



Republic of the Philippines  
**OFFICE OF THE SECRETARY**  
Elizalde Road, Diliman  
1100 Quezon City

**MEMORANDUM CIRCULAR**

**NO. 33**

Series of 2023

**SUBJECT : IMPLEMENTING GUIDELINES FOR THE YOUNG FARMERS CHALLENGE (YFC) PROGRAM – COMPONENT 1: YFC START UP, SUBCOMPONENT B: (INTERCOLLEGIATE COMPETITION)**

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**Section 1. Rationale**

According to the Commission on Higher Education (2010), data revealed that out of 10,000 students who graduated in agriculture and its related fields that is two percent (2%) of the overall Philippine higher education discipline.

In addition, while agricultural education has been recognized over the years as one of the strategic factors in increasing productivity and human resource development in the agriculture sector of the Philippines, it shows that it has failed to provide a sufficient number of competent and skilled graduates (Aquino, 2005).

Anent to this, the Department of Agriculture is expanding the coverage of the Young Farmers Challenge (YFC) Program through an Intercollegiate Category as a subcomponent of the YFC Start-up. This will be participated by students of agriculture and other related courses in State Universities and Colleges (SUCs). The Program will help transform the ideas of the students into profitable agribusiness ventures. The students will be well-trained, skilled, and knowledgeable agripreneurs and professional farmer business owners under the Program. The Intercollegiate Category will be a Business Model Canvas-based Competition.

The YFC Regional Intercollegiate Competition is open to SUCs that are members of the Philippine Association of State Universities and Colleges (PASUC).

It will be open to all sophomore-standing students of an SUC who have business ideas with viability potential and are not more than 30 years old at the time of the competition.

The aforementioned discussion was supported by the study of Dela Cruz (2015), wherein students who remain beyond their sophomore years are often highly motivated individuals who can adapt to the challenging system of the agriculture degree program.

**Section 2. Definition of Terms**

As used in this Guideline, the following terms shall be construed as:

**a. Agri-fishery enterprise** refers to an enterprise engaged in agriculture and fishery-related economic activities, such as the production of crops, poultry, livestock, including inputs, fishery or aquaculture production, processing of agri-fisheries produce, marketing and distribution of agri-fishery commodities and products, operated by an individual youth or group i.e., managed by two (2) or more individual youth. The enterprise as defined in this guideline is a start-up agri-fishery enterprise that is **not necessarily** a business establishment with a legal identity such as those engaged in farming/fishing activity. A business establishment is an enterprise with a registered business name with the Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC), with Business Permit, and has the legal identity to engage in business.

**b. Business Development Services** are provisions of business support and development services by the Department of Agriculture and relevant government agencies that will equip the youth beneficiaries of this Program with the needed foundation to successfully implement their enterprises. This includes provision of entrepreneurial training, assistance in business planning, product development, market linkage, business matching, loan facilitation, and potential collaborations, among others.

**c. Business Model Canvas (BMC)** is a simplified template for visualizing a business model idea in a way that is easy to do and understand by highlighting the critical strategic factors of starting an agribusiness, including customers, route to market, value proposition, and finance. It may serve as the backbone in transforming into a detailed business plan.

**d. Financial Grant** is a financial assistance given to the declared awardees of this Program, which shall serve as their start-up capital for the implementation of their winning Business Model Canvas (BMC).

**e. Eligible Participant** shall be a group composed of at least sophomore standing students with 2-3 members. Each member of the group participants is found to be an eligible youth based on the eligibility criteria set under this implementing guideline. The enterprise is not necessarily registered with the SEC or CDA, i.e., with juridical personality at the time of competition. In the case of a group-managed enterprise awardee, the beneficiaries are the members of the group, however, the grant shall be only utilized as the start-up capital of their group's enterprise.

