political leaders) of the program approaches, goals, and expected outputs and impacts;
- h) Obtaining support from local government, private institutions and international research organizations; and
- i) Develop enabling policy guidelines and institutional arrangements for integrated agro-ecosystem development and management, and increasing resilience of rural communities to climate variability/change for sustainable intensification and livelihoods of smallholder farmers.

SEC. 8. *Principal Office and Branches.* - The Institute shall have principal office in Metro Manila, or elsewhere as the PhilRAI Board of Trustees may decide. It may also establish other offices, branches, satellite stations, or networks in geographically suitable regions in the Philippines as may be necessary or proper for the accomplishment of its goal and objectives.

SEC. 9. *Duties and Functions.* - PhilRAI shall exercise the duties and functions, but not limited to the following:

- a) Lead and coordinate a national network for rainfed agriculture research for development and extension programs in different agro-ecological regions of the country;
- b) Plan, monitor, evaluate, conduct, and fund research for development and extension activities on rainfed agriculture;

- c) Create an information database, collect, package and share new knowledge and innovations through modern information and communication technology and other innovative approaches;
- d) Enhance income of farmers through sustainable and market-linked rainfed production systems, genetic improvement by conventional and biotechnology approaches, and natural resource management;
- e) Develop and implement a robust social mobilization, communication and capacity building program among farmers, rural women, researchers, extension workers, development managers, local administrators and entrepreneurs towards the conduct of on-farm demonstration, technology utilization and technology commercialization activities;
- f) Identify and map out development pathways towards efficient and productive rainfed agro-industries through appropriate socio-economic measures and public-private partnerships; and
- g) Develop databases, guide public policy formulation and pursue policy advocacy that will stimulate, modernize and sustain rainfed agriculture, food crops production, processing and marketing systems and put these in the hands of farmers through their organizations.

SEC. 10. Corporate Powers. - PhilRAI shall exercise the corporate powers, but not limited to the following:

- a) Exercise all the powers of a corporation under the general corporation law in so far as such powers are not inconsistent with the provisions of this Act;
- b) Enter into, make and execute contracts and agreements of any kind or nature, and to sue and be sued in its corporate name;
- c) Borrow funds and obtain loans from all sources, whether local or foreign and whether government or private, to help finance its research for development and extension programs and its capital and operating expenditures;
- d) Invest in, purchase or otherwise acquire own, hold, use, lease, mortgage, pledge, encumber, sell, assign, convey, exchange, or otherwise deal in real or personal properties of whatever kind and nature, or any interest therein, including shares of stock, bonds, notes, securities and other evidences of indebtedness of natural or juridical persons, whether domestic or foreign and whether government or private;
- e) Acquire from the government, whether national or local or from any person, corporation, partnership, association or other entity, such characters, franchises, licenses, rights, privileges, assistance, financial or otherwise and concessions as may be conducive to and necessary or proper for the attainment of the goal and objectives of PhilRAI; and
- f) Receive and acquire from any person, government and private entities, whether foreign or domestic, grants, donations and contributions consisting of such properties, real or personal, including funds and valuable effects, as may

be useful, necessary or proper to carry out its purposes and objectives and administer the same in accordance with the terms of such grants, donations, and contributions and consistent with its purposes and objectives.

SEC. 11. *Board of Trustees.* - The corporate functions and powers of PhilRAI shall be exercised, and all its businesses, activities and properties shall be controlled by a Board of Trustees, hereinafter referred to as the Board.

The Board shall be composed of the Secretary of Agriculture as ex-officio Chair and fourteen (14) members. The appointive members of the Board shall be appointed by the President of the Philippines upon recommendation of the Secretary of Agriculture.

