

**YOUNG FARMERS PROGRAM**  
**Developing Youths Into Entrepreneurs and**  
**Viable Partners In Modernization**

**I. RATIONALE**

The future of the country's agriculture rests on the hands of farmers who are willing to practice it. The average age of the farmers is 67 years. Their children who are supposed to replace them prefer to work in menial jobs in the cities or end up as domestic helpers or care givers abroad.

The same is true with those who labored to finish agriculture and fisheries in college. They are afraid to venture into agribusiness owing to their lack in self-confidence and the high rate of failure among small and medium enterprises (SMEs) in the sector. Despite recent developments showing agribusiness as profitable, these failed to provide the impetus and the motivation to the youthful graduates to pursue careers in agriculture and fisheries.

The Young Farmers Program (YFP) aims to instill among the youths the dedication and commitment to the development of agriculture and fisheries. It endeavors to equip them with appropriate technical skills, provide production and marketing support and assist them in capital formation with the hope that they may contribute to the nation's food security, generate employment and help the sector face the challenges of globalization.

**II. PROGRAM OBJECTIVES**

**A. General**

To encourage the youth, specifically the young agriculture and fisheries graduates to go into agribusiness and nurturing them to become entrepreneurs and strong partners in nation building.

**B. Specific**

1. To encourage the youth to pursue careers in agriculture and fisheries.
2. To minimize the departure of young farmers for urban centers by generating more employment opportunities in the countryside;
3. To enlist young and competent entrepreneurs in enhancing the competitiveness of domestic agriculture and fishery products;
4. To demonstrate to young graduates the high income potential in agribusiness through value-adding activities;
5. To underscore to the youth their important role in economic development.

**III. BRIEF DESCRIPTION OF THE PROGRAM.**

The Young Farmers Program (YFP), drawing guidance and support from national agencies, local government units (LGUs) and schools, colleges and universities (SCUs), will promote the development of agriculture and fisheries by encouraging the youth to venture into agribusiness.

The YFP National Selection Committee (NSC) will select for funding assistance agri-based project proposals from young graduates and other qualified young farmers who shall be known as Young Farmer Entrepreneurs (YFEs). Project proposals may be selected from the shopping lists provided by the DA/SCUs/LGUs for products with ready market. Proposals must include production and marketing plans and projected financial statements. Approval shall be based on viability and sustainability. Market acceptance must be supported by signed purchase order, proforma invoice or marketing contract.

**IV. COMPLEMENTING DA PROGRAMS**

The Young Farmers Program is complementary to all existing programs of the Department of Agriculture (DA) for young farmers.

The National Agricultural and Fishery Council (NAFC) already has an existing Support to Young Filipino Farmer Project. It is the product of a bilateral agreement with the Japanese government involving an intensive, on-farm agricultural training. Trainees are awarded with start-up funds for their own projects upon their return.

The Agricultural Training Institute also has its ATI-SIKAP Young Farmers Program with the 4-H Clubs focused on the youth already in the farm practicing agriculture.

## V. TRAINING

Applicants with approved project proposals shall undergo a classroom and hands-on training conducted by the DA, SCUs, LGUs and other accredited training institutions. The said training shall be funded by the YFP program.

## VI. FUNDING REQUIREMENTS

On the average, a YFP project may require a minimum in capital of P50,000 to a maximum amount of P300,000 varying on the cost of infrastructure, equipment and area of coverage. The total project cost will be distributed as follows: 10% proponent's equity, 40% grant from YFP and 50% loan from Quedancor or other financing institutions.

- a. For purposes of approval of the loan and release of the grant, the proponent shall put up an initial P15,000.00 cash equity;
- b. Grant fund is 40% of the total project cost coming from the YFP funds and shall be released thru NAFC;
- c. Loan is 50% of the total project cost to be funded by Quedancor at 9.5% interest per annum or thru other financing institutions.

## VII. CRITERIA

### A. Project Criteria

- ❖ Agriculture or fisheries based project, either in production or processing or other value adding activities;
- ❖ Must have ready market for the produce as evidenced by a purchase order, pro forma invoice or marketing contract;
- ❖ Must be a viable and sustainable project (supported by a financial projections);
- ❖ Environment friendly; and
- ❖ Must generate employment.

