

Republic of the Philippines
CONGRESS OF THE PHILIPPINES
Metro Manila

Fourteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand nine.

REPUBLIC ACT NO. 10089

AN ACT CREATING THE PHILIPPINE RUBBER RESEARCH INSTITUTE TO DEVELOP THE PHILIPPINE RUBBER INDUSTRY 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 Rubber Research Institute Act of 2010".

Section 2. Declaration, of Policy. - It is a declared policy of the State to develop self-reliant industries effectively controlled by Filipinos, encourage investments and provide incentives to private enterprise, promote employment and livelihood opportunities for the poor, ensure well-balanced ecology in the use of natural resources for industrial purposes, and prioritize education and training particularly in science and technology for sustainable development.

In support of these State policies, the establishment of the Philippine Rubber Research Institute aims to comprehensively realize the goals of human empowerment and economic development in the countryside through programs and projects that will increase rubber production in the country, and improve quality of life especially in poor rural communities that depend primarily on this industry.

Section 3. Definition of Terms. - As used in this Act, the following terms are defined as follows:

(a)"Philippine Rubber Research Institute" refers to the main institute for rubber at the Mindanao State University (MSU) to be based in the Municipality of Naga, Province of Zamboanga Sibugay and its satellite units as may be subsequently established whose mandate is to initiate and administer research and development programs to improve quality and increase productivity of rubber especially for the benefit of smallholder rubber producers and processors.

(b)"Rubber tree" refers to the robust, perennial crop and the source of natural rubber, also scientifically known as *Hevea brasilienses*.

(c)"Latex" refers to a milky usually white fluid that is produced by cells of rubber trees, and is the raw material used in the manufacture of industrial, automotive and other latex products.

(d)"Smallholder rubber producers" refer to individuals, cooperatives or corporations owning and/or cultivating five (5) hectares or less of rubber plantation.

(e)"Smallholder rubber processors" refer to individuals, cooperatives or corporations which maintain and/or operate small-scale processing plants of finished or semifinished rubber products, capable of processing not more than fifty (50) metric tons of rubber annually.

(f)"Rubber cooperatives" refer to duly organized and registered enterprises collectively owned and operated by groups of rubber products and/or processors who partake of and share among themselves the benefits and profits of their economic ventures.

(g)"Big holder rubber producers" refer to individuals, cooperatives or corporations owning and/or cultivating more than five (5) hectares of rubber plantation.

(h)"Big holder rubber processors" refer to individuals, cooperatives or corporations which maintain and/or operate large-scale processing plants of finished or semifinished rubber products, capable of processing more than fifty (50) metric tons of rubber annually.

Section 4. *Creation of the Philippine Rubber Research Institute.* - There is hereby created the Philippine Rubber Research Institute, hereinafter referred to as the PRRI, which shall be under the control and supervision of the Department of Agriculture (DA).

Section 5. *Powers and Functions of the PRRI.* - The PRRI shall have the following powers and functions:

(a) Propagate and promote the planting, maintenance, as well as wise utilization of rubber trees as source of latex and finished rubber products;

(b) Enable rubber producers and processors, especially smallholders, to have access to quality rubber tree seedlings, modern production techniques and other support services from production to marketing of rubber produce;

(c) Undertake training and capacity-building programs for rubber producers, processors and cooperatives in order to increase production of quality rubber and raise level of income especially of poor smallholders;

(d) Aid in the establishment of village-based rubber enterprises to generate livelihood opportunities and improve general well-being of the large percentage of the workforce in agricultural communities;

(e) Promote cooperative development among smallholders and provide them access to resources, technological know-how, as well as decision-making processes for the enhancement of their rubber enterprises and the protection of their welfare;

(f) Initiate research and development projects on rubber in order to address technology and policy gaps in promoting a robust rubber industry, ensuring standard in production and meeting demands for quality rubber in both domestic and international trade; and

(g) Enter into memoranda of agreement and receive grants from local and foreign funding agencies through the DA upon the recommendation of the PRRI Advisory Board; or through the respective academic boards of satellite units housed in concerned state universities and colleges upon the recommendation of the PRRI Advisory Board.

Section 6. *Executive Director of the PRRI.* - The PRRI shall be headed by an Executive Director who shall be responsible for the planning, implementation and supervision of the programs and activities of the PRRI. He shall be appointed by the President of the Philippines for a term of three (3) years, upon recommendation of the DA. All other officers and employees shall be appointed by the Executive Director of the PRRI, in accordance with the Civil Service Law.

