

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 7735



Introduced by Representative Joseph Gilbert F. Violago

EXPLANATORY NOTE

According to the Philippine Statistics Authority, Agriculture, forestry, and fishing (AFF) shared 8.9 percent of the total GDP in 2022, lower compared with the 9.6 percent share in the previous year.¹ While the agricultural sector provides invaluable contribution to the country's economy, the truth of the matter is that, "the average age of farmers in the Philippines is between 57 and 59 years old" and for various reasons, "many young Filipinos do not view a career in agriculture as profitable."² This will prove as a challenge in the near future, especially in places where agriculture is the main driver of the local economy, such as in the Province of Nueva Ecija, which is dubbed as the Rice Granary of the Philippines.

In his State of the Nation Address last July 25, 2022, President Ferdinand R. Marcos, Jr. stressed that "one of the main drivers of our push for growth and employment will be in the agricultural sector."³ He further emphasized that, "The call of the times is for the infusion of fresh and new blood in the agricultural sector" and that the Philippines needs "a new breed of farmers equipped with modern agricultural technology able to engage in sustained scientific farming that will not only increase farm yields, but also resilience in the face of climate change."⁴

For this reason, this bill seeks to establish the Young Farmers Challenge Program which shall support and enable young farmers to become valuable partners in food security, as well as the development and modernization of the agriculture sector in the Philippines. It also seeks to encourage the youth to pursue a career in agriculture or undertake activities relating to the same, to participate in formulating policies, and to assist in effective implementation of programs related to agriculture. Likewise, this aims

¹ <https://psa.gov.ph/national-accounts/sector/Agriculture,%20Forestry%20and%20Fishing>

² N.a. "Producing Opportunity: USAID Upskills the Next Generation of Filipino Farmers". *USAID*. 22 July 2022. Web. Accessed on 10 March 2023. < <https://www.usaid.gov/philippines/our-stories/jul-2022-producing-opportunity-usaid-upskills-next-generation-filipino-farmers#:~:text=The%20average%20age%20of%20farmers,career%20in%20agriculture%20as%20profitable.>>

³ <https://www.officialgazette.gov.ph/2021/07/26/ferdinand-r-marcos-jr-first-st-ate-of-the-nation-address-july-25-2022/>

⁴ *Ibid.*

to provide institutional support for the youth's agri-business and agri-entrepreneurship initiatives.

This commendable bill was filed and approved on Third and Final Reading in the 18th Congress and was transmitted to the Senate; however, the same was not passed into law. The present proponent acknowledges the hard work and wisdom of his predecessors.

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

A handwritten signature in black ink, appearing to read 'J. Violago', with a large, sweeping flourish above the name.

JOSEPH GILBERT F. VIOLAGO

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AN ACT
ESTABLISHING THE YOUNG FARMERS CHALLENGE PROGRAM,
CREATING FOR THE PURPOSE THE YOUNG FARMERS CHALLENGE
COUNCIL, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as the “Young Farmers Challenge Act of 2023”.

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to ensure that the rights of young farmers are recognized, protected and promoted. Pursuant to this, the State shall engage the role of the youth in nation building and rural development, providing for this purpose access to knowledge, information and education, access to land, new sources of financial services and capital, green jobs, access to new and niche markets, and participation in policy dialogue.

SECTION 3. *Young Farmers Challenge Program.* – There is hereby established a Young Farmers Challenge Program, hereinafter referred to as the Program, that shall support and empower the young farmers to be active partners in food security and agricultural development and modernization. The Program shall encourage the youth to pursue a career or engage in activities related to agriculture, ensure young farmers participation in policy formulation and program implementation relative to the agriculture sector, and provide institutional support for agri-business and agri-entrepreneurship initiatives of the youth to fully realize their roles as agents and partners for development.

SECTION 4. *Beneficiaries of the Program.* – Young farmers are those between fifteen (15) to forty (40) years of age, are engaged in farming activities, and are included in the Registry System for Basic Sectors in Agriculture (RSBSA). The Department of Agriculture shall update its existing database to reflect these indicators.

SECTION 5. *Creation of a Young Farmers Challenge Council.* – There is hereby created the Young Farmers Challenge Council, hereinafter referred to as the Council to properly oversee the implementation of the Program.

The Council shall be composed of:

- a. The Secretary of the Department of Agriculture or his duly authorized representative who is at least an undersecretary, who shall be the Chair;
- b. A representative of the Department of Trade and Industry (DTI) who shall likewise be an Undersecretary;
- c. A representative of the Department of Science and Technology (DOST);
- d. A representative of the Commission on Higher Education (CHED);
- e. A representative of the Department of Education (DepEd) who shall likewise be an Undersecretary;
- f. A representative of the Department of Agrarian Reform (DAR);
- g. A representative of the Technical Education and Skills Development Authority (TESDA);
- h. A representative of the Department of the Interior and Local Government (DILG);
- i. A representative of a national organization of young farmers' cooperatives or associations, provided that the representative shall be between fifteen (15) to forty (40) years of age;
- j. A representative of a farmers' women organization or cooperative, provided that the representative shall be between fifteen (15) to forty (40) years of age;
- k. A representative of a national organization for agritourism; and
- l. A representative of a national organization for food, restaurant, and business sectors.