### B. Eligibility Requirement for Young Farmer Entrepreneur (YFE)

- ❖ Male or female and 20 to 39 years old;
- ❖ Graduate of Agriculture/Fishery/Agribusiness;
- ❖ College graduate of any course but currently engaged in agribusiness;
- ❖ College undergraduate but currently engaged in agribusiness;
- ❖ Must have the time and ability to attend to the project;
- ❖ Physically, mentally and emotionally fit to undertake the activities of the program;
- ❖ Not related with the recommending and approving parties (RAFC & NSC) up to the second degree of consanguinity or affinity;
- ❖ Of good community standing (moral character);
- ❖ Must be willing to undergo training conducted by the DA, other concerned agencies, Quedancor, SCUs, LGUs and other accredited training institutions.

## VIII. DOCUMENTARY REQUIREMENT FOR YFE

- ❖ Personal Information Sheet (Form #1);
- ❖ For non-Agriculture and Fishery graduates or non college graduates engaged in agribusiness, nomination letter and certification from the Municipal Agriculturist /MAFC Chairman that he or she is engaged in agribusiness (Form # 3);
- ❖ Certification from the Barangay Captain where he/she is a resident for at least one year and that he/she is of good community standing (good moral character) (Form # 2);
- ❖ Medical certificate issued by the provincial/municipal health officer at least within 6 months of nomination period;
- ❖ Project proposal using the prescribed format (Forms # 4 & 5) and a marketing tie-up agreement (Form # 6);

- ❖ Proof of initial equity in the form of cash through bank certification amounting to ₱15,000;
- ❖ If not a land owner, must have a signed lease agreement with a private land owner, schools, colleges, universities, Department of National Defense, Local Government Units and National Food Authority for the use of their idle lands/marshland.

## **IX. PROGRAM MECHANICS**

### **A. Selection Process**

1. The YFE applicant prepares project proposal using Form No. 5
2. The YFE applicant secures Personal Information Sheet, nomination form and other documentary requirements (Forms 1-6) from the Municipal/Provincial Agricultural and Fishery Council (MAFC/PAFC) or nearby SCUs, NFA and Quedancor Offices and submit these documents in duplicate copy to the Provincial Agricultural and Fishery Council (PAFC);
3. The PAFC furnishes the Quedancor's District Office with the copy of Project Proposal and other loan application documents;
4. The PAFC together with the Quedancor conducts joint Background Investigation/Credit Investigation of the proponent/project proposal. The PAFC selects and endorses selected proposal to the RAFC;
5. The PAFC Coordinator or his designated representative will act as the secretariat.;
6. The Regional Selection Committee, headed by the RAFC Chairman composed of the DA Regional Technical Director, DA Regional AMAD Chief, Rep. of Quedancor/NFA , reviews/evaluates proposals;
7. The RAFC Coordinator or his designated representative will act as the secretariat;
8. The RAFC endorses the selected project proposals to the National Selection Committee (NSC);
9. The NSC composed of representatives from the NAFC / AFCFPI/COCAF/ NFA/ Quedancor selects and approves the final list of YFEs and their corresponding project proposals;
10. The NSC, through NAFC, furnishes the Quedancor and RAFC with the final list of accepted YFEs;
11. The RAFC informs the YFEs of the scheduled training and signing of Project Finance Agreement.(Form # 7);

For SCUs, applicants must secure documentary requirements including application forms (Form 1-6) and submit these to their respective schools. The schools endorse the proposals to the PAFC and send a duplicate copy to the NSC. Thereafter, procedures 3-11 mentioned above will apply.

### **B. Training Phase**

The qualified young farmer entrepreneurs will undergo classroom and hands-on training adopting the following modules: a) Orientation on the different projects/programs undertaken by organizations; b) Financial management; c) Business management; d) Marketing; e) Entrepreneurship Development; f) Business Plan Development; g) Credit and Values Orientation; h) Advocacy; i) Record Keeping; and j) Process monitoring and evaluation.