**f. Panel of Judges** - shall be drawn from academicians from various SUCs, representative from partner NGAs i.e. DTI, DOST, FDA, among others, agribusiness practitioners, and technical and commodity experts from DA, and its attached Agencies and Bureaus. The panel of judges shall rank and declare awardees for this competition and may serve as a resource person to improve the BMC proposals of the participants.

g. **Start-up Enterprise** is a new enterprise or **at the initial stage of project implementation** (no business registration/permit) and not an expansion or scaling-up of an existing enterprise of the applicant or his/her family's enterprise.

h. **State Universities and Colleges (SUCs)** - refer to public Higher Education Institutions (HEIs) established by the national government and are governed by their respective independent boards of trustees or regents.

*(All participating SUCs for the competition shall be a member of the Philippine Association of State Universities and Colleges (SUCs) attached herein as **Annex A.**)*

### **Section 3. Scope and Coverage**

This guideline covers the mechanisms pertaining to the YFC Regional Intercollegiate Competition. The competition shall only be conducted region-wide, and therefore, only one (1) level of competition.

### **Section 4. The YFC Regional Intercollegiate Competition Theme**

The Agri-Business Models for the YFC Regional Intercollegiate Competition shall focus on **start-up** agri-fishery enterprises—from micro to small scale—which are innovative, have the potential to generate income and integrate sustainability into their business strategy. This is to encourage the generation of new agri-fishery enterprises. *Innovative* means the business model can provide new solutions to an identified problem (e.g. production, process, marketing, etc.). *Viability* means the business model has a clear target market and marketing strategy for at least one (1) year that can have a good revenue stream and can show the potential to be scaled up in the future. *Sustainability* means that the enterprise can execute and maintain these strategies in ensuring its continuous enterprise operation. These shall be reflected on the Business Model Canvas (BMC) and Activity and Financial Plan to be submitted by the participants.

Each participating SUC shall only endorse 1 (one) group representative as their official delegates for the competition.

In case that an SUC have a satellite campus/ branches, only one (1) group representative shall be endorsed as their official university representatives.

However, in the event of an SUC having an inter-regional campus/branches, they are allowed to participate in the competition depending on their campus regional addresses. Provided, that only one (1) group of participants from each region shall be endorsed.

Each YFC Regional Program Management Team (PMT) shall determine the venue for the conduct of the YFC Regional Intercollegiate Competition. The composition of the YFC National and Regional PMT is stipulated under Section 5 of this guidelines.

The panel of judges shall be composed of agribusiness practitioners, academe, and technical personnel from the Department of Agriculture, Attached Agencies, and Bureaus.

All participants in the competition shall be given an equal opportunity to pitch their agribusiness models.

#### **Section 5. Number of Awardees and Amount of Financial Grant**

<b>YFC Intercollegiate Competition</b>	<b>Number of Enterprise Awardees</b>	<b>Amount of Financial Grant</b>
Regional Level	16 (1 per region including NCR)	PhP 150,000 per enterprise

In each region, the panel of judges shall determine and declare one (1) enterprise awardee who shall receive a financial grant of PhP 150,000.00 as start-up capital.

#### **Section 6. Creation of the YFC Program Management Team, and Regional Panel of Judges**

Each Panel of Judges in the regions shall be composed of five members; two (2) representatives from the DA, Bureaus and Attached Agencies; one (1) from other partner government agencies (e.g. DTI, DOST) , one (1) academe (e.g. state universities and colleges/private higher education institutions); and one (1) from private sector practitioners (from the agribusiness industry). The members of the panel of judges shall not be personnel, instructors, professors, alumni, or otherwise connected to a participating SUC in the competition.

A Special Order shall be issued by the Secretary of the Department of Agriculture (DA) or his/her designated counterpart that acts as the Head of the Agency for the creation of the panel of judges in the NCR and the National Program Management Team (PMT).

In the case of panel of judges and PMT in the regions, the Special Orders shall be issued by the DA Regional Executive Directors. The Regional PMT shall be drawn from the Agribusiness and Marketing Assistance Division (AMAD).

