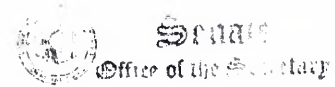


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 25 P1:35

SENATE

S. No. 840

RECEIVED BY

Introduced by Senator Loren B. Legarda

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

EXPLANATORY NOTE

Article XIII, Sections 1 and 2 of the 1987 Constitution provide, in part, that the State “shall give the highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good,” and shall endeavor “to create economic opportunities based on freedom of initiative and self-reliance.”

Farmers and fisherfolk play an essential role in achieving sustainable development. The Philippines is an agricultural country with a land area of 30 million hectares, 47% of which is agricultural land.¹ Agriculture, forestry, and fishing (AFF) contributed a 9.4 percent share to the total GDP in the first quarter of 2022. However, it recorded a minor contribution in the same period among three major economic sectors—agriculture, forestry, and fishing industry and services.² Its contribution to

¹ FFTC Agriculture Policy Platform (FFTC-AP). Climate-Smart Agricultural Initiatives in the Philippines. Retrieved from <https://ap.fttc.org.tw/article/2513>

² Philippine Statistics Authority (PSA) (2022). Gross National Income & Gross Domestic Product. Retrieved from <https://psa.gov.ph/national-accounts/sector/Agriculture,%20Forestry%20and%20Fishing>

national development has not provided sufficient means for farmers and fisherfolk to sustain livelihood opportunities and productivity to uplift their lives.

The Philippine Statistics Authority released the preliminary estimates for 2018, which showed that farmers posted the highest poverty incidences among the basic sectors at 31.6 percent. This was followed by fisherfolk at 26.2 percent. While individuals residing in rural areas and children who belong to families with income below the official poverty thresholds were at 24.5 and 23.9 percent, respectively.³ The figures show that around 5.5 million farmers and 4.6 million fisherfolk are poor. The country's nominal wage rate for agricultural workers in 2019 averaged Php 331.10 per day.⁴

The low income of farmers led partly to the steady decrease in employment share from 30.4% in 2014 to 24.3% in 2018⁵ despite the increasing demand for food production and agricultural production systems.⁶ According to the May 2022 Labor Force Survey, the number of persons employed in the agriculture sector was 22 percent of the 46.08 million employed population.⁷ To add, it is contended that the Philippines might reach a critical shortage of farmers in just 15 years, with farmers having an average age of 57 years old.⁸ Whereas, the youth labor force participation rate (LFPR) reached 36.2 percent. The youth labor force in May 2022 reached 7.30 million of the estimated 20.14 million youth population or those 15-24 years old.⁹

³ Philippine Statistics Authority (PSA) (30 June 2020). Farmers, Fisherfolks, Individuals Residing in Rural Areas and Children Posted the Highest Poverty Incidences Among the Basic Sectors in 2018. Reference No.: 2020-092. Retrieved from <https://psa.gov.ph/poverty-press-releases/nid/162541>

⁴ Philippine Statistics Authority (PSA) (28 August 2020). Farm workers are paid an average daily wage of PhP 331.10 in 2019; CALABARZON farm workers are the highest paid while Central Visayas farm workers are the lowest paid. Reference No.: 2020-243. Retrieved from <https://psa.gov.ph/content/farm-workers-are-paid-average-daily-wage-php-33110-2019-calabarzon-farm-workers-are-highest>

⁵ Philippine Statistics Authority (PSA) (2019). Philippine Statistics Authority-Agricultural Indicator System (AIS): Population and Labor Force. Retrieved from https://psa.gov.ph/sites/default/files/ais_population%26laborforce_2019.pdf

⁶ Food and Agriculture Organization (FAO)(2017). The future of food and agriculture: Trends and challenges." Rome: The Food and Agriculture Organization of the United Nations. Retrieved from <https://www.fao.org/3/i6583e/i6583e.pdf>

⁷ Philippine Statistics Authority (PSA) (07 July 2022). Employment Rate in May 2022 is Estimated at 94.0 Percent. Reference Number: 2022-289. Retrieved from <https://psa.gov.ph/system/files/Press%20Release%20for%20May2022.pdf>

⁸ Palis, F. (2020). Aging Filipino Rice Farmers and their Aspirations for their Children. Philippine Journal of Science, 149(2). Retrieved from https://philjournalsci.dost.gov.ph/images/pdf/pjs_pdf/vol149no2/aging_filipino_rice_farmers_.pdf

⁹ Philippine Statistics Authority (PSA) (07 July 2022). Employment Rate in May 2022 is Estimated at 94.0 Percent. Reference Number: 2022-289. Retrieved from <https://psa.gov.ph/system/files/Press%20Release%20for%20May2022.pdf>

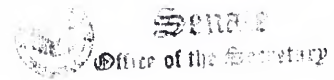
As the situation of farmers and fisherfolk poses severe concerns as the country aims to achieve food sufficiency, there is a need to engage the youth in pursuit of rural development by providing access to knowledge, information and education, access to land, new sources of financial services and capital, green jobs, access to markets, and participation in policy dialogue.