The Executive Director must possess high degree of educational, technical and managerial competencies in research and development, as well as of integrity and proven probity in public service.

Section 7. *Functions and Powers of the PRRI Executive Director.* - The following are the functions and powers of the Executive Director of the PRRI:

- (a) Recommend the creation of divisions and sections including the staffing pattern of the PRRI;
- (b) Recommend to the Agriculture Secretary the appointments of personnel and consultants;
- (c) Oversee the planning, implementation and evaluation of the policies, programs and projects of the PRRI;
- (d) Consolidate and approve the overall budget of the PRRI; and
- (e) Perform such other functions as may be assigned by the PRRI Advisory Board.

Section 8. *Appointments of Division Chiefs and Unit Heads of the PRRI.* - Division chiefs, unit heads, coordinators, project leaders and other positions in the PRRI shall be recommended by the Executive Director, and appointed by the Secretary of the DA. Appointments to various positions in the PRRI are subject to corresponding qualification standards established by the PRRI, and to rules and regulations set by the Civil Service Commission.

Section 9. *Composition of the PRRI Advisory Board.* - There is hereby created an Advisory Board which is mandated to develop policies and programs aimed at improving the state of technologies needed for the Philippine rubber industry in order to meet global standards for competitiveness and product quality.

The Advisory Board shall be composed of the following:

- (a) Secretary of the DA or his representative, as chairman;
- (b) Undersecretary of the DA, as vice chairman;
- (c) Executive Director of the Bureau of Agricultural Research;
- (d) Executive Director of the Bureau of Plant Industry;
- (e) Executive Director of the PRRI; and
- (f) One (1) representative from the rubber producers, and one (1) representative from rubber processors, as members, to be appointed by the President of the Philippines, upon recommendation of the DA, for a term of three (3) years.

Section 10. *Functions and Powers of the PRRI Advisory Council.* - The Advisory Board shall perform the following functions and powers:

- (a) Formulate policies and initiate programs for the development of the Philippine rubber industry;
- (b) Review and recommend the annual budget of the PRRI;
- (c) Evaluate the implementation, efficiency and effectiveness of the programs and projects of the PRRI; and
- (d) Recommend the establishment or abolition of satellite units or branches as may be deemed necessary.

Section 11. *Coordination among Stakeholders of the PRRI and Linkages with other Research Institutions.* - The PRRI shall monitor and evaluate the rubber research programs and identify the immediate needs and essential concerns in the rubber industry in consonance with the local and national economic development. It shall likewise coordinate with other government agencies in order to formulate strategies that would jump-start the growth of the rubber industry.

The PRRI and the local government units where there are suitable areas for the planting of rubber trees shall jointly implement projects and programs necessary to achieve the goals of this Act.

Section 12. *Allocation of Funds.* - Not more than forty percent (40%) of funds allocated under this Act and in subsequent annual appropriations shall be used for personnel services, and maintenance and operating expenses; thirty-five percent (35%) for research and development as well as training and information; and twenty-five percent (25%) for seedling propagation and dispersal of rubber trees.

Section 13. *Annual Report.* - The PRRI shall submit an annual report to the Office of the President, the Senate and the House of Representatives indicating among others, the administration and institutional development of the PRRI, and the progress of programs and projects on the rubber industry and its stakeholders.

Section 14. *Appropriations.* - The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

Section 15. *Separability Clause.* - If any part, section or provision of this Act shall be held invalid or unconstitutional, the rest of the provisions shall not be affected thereby.

Section 16. *Repealing Clause.* - All laws, executive orders, rules and regulations or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

Section 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days from the date of its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,

(Sgd.) **PROSPERO C. NOGRALES**
Speaker of the House of Representatives

(Sgd.) **JUAN PONCE ENRILE**
President of the Senate

This Act which is a consolidation of Senate Bill No. 1651 and House Bill No. 6882 was finally passed by the Senate and the House of Representatives on February 1, 2010 and February 3, 2010, respectively.

(Sgd.) **EMMA LIRIO-REYES**
Secretary of Senate

(Sgd.) **MARILYN B. BARUA-YAP**
Secretary General
House of Representatives

Approved: **MAY 13 2010**

(Sgd.) **GLORIA MACAPAGAL-ARROYO**
President of the Philippines