### **C. Fund releases, utilization and liquidation of grant portion**

1. The PAFC Chairman/trustee/coordinator submits the signed Project Finance Agreement (PFA) through the RAFC Chairman/Trustee to NAFC together with the following documents as requirement for fund release:
  - .. Duly approved proposal with budgetary requirement and the payment schedule;
  - .. Certification of loan approval from Quedancor;
  - .. Work and financial plan (WFP) with monthly activities;
  - .. Bank Certification of cash equity of the proponent (joint bank account with AFC).

2. The NAFC releases the grant fund to the proponent within seven (7) working days from receipt of the abovementioned documents;
3. The NAFC informs RAFC Chairman/Trustee and the PAFC Chairman of the release of grant funds;
4. PAFC Chairman/PAFC Coordinator together with Proponent (YFE) withdraw funds from the bank based on the approved Work and Financial Plan;
5. YFE shall submit receipts and disbursement report to the RAFC Chairman/ trustee through the PAFC Chairman 15 days after receipt of grant funds. RAFC Chairman coordinates/validates fund utilization. Liquidation of funds should be made prior to subsequent releases.
6. PAFC Chairman through the RAFC Chairman/Trustee shall submit receipts and disbursement report to the NAFC forty five (45) days upon receipt of liquidation report of the total amount released to the proponent.

**D. Monitoring of the YFE**

1. The PAFC will monitor and report on a monthly basis to the RAFC the activities or the status and accomplishment of the project undertaken by the YFE.
2. RAFC consolidates PAFC reports and submits the integrated report to NAFC which in turn submits said report to the NSC on a quarterly, semestral and annual basis.
3. SCUs monitor and submit quarterly, semestral and annual reports to the NSC.

**E. Terms of Reference**

The Young Farmers Program is jointly implemented by Department of Agriculture, NAFC and its local AFCs, COCAF, Quedancor, NFA, AFCFPI, SCUs and the LGUs. The following are their roles in the implementation of the program:

a. The **NAFC** shall:

1. As member of the NSC, participate in the evaluation and final approval of list of YFEs and their corresponding project proposals;
2. Coordinate conduct of training for the YFE applicants;
3. Release grant fund to qualified YFE;
4. Conduct periodic monitoring and evaluation of the YFP implementation.
5. Prepare for the NSC quarterly, semestral and annual reports on the:
  - a. status of the program
  - b. accomplishment of YFE
  - c. disbursement/financial report
6. Act as Secretariat to the NSC.

b. The **Local AFCs** shall:

1. Promote the YFP among target clientele;
2. Thru PAFC, together with the Quedancor, conduct BI/CI of proponent's project proposal for deliberation during PAFC meeting;
3. Thru PAFC, endorse the selected nominee to the Regional Screening Committee through the RAFC;
4. Thru PAFC, together with the Quedancor, certifies the availability of the proponent's equity;
5. Thru RAFC, participate in the selection of nominees and evaluation of project proposals to be endorsed to the NSC;
6. Thru PAFC Chairman, shall open a joint account with the YFE. Withdrawal of funds will be based on approved work and financial plan (WFP);

7. Monitor project implementation in accordance with approved project proposal;
  8. Prepare quarterly accomplishment/financial reports of the YFP;
  9. Thru RAFC, submit quarterly and annual reports to NAFC.
- c. The **SCUs** shall:
1. Assist the YFE in the preparation of project proposals;
  2. Endorse project proposals to PAFC/NSC;
  3. Provide technical assistance to the YFE;
  4. Conduct YFE trainings as required;
  5. Monitor and submit quarterly/semestral report on the status of the YFE projects to NSC thru NAFC.
- d. The **Quedancor** shall:
1. Promote the YFP among target clientele;
  2. Together with the PAFC, conduct BI/CI of proponents for deliberation during PAFC meeting;
  3. As member of the selection group in the provincial level will participate in selection and endorsement of project proposal to the RAFC;
  4. As member of the NSC, participate in final selection of proposals for approval/funding;
  5. Ensure proper and complete documentation of loan requirements;
  6. Evaluate, process loan application of YFEs and release the loan to qualified YFEs;
  7. Notify PAFC on the schedule of loan releases;
  8. Furnish COCAFMDA/NAFC/AFCFPI/Local AFCs summary of loan releases on a quarterly basis or as required.
- e. The **NFA** shall:
1. Promote the YFP among target clientele;
  2. Identify young graduates of agriculture and fisheries and qualified young farmers for the program;
  3. Make available vacant lots (for YFEs using NFA vacant lots) for the YFP;
  4. Assist in the preparation of project proposals;
  5. Facilitate submission/endorsement of project proposals to PAFC/RAFC/Quedancor;
  6. As member of the NSC/AFC, participate in the evaluation of the project proposals (national and provincial level);
  7. Coordinate with NAFC and Quedancor on the release of funds;
  8. Monitor the implementation of the YFE on a regular basis (with on-site visits when necessary) and attend to any problems that may arise;
  9. As member of the NSC, participate in the review and amendment of program guidelines when needed;
  10. Provide recommendations/solutions on any problem as may be required;
  11. Submit quarterly/semestral/annual reports to the NSC through NAFC/COCAFMDA.
- f. The **COCAFMDA** shall:
1. As member of NSC, participate in the selection of nominees and evaluation of project proposals;
  2. As member of NSC, participate in monitoring and evaluation of the YFP;