The YFC National Program Management Team (PMT) in coordination with the Regional PMT shall finalize the scoresheets for the evaluation criteria stated in Section 8.1 in this guidelines. The scoresheets for the competition shall be approved by the Assistant Secretary for Consumer Affairs.

The DA Regional Executive Directors (REDs) may designate members from the DA Bureaus, and Attached Agencies as Resource Persons to support during the evaluation of the submitted BMCs.

### **Section 7. Eligibility Criteria of Participants**

To qualify for the YFC Regional Intercollegiate competition, the following criteria shall be observed:

- a. Age is 18 to 30 years old at the time of competition<sup>1</sup>;
- b. Natural- born Filipino citizen;
- c. A "**group**" composed of 2-3 members. All the members shall be at least regular 2nd year students of a State University or College (SUC) who must be members of the Philippine Association of State Universities and Colleges (PASUC) with formal or non-formal agriculture or fishery-related experience;
- d. Has the resources, network, or capability to venture/engage in agriculture and fishery business enterprise, the location of which is within the region they are competing.

The following are **not eligible** to participate in the competition:

- a. Personnel 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<sup>2</sup>;
- b. Personnel of the Provincial, Municipal, and City Agricultural and Veterinary Offices<sup>2</sup>;
- c. Have an existing application to the Young Farmers Challenge 2023 Start-Up Open Category Competition;
- d. Young Farmers Challenge Program Awardees (Provincial, Regional, and National Level); and
- e. Recipients of any grant assistance or awards either in cash or in kind, amounting to PHP 50,000 and above, from the DA, its Regional Field Offices, bureaus, attached agencies, and corporations within one (1) year before the start of the applications.

### **Section 8. Competition Requirements**

- a. Application Form;
- b. Business Model Canvas (BMC) and Activity and Financial Plan as prescribed by the program;

<sup>1</sup> 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.

<sup>2</sup> Working as permanent, temporary, substitute, co-terminus, contractual, and casual as defined by CSC Memorandum Circular No. 40, Series 1998

- c. Clear scanned copy of School ID or Certificate of School Registration indicating the date of birth;
- d. Endorsement letter addressed to the DA Secretary in case of NCR and RED in case of regions from the University President indicating that they are the official representative for the competition;
- e. Latest 2x2 ID Photo with white background; and
- f. Additional supporting documents based on the type of enterprise, as follows:

### 1. **Production**

- Duly accomplished "Form 1 - Authority to use land or property"

Proof that he/she has an available farm lot or space for the production activity such as a scanned copy of the land title in the name of the participant or his/her parent/guardian, lease or rental agreement from the lot/property owner, certification from lot/property owner allowing the youth to use such lot/property for the enterprise.

### 2. **Processing**

- Duly accomplished "Form 2 - Suppliers Information"

Proof that he/she has readily available supply directly from his/her farm, his/her family-owned farm, or from other farms. In case of the latter, he/she shall submit the name/s and location of farmers/ fisherfolk that committed to supplying the raw materials for his/her enterprise.

### 3. **Digital Agriculture**

- Blue Print, Autocad, among others

Proof of readiness to implement as shown by available software/application to be used in the project.

*Note:* All the documents to be submitted for this program shall become the property of the Department of Agriculture.

## **Section 9. Selection and Evaluation Procedures**

### **8.1 Evaluation Criteria**

Selection criteria for the "YFC Regional Intercollegiate Competition" shall be as follows:

**a. Entrepreneurial attributes.** Entrepreneurial attributes or traits are the typical characteristics, abilities, and thought patterns associated with successful entrepreneurs. The participant must exhibit basic entrepreneurial attitudinal attributes such as integrity (proof that 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. market need, value chain problem, or production system weakness). It should present a unique, simple, attractive to target market/end user, and implementable system innovations. 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.

**c. Revenue stream of the business proposal.** The proposed business must show the clear potential of generating a revenue stream. The proposal can show clear plans for 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 service that provides an additional economic value to an agri-fishery commodity/ product to attract more customers and consequently increase revenue/profit. Value can also be added in different ways such as branding a product to differentiate it from others, or adding extra or special features to a product to increase the value of the product or service to its customers.

