



Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Dilliman
1100 Quezon City

MEMORANDUM CIRCULAR

NO. 17

Series of 2021

**SUBJECT : AMENDMENT TO THE IMPLEMENTATION GUIDELINES FOR THE
YOUNG FARMERS CHALLENGE FUND: KABATAANG AGRIBIZ
COMPETITIVE GRANT ASSISTANCE PROGRAM PER MEMORANDUM
CIRCULAR NO. 04, SERIES OF 2021**

In the interest of Service, Memorandum Circular No. 04, Series of 2021 entitled "Implementation Guidelines for the Young Farmers Challenge Fund: Kabataang Agribiz Competitive Grant Assistance Program", specifically **Section 5a: Duties and Responsibilities of the Awardees** is hereby amended to read as follows:

"Open a new bank account preferably with Land Bank of the Philippines (LBP) or use an existing bank account under his/her name upon the receipt of the Notification of Winners. For group winners, each may open individual account or a joint account, whichever is applicable in the locality. The said bank account shall strictly be used for the implementation of the agribusiness venture."

Further, **Section 6a to 6d: Release of Funds (Prizes)** is hereby amended to read as follows:

"The fund release to the Awardees shall be supported by the following documents:

- a. Certificate of Award as declared winner by the panel of judges;*
- b. Business Model Canvas with attached Activity and Financial Plan;*
- c. Photocopy of the bank account to which the award will be deposited; and*
- d. Photocopy of one (1) valid ID of the winner."*

All other provisions of Memorandum Circular No. 04, s.2021 shall remain in effect and enforced.

Amendments made herein shall take effect immediately upon signing hereof.

Done this 26th day of August, 2021.

Approved:

WILLIAM D. DAR, Ph.D.

Secretary

DEPARTMENT OF AGRICULTURE
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*A food-secure and resilient Philippines
with empowered and prosperous farmers and fisherfolk*





March 31, 2021

MEMORANDUM CIRCULAR

NO. 04

Series of 2021

**SUBJECT : IMPLEMENTATION GUIDELINES FOR THE YOUNG FARMERS CHALLENGE
FUND: *Kabataang Agribiz Competitive Grant Assistance Program***

In the Philippines, the average age of our farmers as of 2018 is 57 years old and majority of the youth are no longer interested in agriculture¹. The predominant notion of an ordinary youth is that agriculture will not get them out of poverty. This is because they have seen their grandparents and parents struggle but still remain under the poverty line. The younger generation of farmers witnessed their parents grow old and remain poor and thus perceive farming not as a lucrative career. Further, the number of farm workers has been declining over the past years of around 1.5% per year since 2007. Those employed in agriculture declined from 11.84 million in 2015 to 9.8 million in 2020.

Section 1. Program Objectives

This program seeks to encourage the youth to engage in agriculture and agri-fishery enterprises. Specifically, it aims to:

- a. Provide the youth access to resources and opportunities that would enable them to venture into profitable agri-fishery based enterprises; and
- b. Promote agri-fishery enterprise business models to the youth to showcase the viability potential of agri-based enterprises as sustainable ventures alternative to urban-based job employment.

Section 2. Program Description

The **Young Farmers Challenge Fund (YFCF)** is a competitive financial grant assistance program for the youth who will engage in agri-fishery based enterprises. The Program will be open to all interested youth with proposed business ventures with profitability potential. The grants shall serve as start-up capital for the planned innovative agri-based micro-enterprise operated by an individual youth or as joint venture between two or more individual youth.

The Program shall also provide business development services that include business planning, product development, market linkage assistance, among others.

The young agripreneurs will also be encouraged to form into agripreneurship clubs at the provincial and regional level. The provincial and regional clubs will be encouraged to meet

¹ Castillo, J.V. (2018): Really, they hate farming? Challenging the dominants or orthodoxies on Filipino youth perceptions on rice farming.



regularly for sharing of experiences, and to be able to establish business collaboration and networking among themselves.

Under the GAA 2021, the amount of PhP100 Million was allocated for the implementation of this program. It states that, *"The amount of PhP 100 Million appropriated herein for the Young Farmers Challenge Fund shall be used to encourage and support the youth in staying or returning to agriculture, to engage them in food production, processing of agricultural products and other farm-based enterprises, and to provide them the opportunity to own, lease, develop and cultivate the land for agricultural purposes."*

2.1 Levels of Competition

The "Search for Outstanding Kabataang Agribiz Business Models" competition is a nation-wide call for "Youth Agri-Business Models" ("YBM") and open to all youth that meet the qualifications set in this guideline.

Applicants shall be required to submit their Business Model Canvas (BMCs)² which will be evaluated by a panel of judges. The panel of judges shall be drawn from the DA and its partner agencies, academe (e.g. SUCs) and private sector representatives (from the agribusiness industry).