The members of the Board shall be composed of the following:

- a) Director of the DA Bureau of Agricultural Research (DA-BAR);
- b) Director of the DA Bureau of Soils and Water Management (DA-BSWM);
- c) Director of the DA Agricultural Training Institute (DA-ATI);
- d) Executive Director of the Philippine Council for Agriculture, Aquatic, Forestry, and Natural Resources Research and Development (PCAARRD);
- e) Executive Director of the National Disaster Coordinating Council (NDCC);
- f) Deputy Director-General of the National Economic and Development Authority (NEDA);
- g) Undersecretary of the Department of Budget and Management (DBM);
- h) Commissioner of the Climate Change Commission (CCC);
- i) President of the League of Provinces;
- j) Representative from the academe;
- k) Representative of farmers' organization operating in rainfed areas;
- l) Representative of womens' self-help group operating in rainfed areas;
- m) Representative from private sector engaged in agribusiness; and
- n) Representative from Philippine scientist association working on natural resources management.

The PhilRAI Executive Director shall act as the Secretary of the Board. All government officials in the Board shall serve as ex-officio members and shall not receive any additional salary or compensation.

The representatives shall be appointed by the President from a list of nominees submitted by their respective groups/associations. They shall serve for a term of two (2) years without reappointment unless their representation is withdrawn by the sector they represent. Appointment to any vacancy shall be only for the unexpired term of the predecessor.

SEC. 12. *Per Diem.* - The Chair and members of the Board shall receive per diem, as the Board may determine, for each meeting actually attended. Such members shall also be entitled to reimbursable transportation and representation allowances in going to and coming from board meetings and in transacting official business for PhilRAI.

SEC. 13. *Meetings of the Board.* - The Board shall meet once every three (3) months, or as often as may be deemed necessary by the Chairperson. The Chairperson may likewise call meetings upon other government agencies for the proper implementation of this Act.

SEC. 14. *Powers and Functions of the Board.* - The Board shall exercise the following powers and functions:

- a) Guide the formulation of the vision, mission, strategy, and research for development and extension priorities of PhilRAI;
- b) Approve policies, programs, plans and operational procedures of PhilRAI;
- c) Approve PhilRAI's organizational structure, staffing pattern, operating and capital expenditures, and budget prepared in accordance with its corporate plan;
- d) Approve salary ranges, benefits, privileges, bonuses, and other terms and conditions of service for all officers and employees of PhilRAI upon recommendation of the Executive Director;
- e) Appoint, transfer, promote, suspend, remove or discipline any officer or employee of PhilRAI, upon recommendation of the Executive Director;
- f) Create relevant committees and appoint members thereof as may be necessary and proper for the management of PhilRAI; and
- g) Exercise such other powers and functions and perform such other acts as may be necessary for the attainment of the goals and objectives of PhilRAI, or as may be delegated by the Secretary of Agriculture.

SEC. 15. *Executive Director.* - PhilRAI shall be headed by an Executive Director who shall be appointed by the President of the Philippines, upon recommendation of the Board, and based on the evaluation of a Search Committee through the office of the Secretary of Agriculture.

- a) The Executive Director shall serve for a term of six (6) years, subject to only one term extension of six (6) years or less for very meritorious performance, or a maximum term of twelve (12) years; and
- b) The Executive Director shall be assisted by Deputy Executive Directors, division heads, and program directors as the Board may determine to carry out the objectives of PhilRAI.

SEC. 16. *Duties of the Executive Director.* - The Executive Director shall be directly responsible to the Board, and shall have the following duties:

- a) Exercise dynamic leadership, create a vision, map out the mission, provide strategic direction, and supervise the implementation of all research for development and extension programs and, in general, to supervise the operations of PhilRAI;
- b) Execute contracts, incur obligations, acquire and dispose assets, and deliver documents on behalf of PhilRAI within the framework of the authority delegated by the Board;
- c) Implement and enforce policies, decisions, orders, rules and regulations that are promulgated or adopted by the Board; and
- d) Exercise such other powers and functions and perform such other duties as may be authority delegated or assigned by the Board.