**e. Social Responsibility.** The proposed business is socially responsible as shown by:  
(a) its potential to scale up operations that can generate jobs for the community,  
(b) contribute to the welfare of others such as household savings on consumers by offering quality but affordable agri-fishery commodities/products or services; and  
(c) promote environmental protection and conservation.

**f. University Engagement.** The participant's business model canvas shall explicitly show the involvement of their university in the actual implementation of the agri-fishery enterprise. The proposed enterprise may be in line with the vision, mission, and core values of the institution.

## **Section 10. Screening Process for the Competition**

- a. The PMT of the concerned offices (DA Central, RFOs) shall receive all documents from the participating SUC in their area of jurisdiction;
- b. The PMT shall conduct initial validation, checking based on the eligibility criteria and compliance with the submitted documents;
- c. Once assessed as eligible, the PMT will issue a certification of eligibility addressed to the participating SUC; and
- d. The PMT shall endorse the BMC, Activity and Financial plan, and other pertinent documents of the SUC representative to the Panel of judges.

### **10.1 Selection of Awardees (YFC Regional Intercollegiate Competition)**

- a. To proceed with the competition, there must be two (2) participants in each region. However, in the event there is only one (1) SUC representative who participated in the competition, the SUC shall meet the passing scores to be provided by the panel of judges;
- a. The Panel of Judges in each region shall give the participants equal opportunity to present their business models. The Panel of Judges may opt to conduct face-to-face or online business pitching event;
- b. The Regional PMT shall set the schedule of the Business Pitch Competition in coordination with the National PMT;
- c. The Panel of Judges shall be allowed to conduct the business pitching/judging and finalization of scores once there is a quorum of the members of the panel of judges (half of the members plus one); and
- d. The Panel of Judges shall certify the declared awardees.

### **Section 11. Duties and Responsibilities of the Awardees and their Respective SUCs**

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

- a. Submit a notarized Sworn Statement of the duties and responsibilities of the awardees;
- b. Open a new bank account, preferably with the Land Bank of the Philippines (LBP), or use an existing bank account under his/her name upon the receipt of the Notification of Awards. For group awardees, any of its members may opt to open an individual or joint bank account, or use an existing individual bank account under any of its members' names. The group shall indicate in a Sworn Statement whose bank account they agreed to use to receive the financial grant. The said bank account shall strictly be used for the implementation of the agri-fishery enterprise;
- c. The amount received shall strictly be used for the implementation of the planned agri-fishery enterprise;
- d. The awardee/s shall strictly implement their proposed agri-fishery enterprise within one (1) month after the receipt of the financial grant;
- e. 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 after the release of financial grant;
  - ii. Quarterly progress report; and
  - iii. Terminal report one (1) year after the receipt of financial grant (report should attach evidence of the progress of venture, e.g. pictures).

The above-stated reports shall be prepared by the youth awardees and must be verified and approved by their respective University President or his/her authorized representative.



f. The SUC shall provide Business Development Services to their respective youth awardees relative to the implementation of the proposed agri-fishery enterprise i.e. training and mentoring, research and development, among others.

g. Notify in writing and seek approval from the concerned offices (AMAS, AMADs) in case of any changes, delays due to force majeure, late release of the financial grants, etc., or any concerns affecting the implementation of the agribusiness venture;

h. Ensure availability of documents and other information relevant for the monitoring and evaluation of the project;

i. Misuse of the financial grant and non-compliance with the above undertakings will result in a return or refund of the unused grant amount to the DA. The DA YFC PMT will conduct an assessment of enterprise implementation and examine the latest progress report, including the liquidation of expenses and the challenges encountered by the enterprise, to determine the misused amount. The amount shall be returned to the DA within sixty (60) days from the date of the notice/ letter;

j. Inform the DA within five (5) working days if any of the enterprise group members are no longer connected with the enterprise. Replacement by the remaining active youth members of the group will continue the implementation of the project venture provided and all the funds granted will be fully utilized per the approved project venture. Should the enterprise fail to inform the DA of the said changes within five working (5) days from the change of circumstance, the unused grant amount must be refunded/returned to the DA based on the assessment of the YFC PMT.