3. As member of the NSC, approve/disapprove YFE's request for deviation/changes on the approved work and financial plan;
  4. Submit YFP report to the COCAF members as submitted by NSC;
  5. Assist in the identification of funding source for the YFP.
- g. The **NSC** shall:
1. Approve the final list of YFV regional nominees and YFE project proposals;
  2. Facilitate the release of grant and loan funds for the YFP;
  3. Select and designate the YFP National Program Coordinator;
  4. Review YFP training proposals for funding;
  5. Review and amend program guidelines whenever necessary;
  6. Prepare report to the Chairman of the COCAF on the status of project and the disbursement of program funds as submitted by NAFC/Quedancor;
  7. Provide policy direction and oversee program planning and implementation;
  8. Reserve the right to intervene in case of misappropriation of YFP fund and institute corrective measures.
- h. The **Training Provider** shall:
1. Submit training proposals including budgetary requirements;
  2. Coordinate with NAFC/COCAF with regard to the training module and schedule of training;
  3. Provide the trainers, venue and the training design (classroom and hands-on training);
  4. Conduct the trainings for YFEs;
  5. Conduct exit interviews for YFEs after loan repayment;
  6. Submit results of exit interviews to NSC and NAFC;
  7. Submit disbursement report of training conducted to the NSC and NAFC;
  8. Submit training completion report together with necessary documents to NSC and NAFC;
  9. Conduct follow-up activities as required by the NSC.
- i. The **National Program Coordinator** shall:
1. Conduct advocacy activities for the YFP;
  2. As member of the NSC, participate in the selection of nominees and evaluation of project proposals;
  3. Coordinate with NFAC and Quedancor on the release of grant and loan funds;
  4. Monitor the implementation of the Young Farmers Program and conduct site visits if necessary;
  5. Submit a quarterly/semestral/annual report on the over all status of the YFP implementation to the NSC;
  6. Maintain a database of all program beneficiaries including YFP related information for future reference of the COCAF and NSC.
- j. The **AFCFPI** shall:
1. Issue an official receipt to NAFC corresponding to the amount of the fund received for the Young Farmers Program;

2. Administer, manage and disburse the grant funds in accordance with the sound financial and accounting procedures as approved in project proposal, activities and work and financial plan;
  3. Prepare accomplishment report or status of the YFP;
  4. Prepare a report of disbursement attested by the elected auditor of AFCFPI and submit the same to NAFC as liquidation of funds utilized in the implementation of the project.;
  5. Submit a report to NAFC on a quarterly/yearly basis;
  6. If warranted, conduct desk evaluation and field validation of the regional nominees and their project proposals;
  7. As member of the NSC, approve or disapprove the selection of regional nominees and their project proposals.
- k. The ***Young Farmer Entrepreneur*** shall:
1. Ensure the successful implementation of his/her project.;
  2. Submit to the PAFC/RAFC/YFP Coordinator a monthly /annual status report of project implementation which include:
    - 2.1 Production and volume
    - 2.2 Sales Volume
    - 2.3 Disbursement and Cash Flow
    - 2.4 Income Statement/Financial Statement
    - 2.5 Problems encountered and recommended solutions
  3. Pay the loan based on amortization schedule;
  4. Coordinate with the AFC coordinators or representative of Quedancor/NFA, YFP Coordinator and other concerned agencies in the province if there are problems encountered.