SEC. 17. *Technical Advisory Committee.* - A Technical Advisory Committee (TAC), organized and approved by the Board, shall assist the Executive Director, Deputy Executive Directors, division heads and program directors in pursuing interagency activities and participation of the national rainfed agriculture research, development and extension networks.

The TAC shall be composed of not more than nine (9) members, or as the Board may designate, who are heads or representatives of agencies, government, private or international, that are actively involved in rainfed agriculture research, production, processing, marketing, policy formulation and advocacy, and capacity building.

SEC. 18. *Facilities and Manpower.* - PhilRAI shall undertake its initial operations in the existing offices, laboratories and experimental stations and other similar government institutions within the DA. Furthermore, DA, collaborating SUCs and international research organizations shall deploy selected personnel and scientists to assist PhilRAI in pursuing its research, development and extension programs.

SEC. 19. *Services of Government Personnel.* - The PhilRAI shall, for the purpose of its research for development activities, obtain and secure the services of scholars, scientists, and technical personnel SUCs, DA, and related agencies of the national government and international research organizations. Such personnel may be paid honoraria or incentives acceptable to all concerned and as may be fixed and authorized by the Board.

SEC. 20. *Buildings and Equipment.* - PhilRAI is hereby authorized to own, acquire, borrow, lease, hold, plan and construct buildings, laboratories, experimental stations, and other facilities as may be necessary or proper to attain its goal and objectives.

PhilRAI is also authorized to purchase equipment, materials and articles, either locally or abroad, as may be necessary or proper to carry out its powers and functions and attain its purposes and objectives. Provided, however, that it shall be exempted from the payment of any and all forms of taxes, duties, fees and charges of any and all such importation of equipment, materials, articles and services. Provided, further, that the same are not available locally on favorable terms.

SEC. 21. Appropriations. - The Secretary of Agriculture, and Budget and Management are hereby authorized and directed to set aside, out of the Agricultural Competitiveness Enhancement Fund (ACEF) and of other fund sources of DA, the amount of Five Hundred Million Pesos (Php 500,000,000) as the initial budget of PhilRAI for its start-up and operating expenses. Thereafter, the annual budget of PhilRAI's operations shall be provided for in the annual General Appropriations Act. The appropriations herein provided shall be subject to the fiscal control and management procedures provided for in Executive Order (EO) No. 714, Series of 1981.

All funds, savings and income of PhilRAI shall constitute a revolving fund that shall be considered part of the funds automatically released to the latter, subject to the fiscal control and management procedures provided for in EO 714. Such funds, savings and income shall be used to achieve the goal and objectives for which PhilRAI is established.

SEC. 22. Civil Service Laws. - PhilRAI and its officers and employees shall be subject to the Civil Service Law, rules and regulations. Technical personnel shall be selected on the best of the highest possible standards of merit and fitness for public service to be determined in accordance with such policies and guidelines as may be approved by the Board.

SEC. 23. Auditor. - The Chair of the Commission on Audit shall be the ex-officio auditor of PhilRAI. For this purpose, he/she may appoint a representative who shall be the resident auditor of PhilRAI, together with the necessary personnel to assist the said representative in the performance of his/her duties.

SEC. 24. Legal Counsel. - The Government Corporate Counsel shall be the legal counsel of PhilRAI. The Institute may establish its own legal department, subject to the supervision and control of the Government Corporate Counsel, to handle the day-to-day legal matters affecting its affairs.

SEC. 25. Annual Report. - The Board shall submit to the President of the Philippines through the Secretary of Agriculture, together with the audit report on the relevant accounts, an annual report generally dealing with the activities and operations of PhilRAI.

SEC. 26. Implementing Rules and Regulations. - Within ninety (90) days from the effectivity of this Act, the Secretary of Agriculture shall, in coordination with PhilRAI formulate the rules and regulations necessary for the effective implementation of this Act.

SEC. 27. Separability Clause. - If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 28. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations, and issuances, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 29. Effectivity. - This Act shall take effect fifteen (15) days after publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,