The competition will be in three (3) stages. The first stage is the selection of the best BMCs at the provincial level. The winners from this level will be provided with agri-business development services and will be awarded with financial grants amounting to PhP50,000.00 per youth beneficiary. From among them will be selected the top three (3) provincial awardees that will be nominated to compete at the regional level. The second stage is the regional level competition wherein three (3) winners per region will be awarded an additional financial grant amounting to PhP150,000.00 per enterprise. Winners at this stage will qualify to compete at the national level. The last stage of competition is the national level wherein winners will receive additional financial grant amounting to PhP300,000.00 per enterprise. Six (6) winners will be declared as Outstanding Youth Agri-Business Models from among the regional winners.

2.2 Competition Theme

The Youth Agri-Business Models shall focus on agribusiness ideas that are micro to small scale, innovative and that have potential to generate incomes comparable to incomes of salaried workers in urban areas. This is to encourage the youth to venture in innovative high income potential businesses that are agriculture/fishery based. By innovative, it means the business model can provide new solution to an identified problem (e.g. production, process, marketing etc.). By viability potential, the model must have clear target market and marketing strategy and can generate good revenue stream that can show potential of being scaled up in the future.

² A Business Model Canvas is a simplified template for visualizing a business concept in a straightforward way. It is then transformed into the detailed business plan.



Section 3. Creation of National, Regional and Provincial Panels of Judges

A Special Order shall be issued by the Secretary of the Department of Agriculture for the creation of the National Panel of Judges and its Secretariat. The Panel shall formulate the standard criteria for judging the winners which will then be relayed to the regional and provincial panels of judges. The Secretariat staff shall be drawn from the AMAS.

Special Orders shall be issued by the DA Regional Executive Directors for the creation of regional and provincial panels and their secretariats. The secretariat staff shall be drawn from the AMADs.

Since the program involves agribusiness promotion as well as agriprenueurship capability building, AMAS-AMAD shall be the lead DA implementing unit with ATI (through its National and Regional Offices) as co-implementing agency.

The composition of the panel of judges shall be representatives from the DA, other partner government agencies (e.g. LGUs), academe (e.g. state universities and colleges), and private sector representatives (from agribusiness industry). The composition of the panel shall be five members including its designated Chairperson.

Section 4. Competition Guidelines

4.1 Eligibility Criteria

4.1.1 Applicants

To participate in the competition, an individual applicant must pass the following criteria:

- a. Age is 18 to 30 years old³;
- b. Natural born Filipino citizen;
- c. In school or out-of-school youth;
- d. Preferably with agriculture and fishery experience or related training (formal or non-formal education); and
- e. Must be ready to venture/engage in agriculture and fishery business enterprise.

In case of groups or organizations, all members must pass the above eligibility criteria.

The following are not eligible to participate in the competition:

- a. Employees of the DA, its Regional Field Offices, bureaus, attached agencies and corporations, including their relatives up to the fourth civil degree of consanguinity or affinity; and
- b. Recipients of assistance or awards either in cash or in kind amounting to Php50,000.00 and above from the DA, its Regional Field Offices, bureaus, attached agencies and corporations.

³ Section 2, Republic Act No. 8044 (Youth in Nation-Building Act of 1994) defines youth as aged 15-30 yrs old. However, the legal age is defined as 18 yrs. old as per Republic Act No. 6809.



4.2 Application Procedures and Requirements

4.2.1 Application Procedure

- a. Only applicants with complete requirements shall be processed for screening. Late and/or incomplete submission of requirements will automatically be disqualified.
- b. Interested applicants may submit their application and all requirements to the DA-AMAS (in case of NCR applicants) or to the DA Regional Field Offices (in case of other regions). Applicants are encouraged to submit on-line through the concerned offices designated email accounts and/or online platforms created for the purpose. ⁴

4.2.2 Application Requirements

- a. Business Model Canvas (BMC) as prescribed by the Program;
- b. 2 x 2 Photo and scanned or clear copy of at least one (1) valid ID; and
- c. Copy of the proof documents that he/she has agriculture and fishery experience or related training/education.

All documents submitted for this program shall become the property of the Department of Agriculture.

Note: If applicants intend to form a partnership, corporation, cooperative or association for the business venture, they shall submit a declaration of intent amongst them that they commit to form such entity. If already a partnership, corporation, cooperative or association, they must submit a certified true copy of the registration certificate.

4.3 Evaluation Criteria

Selection criteria for the "Search for Outstanding Kabataang Agribiz Business Models" shall be as follows:

- a. **Entrepreneurial attitude.** The applicant must exhibit basic entrepreneurial attitudinal attributes such as: integrity (proof he/she can be trustworthy), risk-taking (willingness to take calculated risks), passion (exhibits strong motivation to pursue agribusiness), good communication and marketing skills (as evidenced by his/her sales pitch), and leadership qualities (with vision and drive to excel).
- b. **Innovativeness of the business proposal.** Innovativeness means new ways of addressing a problem (e.g. agricultural market need or production system weakness). This can be an introduction of new or modern technologies and/or enhancement of existing techniques and processes in producing goods and services, and/or marketing agricultural products.