This proposed measure seeks to capacitate farmers and fisherfolk to protect and promote their welfare and empower the young farmers and fisherfolk to be active partners in food security and agricultural development and modernization.

In view of the foregoing considerations, the immediate passage of this measure is sought.


LOREN LEGARDA

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**AN ACT
ESTABLISHING THE YOUNG FARMERS AND FISHERFOLK CHALLENGE
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THEREFOR**

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

1 Section 1. *Short title.* - This Act shall be known as the "Young Farmers and
2 Fisherfolk Challenge Act".

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

9 Sec. 3. *Young Farmers and Fisherfolk Challenge Program.* - There is hereby
10 established a Young Farmers and Fisherfolk Challenge Program, hereinafter referred
11 to as the Program, that shall support and empower the young farmers and fisherfolk
12 to be active partners in food security and agricultural development and
13 modernization. The Program shall encourage the youth to pursue a career or engage
14 in activities related to agriculture, ensure young farmers and fisherfolk participation
15 in policy formulation and program implementation relative to the agriculture sector,
16 and provide institutional support for agri-business and agri-entrepreneurship

1 initiatives of the youth to fully realize their role as agents and partners for
2 development.

3 Sec. 4. *Beneficiaries of the Program.* – The Program is intended to support young
4 farmers and fisherfolk between fifteen (15) to forty (40) years of age, who are engaged
5 in farming and fisheries activities, and are included in the Registry System for Basic
6 Sectors in Agriculture (RSBSA). The Department of Agriculture (DA) shall update its
7 existing database to reflect these indicators.

8 Sec. 5. *Creation of a Young Farmers and Fisherfolk Challenge Council.* – There is
9 hereby created the Young Farmers and Fisherfolk Challenge Council, hereinafter
10 referred to as the Council, to properly oversee the implementation of the Program.

11 The Council shall be composed of the following:

- 12 a. Secretary of the Department of Agriculture (DA) or a duly authorized
13 representative who is at least an Undersecretary, who shall be the Chair;
- 14 b. Representative of the Department of Trade and Industry (DTI) who shall
15 likewise be an Undersecretary;
- 16 c. Representative of the Department of Education (DepEd) who shall likewise be
17 an Undersecretary;
- 18 d. Representative of the Department of Science and Technology (DOST);
- 19 e. Representative of the Commission on Higher Education (CHED);
- 20 f. Representative of the Department of Agrarian Reform (DAR);
- 21 g. Representative of the Technical Education and Skills Development Authority
22 (TESDA);
- 23 h. Representative of the Department of the Interior and Local Government
24 (DILG);
- 25 i. Representative of a national organization of young farmers' cooperative or
26 association, provided that the representative shall be between fifteen (15) to
27 forty (40) years of age;
- 28 j. Representative of a national organization of fisherfolk's cooperative or
29 association, provided that the representative shall be between fifteen (15) to
30 forty (40) years of age;
- 31 k. Representative of a farmers' women organization or cooperative, provided that
32 the representative shall be between fifteen (15) to forty (40) years of age;

- 1 l. Representative of a national organization for agritourism; and
- 2 m. Representative of a national organization for food, restaurant, and business
- 3 sectors.

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

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

- 8 a. Formulate the Program, in consultation with research institutions such as the
- 9 Southeast Asian Regional Center for Graduate Study and Research in
- 10 Agriculture (SEARCA), Philippine Council for Agriculture, Aquatic and
- 11 Natural Resources Research and Development (PCAARRD), University of the
- 12 Philippines - Los Baños (UPLB) and other relevant state universities and
- 13 colleges (SUCs);
- 14 b. Identify and streamline access to relevant capacity-building and livelihood
- 15 programs across the different departments and agencies of government,
- 16 including on-the-job trainings, job fairs, employment in farm tourism and agro-
- 17 industrial zones, and other employment- bridging initiatives;
- 18 c. Identify and streamline access to possible sources of credit across the different
- 19 departments, agencies, and instrumentalities, including access to start-up
- 20 capital;
- 21 d. Monitor initiatives in emerging best practices in agriculture such as smart
- 22 farming, farm tourism in compliance with RA 10816, or the “Farm Tourism
- 23 Development Act of 2016,” agroponics, aquaponics, hydroponics, and organic
- 24 and boutique vegetables;
- 25 e. Improve and facilitate access to marketing services such as through product
- 26 packaging, promotions including branding and advertising, networking
- 27 events, provision of subsidies to enable participation in trade fairs and exhibits,
- 28 and linkage with media;
- 29 f. Coordinate with local government units (LGUs) in providing subsidized rental
- 30 rates for public retail areas and public markets to farmers and fisherfolk;