The Philippine Council for Agriculture and Fisheries shall serve as its Secretariat.

SECTION 6. *Powers and Functions of the Council.* – The Council shall have the following powers and functions:

- a. Formulate the Young Farmers Challenge Program, in consultation with research institutions such as the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA), Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD), University of the Philippines - Los Baños (UPLB) and other relevant state universities and colleges (SUCs);
- b. Identify and streamline access to relevant capacity-building and livelihood programs across the different departments and agencies of government, including on-the-job trainings, job fairs, employment in farm tourism and agro-industrial zones, and other employment-bridging initiatives;
- c. Identify and streamline access to possible sources of credit across the different departments, agencies, and instrumentalities, including access to start-up capital;
- d. Monitor initiatives in emerging best practices and products in agriculture such as but not limited to smart farming, farm tourism in compliance with RA 10816 or the “Farm Tourism Development Act of 2016,” agroponics, aquaponics, hydroponics, and organic and boutique vegetables;
- e. Improve and facilitate access to marketing services such as but not limited to packaging, promotions including branding and advertising, networking events, and provide subsidy for participation in trade fairs and exhibits and provide linkage with media;
- f. Coordinate with LGUs in providing subsidized rental rates for public retail areas and public markets to farmers;
- g. Serve as a conduit between stakeholders and national and international leaders including Congress as well as the private sector in formulating policies directly addressing the concerns of young farmers;
- h. Propose subjects related to agriculture and agribusiness such as but not limited to gardening, backyard farming, urban farming, reforestation, agricultural appreciation, agricultural entrepreneurship, smart farming, farm tourism, and coastal management in all pertinent levels of the DepEd’s K-12 system with the end goal of increasing enrollment in the technical-vocational track in Senior High School in courses related to agriculture, CHED, including the National Service Training Program (NSTP) and TESDA;
- i. Ensure scholarships and subsidized tuition fees for young farmers in SUCs;
- j. Provide on-the-job training programs for young farmers in areas such as but not limited to “green jobs”, reforestation, and other rural-based jobs, through DOLE’s Special Program for Employment of Students (SPES) and other livelihood and training programs;

- k. Explore and facilitate the extension of short-term leases for public land to young farmers, providing free or subsidized land for cultivation and for aquaculture, and developing such other packages such as but not limited to lease-to-buy schemes that would allow young farmers to use available or unutilized agricultural land for the purposes of said Program.
- l. Expedite the lease, distribution, and award of agrarian reform land to qualified beneficiaries;
- m. Facilitate the use of excess land holdings of SUCs and PEIs for agricultural training and developmental processes.
- n. Foster the formation of new ideas and technologies by assisting agricultural enterprises of qualified young farmers entrepreneurs, pursuant to Republic Act No. 11337 otherwise known as the “Innovative Start-up Act of 2018”;
- o. Initiate social partnerships and rural development initiatives in partnership with the private sector;
- p. Optimize existing loan guarantee funds administered by various government entities to increase the credit worthiness of young farmers experiencing difficulty in obtaining loans from banks due to lack of acceptable collaterals, credit knowledge and credit track record; and
- q. Accept donations, contributions, grants, bequests or gifts, in cash or in kind, from various sources, domestic or foreign, for purposes relevant to the functions of the Council. Said donations shall be deemed automatically appropriated for purposes of specified by the donor or in the absence thereof, for the programs and projects as may be approved by the Council subject to the usual accounting and auditing rules and regulations: *Provided, that*, cash donations shall not be used to fund the personal services requirements of the Council.

SECTION 6-A. Tax Exemption on Donations. – All grants, bequests, endowments, donations and contributions made to and used actually, directly and exclusively by the Council shall be exempt from donor’s tax and the same shall be considered as allowable deduction from gross income for purposes of computing the taxable income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

SECTION 7. Waiver of Government Fees and Charges. – Subject to the exceptions provided in Section 8 of Republic Act No. 11261, otherwise known as the “First-Time Jobseekers Assistance Act”, all government agencies and instrumentalities, including government-owned and controlled corporations (GOCCs), LGUs, and government hospitals, shall not collect fees or charges from any young farmer: *Provided, That* such

fee or charge is in connection with the application for and the granting of licenses, proofs of identification, clearances, certificates or other documents usually required in the course of employment locally or abroad: *Provided further*, That the benefit provided shall only be availed of once.

SECTION 8. *Annual Report.* – The Council shall submit to the President and to both Houses of Congress, not later than the 30th of March of every year following the effectivity of this Act, a report giving a detailed account of the effectivity and implementation of this act, and recommended legislation where applicable and necessary.

SECTION 9. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the DA and DAR, in coordination with the DOST, DOLE, DENR, DepEd, CHED, LBP, and NYC, shall issue the necessary rules and regulations for the implementation of this Act.

SECTION 10. *Appropriations.* – The funds necessary to carry out the initial implementation of this Act shall be charged against the current year's budget of the Department of Agriculture. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SECTION 11. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

SECTION 12. *Repealing Clause.* – All laws, executive orders, administrative orders, and rules and regulations inconsistent with this act are hereby repealed or amended accordingly.

SECTION 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,