## ABBREVIATIONS

AFCFPI	-	Agricultural Fishery Council Foundation of the Philippines, Inc.
AMAD	-	Agribusiness and Marketing Division
ATI	-	Agricultural Training Institute
COCAFM	-	Congressional Oversight Committee on Agricultural and Fisheries Modernization
DA	-	Department of Agriculture
LBP	-	Land Bank of the Philippines
LI	-	Lending Institution
MAFC	-	Municipal Agricultural and Fishery Council
MOA	-	Memorandum of Agreement
NAFC	-	National Agricultural and Fishery Council
NFA	-	National Food Authority
NSC	-	National Selection Committee
PAFC	-	Provincial Agricultural and Fishery Council

PFA	-	Project Finance Agreement
QUEDANCOR	-	Quedan and Rural Credit Guarantee Corporation
RAFC	-	Regional Agricultural and Fishery Council
SCUs	-	Schools/Colleges/Universities
SME	-	Small and Medium Enterprise
SYFFP	-	Support to Young Filipino Farmers Program
TWG	-	Technical Working Group
YFE	-	Young Farmer Entrepreneur
YFP	-	Young Farmers Program

YFP-Form # 1

Control No. \_\_\_\_\_



**PERSONAL INFORMATION SHEET**

**A. PERSONAL PROFILE**

Applicant's Name  
Present Address

Provincial Address

e-mail Address

Telephone #

Date of Birth

Place of Birth

Cell Phone #

Age:

Marital Status:

Gender

Nationality

Schools

Height

Religion

Weight

Elementary

High School

College

Course

Major

Year graduated

Year graduated

Year graduated

**B. BUSINESS PROFILE**

Business/Organization Name

Business Address

Type of Business

Starting Capital

Purpose of Loan

Years in Operation

Present Capital

Commodities

Servicing Bank

Address

Amount of Loan Applied

(Please provide a detailed sketch of Principal Residence at the back of this form)

\_\_\_\_\_  
**Signature over Printed Name of Applicant**

\_\_\_\_\_  
**Date**

YFP-Form # 2

\_\_\_\_\_  
Date

Mr./Ms. \_\_\_\_\_  
Chairman  
Regional/Provincial Agricultural and Fishery Council  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Chairman \_\_\_\_\_ :

As the Barangay Captain of \_\_\_\_\_  
(Name of Barangay)

I attest that Mr./Ms. \_\_\_\_\_  
(Name of Nominee)  
is a resident of \_\_\_\_\_  
(Address)

Likewise, I have known him/her to be of good community standing.

This certification is issued in compliance with his/her nomination to the Young Farmers Program as a Young Farmer Entrepreneur.

\_\_\_\_\_  
**Name** **Signature over Printed**

YFP-Form # 3

\_\_\_\_\_  
Date

Mr./Ms. \_\_\_\_\_  
Chairman  
Regional/Provincial Agricultural and Fishery Council  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Chairman \_\_\_\_\_ :

In harmony with the thrust of pursuing agricultural and fishery development, I am highly recommending Mr./Ms. \_\_\_\_\_  
(Nominee or Name of Organization)  
to the Young Farmer Program (YFP) as Young Farmer Entrepreneur (YFE).

Mr./Ms. \_\_\_\_\_  
(Nominee or Name of Organization)  
is presently engaged in \_\_\_\_\_  
(Cite the nature of business)  
at \_\_\_\_\_  
(Name of municipality/town)

During his/her span of operation, I have seen his/her passion and commitment in his/her craft.

I strongly believe that he/she will show the same level of competence as recipient of the YFP which will contribute in attaining its objectives.