Note: Separate guidelines shall be issued for the conduct of enterprise monitoring of the National and Regional PMTs, and the process for the return of funds in case of misuse of the financial grant by the awardee/s.

## **Section 12. Release of Funds (Financial Grants)**

A Certificate of Award shall be issued by the DA Secretary or his/her designated counterpart that acts as the Head of the Agency for the NCR Awardees, and by the respective Regional Executive Directors for 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;
- b. Business Model Canvas (BMC), and Activity and Financial Plan;
- c. Notarized Sworn Statement of the Awardees;
- d. Notarized Authority to Use Land/Facility for not less than three (3) years of operation;
- e. Photocopy of the bank account to which the award will be deposited duly signed by the awardees. For Awardees with group members with individual bank accounts, the group shall indicate in a Sworn Statement whose bank account they agreed to use to receive the financial grant; and

- f. A certified true copy of one (1) valid ID of the awardee/s.

### **Section 13. Business Development Services (BDS)**

The Business Development Services (BDS) Assistance to the youth awardees shall be provided to further assist in their agri-fishery enterprise operations.

The BDS to be provided to Awardees shall include: a) Training Programs and Assistance in Business and Product Registration and Certification; b) Mentoring Assistance; c) Market Linkage and Business Networking; and d) Monitoring and Enterprise Assessment.

### **Section 14. Funding Source**

All expenses incurred in the conduct of the Program including the provision of a financial grant to awardees, honoraria, and/or token of Panel of Judges, and Resource Persons shall be charged against the Young Farmers Challenge Fund under the Appropriations Act subject to existing government accounting and auditing rules and regulations. The basis for the computation of the honorarium of the Panel of Judges and Panel of Coaches shall be the Department of Budget and Management (DBM) Budget Circular No. 2007-1.

### **Section 15. Supplementary Guideline**

The Regional Executive Directors (REDs) are hereby authorized to issue a supplementary guideline as deemed necessary to facilitate the orderly implementation of the program in their respective regions. However, supplementary guidelines shall be consistent with the provisions of this Memorandum Circular.

### **Section 16. Repealing Clause**

All DA issuances, orders, rules and regulations, or parts thereof that are inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

### **Section 17. Separability Clause**

If any provisions under these guidelines are declared unlawful or unconstitutional, the other provisions not stated as such shall continue to be in full force and effect.

### **Section 18. Termination Clause**

The DA shall turn-over the YFC Start-Up: Intercollegiate Category awardees to the concerned SUC one (1) year after the receipt of financial grant and submission of a terminal report. Once turned-over by the DA, the SUC is expected to undertake the monitoring and evaluation of the youth awardees to support the continuity of the awardee's agribusiness enterprise. The YFC awardees may still avail of the other business development services of the Department should they be considered eligible. The YFC Start-Up enterprise will be considered/declared terminated when the operation is affected with the factors provided for under Section 18, Force Majeure of this guideline.

### Section 19. Force Majeure

Neither the implementing units nor the awardees will be held responsible for any delays or failures in carrying out these guidelines as long as they are caused by events or circumstances that are beyond their control, such as natural disasters, war, civil unrest, government actions, strikes, labor disputes, or difficulties in obtaining materials or transportation.

### Section 20. Effectivity

This Guideline shall take effect immediately upon publication in the DA Website and/or in a newspaper of general circulation, and its filing with the University of the Philippines Law Center - Office of the National Administrative Registrar.

Done this 14th day of July, 2023.

  
**DOMINGO F. PANGANIBAN**  
Senior Undersecretary



DA-CO-AMAS-MC20230711-00004