⁴ If requirements will be sent via e-mail, it must be submitted in PDF format



- c. Revenue stream of the business proposal.** The proposed business must show clear potential of generating revenue stream. The proposal can show clear plans on achieving business transactions and how the business will be able to expand its market over time.
- d. Value Addition.** Value Adding is the enhancement of a product or services that provides additional economic value of an agri-fishery commodity to attract more customers and consequently increase revenue/profit.

The National Panel shall determine the weight and scoring system for judging. This shall be cascaded to all regional and provincial panels for uniformity of criteria and scoring system for the judging at all levels (provincial, regional, national),

4.4 Evaluation Process and Procedures

The evaluation process begins at the Provincial level and ends at the National Level. The following is the evaluation procedure for each level of the competition:

4.4.1 Eligibility Screening

- a. The Secretariat of the concerned offices (DA Central, RFOs) shall receive all applications;
- b. The Secretariat shall conduct initial screening based on eligibility criteria (age, relevant training/experience, proof of readiness to engage in agri-enterprise) and compliance to application requirements (ID, digital photos, supporting documents);
- c. Once assessed as eligible, the Secretariat will issue a certification of eligibility; and
- d. The eligible applicant shall submit his/her BMC to the Panel.

4.4.2. Judging and awarding of provincial winners

- a. The Provincial Panel sets the final deadlines of submission and announces the dates of judging;
- b. The Panel may institute more than one stage of judging depending upon the number of applicants, e.g. semi-finals leading to finals;
- c. The Panel shall provide equal opportunities to those who passed the initial stage of judging by allowing them to present their business model ideas to the Panel. Online meetings will be encouraged instead of face to face meetings due to the pandemic.
- d. The Panel will certify the provincial winners and shall also endorse the candidates for the regional level awards.

4.4.3. Judging of regional and national winners

- a. The Regional Panel and National Panel shall set the deadlines for submission of the candidates for the regional and national awards;
- b. The Regional Panel and National Panel shall give the candidates equal opportunities to present the implementation of their business models. On-line presentation meetings are encouraged instead of face to face meetings due to the pandemic;



- c. The Regional Panel shall certify as to who are the declared winners and as to who are the candidates for the National awards;
- d. The National Panel shall certify as to who the declared winners are.

4.5 Number of Winners and Amount of Prizes

The number of provincial winners shall depend on the allocated budgets per region. The RFOs, as approved by the respective Regional Executive Directors shall allocate the budget for the awards and number of winners on the provinces within their area coverage.

The amounts of prizes and total number of winners shall be as follows:

Stages	Number of Awards	Awards	Total Budget
Provincial Level	1300 youth awardees	Php50,000 per youth awardee	Php65,000,000
Regional Level	3 per region (15 regions and NCR)	Php150,000 per enterprise ⁵	Php7,200,000
National Level	6 winners	Php300,000 per enterprise ⁶	Php1,800,000
Total Amount			Php74,000,000

Section 5. Duties and Responsibilities of the Awardees

The recipients of the awards shall have the following duties and responsibilities:

- a. Open a separate bank account upon the receipt of the Notification of Winners. The said bank account shall strictly be used for the implementation of the agribusiness venture. For group winners, a joint bank account shall be opened;
- b. The amount received shall be used strictly for the implementation of the planned agribusiness project;
- c. Submit updates/reports to the DA concerned offices (AMAS/AMADs) based on the following timelines:
 - i. Status report on the initial implementation of the project to be submitted one (1) month after the release of prize amount;
 - ii. Quarterly progress report and a terminal report one year after the receipt of prize amount (report should attach evidences of progress of venture, e.g. pictures);
- d. Notify concerned offices (AMAS, AMADs) in case of any changes, delay, or any concern affecting the implementation of the agribusiness venture; and
- e. Ensure availability of documents and other information relevant for the monitoring and evaluation of the project.

⁵ This is addition to the P50,000 awarded as a provincial winner for a total of P200,000 prize.

⁶ This is addition to the P50,000 awarded as a provincial winner and P150,000 awarded as regional winner for total of P500,000 prize.



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Section 6. Release of Funds (Prizes)

A Certificate of Award shall be issued by the DA Secretary for the NCR Awardees and National Awardees, and by the respective Regional Executive Directors for Provincial and Regional Awardees. The Certificate shall be co-signed by the Chair/Co-Chair of the Panel of Judges.

The fund release to the Awardees shall be supported by the following documents:

- a. Certificate of Award as declared winner by the panel of judges;
- b. Business Model Canvas with attached Work and Financial Plan;
- c. Photocopy of the LBP account to which the award will be deposited; and
- d. Copy of one (1) valid ID of the winner.

Section 7. Documentation and Promotion of Success Stories

Success stories and the winning Business Models shall be documented and published in DA websites and various media platforms. These promotion strategies are aimed at encouraging other youth to venture into agribusiness.

Section 8. Effectivity

This Guidelines shall take effect immediately upon signing hereof and other issuances inconsistent herewith are deemed superseded.

Done this 6th day of April 2021.

APPROVED:

WILLIAM D. DAR, PhD.
Secretary

DEPARTMENT OF AGRICULTURE

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