\_\_\_\_\_  
**Municipal Agriculturist / MAFC Chairman**

**PROJECT PROPOSAL OUTLINE**

- I. PROJECT TITLE :
- II. PROPONENT - Individual, groups, clusters, organizations, cooperatives
- III. RATIONALE - A statement of why the project should be pursued
- IV. OBJECTIVES - A statement of why the project should be achieved
  - a. General - Should define the broad development objectives
  - b. Specific - Should indicate the immediate targets the project expects to achieve
- V. PROJECT DESCRIPTION - A brief profile of the project as to:
  - a. Location
  - b. Beneficiaries - Number and description
  - c. Components of the Project -
  - d. Mechanics of Implementation - Should include organization, management and timetable of activities
  - e. Project Outputs -
- VI. BUDGETARY REQUIREMENT - A detailed presentation of the total financial needs of the project, the total amount requested from the program and the proponents' equity participation
- VII. SOCIO-ECONOMIC IMPACT - A statement of how the project will affect the socio-economic conditions of the intended beneficiaries and the community
- VIII. SUSTAINABILITY SCHEME - Explain how the project implementation will be pursued even after the termination of the project

YFP-Form # 5

PROJECT TITLE : \_\_\_\_\_  
\_\_\_\_\_  
(State the complete project title)

PROPONENT : \_\_\_\_\_  
\_\_\_\_\_  
(For organizations, state complete name of organization)

AUTHORIZED REPRESENTATIVE: \_\_\_\_\_  
(For organizations, state complete name and position)

I. Proponent's Profile

A. General Information

Address: \_\_\_\_\_  
(Home address of the proponent/authorized representative of the organization)

Address \_\_\_\_\_  
(Official address of the organization)

Affiliation/Agency Registered With:  
Cooperative Development Authority  
Securities and Exchange Commission  
Bureau of Trade and Industry  
Department of Labor and Employment  
Bureau of Rural Workers  
Others \_\_\_\_\_

Registration Number \_\_\_\_\_ Date Registered \_\_\_\_\_

Area of Operation:  
Barangay \_\_\_\_\_ Municipal/City \_\_\_\_\_ Provincial \_\_\_\_\_  
Regional \_\_\_\_\_ National \_\_\_\_\_

- Note: 1. Submit a notarized resolution designating the authorized representative to transact and sign documents for and in behalf of the organization.  
2. Submit a certified true copy of the registration certificate

B. Organizational Aspect (for organizations only)

1. Membership Composition's Breakdown

Farmers \_\_\_\_\_ Women \_\_\_\_\_ Indigenous Community \_\_\_\_\_  
Fisherfolk \_\_\_\_\_ Youth \_\_\_\_\_ Rebel Returnees \_\_\_\_\_  
Disabled \_\_\_\_\_ Others, specify \_\_\_\_\_

2. Number of Membership

Regular Member : Male \_\_\_\_\_ Female \_\_\_\_\_  
Associate Member : Male \_\_\_\_\_ Female \_\_\_\_\_

3. Number of Directors : Male \_\_\_\_\_ Female \_\_\_\_\_

4. Schedule of General Assembly Meetings

Date of regular assembly meetings : \_\_\_\_\_  
Frequency of regular assembly meetings: \_\_\_\_\_  
Frequency of special assembly meetings: \_\_\_\_\_

5. Schedule of Board Meetings

Date of regular board meetings : \_\_\_\_\_  
Frequency of regular board meetings : \_\_\_\_\_  
Frequency of special board meetings : \_\_\_\_\_

6. Main Source of Income

	Average Income Monthly or Yearly	% of the Total Membership(for organizations)
Farming	_____	_____
Fishing	_____	_____
Manufacturing	_____	_____
Trading/Buy & Sell	_____	_____
Others, specify	_____	_____

7. Other Sources of Income(for organizations only)

	Average Income Monthly or Yearly	% of the Total Membership
Farming	_____	_____
Fishing	_____	_____
Manufacturing	_____	_____
Trading/Buy & Sell	_____	_____
Others, specify	_____	_____

- Note: 1. Submit certified true copy of Articles of Incorporation or Cooperation  
 2. Submit organizational profile including the list of incumbent officers and members

C. Project Activities

1. Training

Type of Training	Number of Participants (for organizations only)	Conducted by
_____	_____	_____
_____	_____	_____
_____	_____	_____

Number of trainings attended: \_\_\_\_\_

2. Projects Undertaken

a. Solely by the Proponent/Organization

Type of Project	Amount (P)	Number of Beneficiaries	Status
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

b. With Assistance from Other Institutions/Agencies

Type of Project	Amount (P)	Date Granted	Number of Beneficiaries	Status
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