- 1 g. Serve as a conduit between stakeholders and national and international leaders
2 including Congress and the private sector in formulating policies directly
3 addressing the concerns of young farmers and fisherfolk;
- 4 h. Propose subjects related to agriculture and agribusiness such as gardening,
5 backyard farming, urban farming, reforestation, agricultural appreciation,
6 agricultural entrepreneurship, smart farming, farm tourism, and coastal
7 management in all pertinent levels of the DepEd's K-12 system with the end
8 goal of increasing enrollment in the technical-vocational track in Senior High
9 School in courses related to agriculture, CHED, including the National Service
10 Training Program (NSTP) and TESDA;
- 11 i. Ensure scholarships and subsidized tuition fees for young farmers and
12 fisherfolk in SUCs;
- 13 j. Provide on-the-job training programs for young farmers and fisherfolk in areas
14 such as "green jobs", reforestation, coastal management, fisheries, and other
15 rural-based jobs, through the DOLE's Special Program for Employment of
16 Students (SPES) and other livelihood and training programs;
- 17 k. Explore and facilitate the extension of short-term leases for public land to
18 young farmers and fisherfolk, providing free or subsidized land for cultivation
19 and for aquaculture, and developing other packages such as, lease-to-buy
20 schemes that would allow young farmers and fisherfolk to use available or
21 unutilized agricultural land or fishing ground for the purposes of said
22 Program;
- 23 l. Expedite the leasing, distribution, and award of agrarian reform land to
24 qualified beneficiaries;
- 25 m. Facilitate the use of excess land holdings of SUCs and PEIs for agricultural
26 training and developmental processes;
- 27 n. Foster the formation of new ideas and technologies by assisting agricultural
28 enterprises of qualified young farmers and fisherfolk entrepreneurs, pursuant
29 to Republic Act No. 11337, otherwise known as the "Innovative Start-up Act of
30 2018";
- 31 o. Initiate social partnerships and rural development initiatives in partnership
32 with the private sector;

1 p. Optimize existing loan guarantee funds administered by various government
2 entities to increase the credit worthiness of young farmers and fisherfolk
3 experiencing difficulty in obtaining loans from banks due to lack of acceptable
4 collaterals, credit knowledge and credit track record; and

5 q. Accept donations, contributions, grants, bequests or gifts, in cash or in kind,
6 from various sources, domestic or foreign, for purposes relevant to the
7 functions of the Council. Said donations shall be deemed automatically
8 appropriated for purposes specified by the donor or in the absence thereof, for
9 the programs and projects as may be approved by the Council subject to the
10 usual accounting and auditing rules and regulations: Provided, That, cash
11 donations shall not be used to fund the personal services requirements of the
12 Council.

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

19 *Sec. 7. Waiver of Government Fees and Charges.* - Subject to the exceptions
20 provided in Section 8 of Republic Act No. 11261, otherwise known as the "First-Time
21 Jobseekers Assistance Act", all government agencies and instrumentalities, including
22 government-owned and controlled corporations, LGUs, and government hospitals
23 shall not collect fees or charges from young farmers and fisherfolks who are first-time
24 job seekers: *Provided*, That such fee or charge is in connection with the application for
25 and the granting of licenses, proofs of identification, clearances, certificates or other
26 documents usually required in the course of employment locally or abroad: *Provided*
27 *further*, that the benefit provided shall only be availed of once.

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

1 Sec. 9. *Implementing Rules and Regulations.* – Within ninety (90) days from the
2 effectivity of this Act, the DA and DAR shall, in coordination with the DOST, DOLE,
3 DENR, DepEd, CHED, Land Bank of the Philippines, and National Youth
4 Commission shall, issue the necessary rules and regulations for the implementation
5 of this Act.

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

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

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

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

Approved,