3. Savings Mobilization and Capital Build-up Program

Capital Build-up Program Scheme : \_\_\_\_\_  
 Savings Mobilization Scheme : \_\_\_\_\_

4. Lending Transaction(for organizations only)

Total Amount of Loans Granted  
 Member: \_\_\_\_\_ Non-member: \_\_\_\_\_

Number of Loan Beneficiaries

Member: \_\_\_\_\_ Non-member: \_\_\_\_\_

D. Financial status

Assets (current/fixed) : \_\_\_\_\_  
 Liabilities : \_\_\_\_\_  
 Networth : \_\_\_\_\_

Note: Submit the latest audited financial statement (at least 2 years) and/or certificate from the LGU attesting to the organization's credibility and capability

II. PROJECT PROFILE

A. Purpose :

\_\_\_\_\_

\_\_\_\_\_

(State why the project should be pursued)

B. Objectives

General :

\_\_\_\_\_

\_\_\_\_\_

(Define the broad development objectives)

Specific :

\_\_\_\_\_

\_\_\_\_\_

(State what the project aims to achieve)

C. Project Description:

\_\_\_\_\_

\_\_\_\_\_

(Briefly state the features of the project)

Location:

Accessibility of proposed project site/location

Distance from the highway/main road : \_\_\_\_\_ (km)

Distance from the town/city center : \_\_\_\_\_ (km)

Mode of transportation to the site/location :

Total N. of Beneficiaries: \_\_\_\_\_ Male \_\_\_\_\_ Female \_\_\_\_\_

Type of Beneficiaries

Farmer \_\_\_\_\_ Women \_\_\_\_\_ Indigenous Community \_\_\_\_\_

Fisherfolk \_\_\_\_\_ Youth \_\_\_\_\_ Rebel Returnees \_\_\_\_\_

Disabled \_\_\_\_\_ Others, specify \_\_\_\_\_

D. Technical Aspect

Target area for production : \_\_\_\_\_ (ha) \_\_\_\_\_

Target volume of production : \_\_\_\_\_

Target schedule of production : \_\_\_\_\_

Sources of raw materials/inputs : \_\_\_\_\_

Labor requirements : \_\_\_\_\_

Operation Component

Number of Personnel

_____	_____
_____	_____
_____	_____

Available facilities/utilities

Agricultural machineries/equipment, specify \_\_\_\_\_

Buildings/warehouses \_\_\_\_\_

Transport services \_\_\_\_\_

Water supply \_\_\_\_\_

Electricity/power supply \_\_\_\_\_

Others, specify \_\_\_\_\_

E. Market Aspect

1. Product description and uses:

Indicate the features/characteristics of the proposed product such as size, weight, color, packaging and other relevant characteristics

2. Competition  
Indicate other entities, groups, companies, institutions that produce the same Product

3. Marketing strategy  
Market tie-up/contract \_\_\_\_\_ Direct selling \_\_\_\_\_ Retail \_\_\_\_\_  
Dealership \_\_\_\_\_ Wholesale \_\_\_\_\_  
Others, specify \_\_\_\_\_

4. Identified Markets

Market	Volume	Price	With marketing contract (P)	
			Yes _____	No _____
_____	_____	_____	Yes _____	No _____
_____	_____	_____	Yes _____	No _____

F. Financial Aspect

1. Assumptions:  
State the assumptions used in the financial study, ex. price, depreciation, project life, etc.

2. Total project cost : P  
Project cost breakdown/financing scheme:

Particulars	Grant (P)	Loan (P)	Equity (P)	Total (P)
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	_____	_____	_____	_____
Share (%)	_____	_____	_____	_____

3. Projected Income Statement

Particulars	Year 1	Year 2
Sales	(P) _____	(P) _____
Other income, specify	_____	_____
Gross sales	(P) _____	(P) _____
Less: Cost of sales	_____	_____
Gross Income	_____	_____
Less: Operating expenses		
Depreciation	_____	_____
Light and water	_____	_____
Rental	_____	_____
Others, specify	_____	_____
Operating Income	_____	_____
Less: Administrative expenses		
Salaries and wages	_____	_____
Loan repayment	_____	_____
Net Income	_____	_____

4. Projected Cashflow

Particulars	Year 1	Year 2
Cash Inflow	(P) _____	_____
Beginning balance	_____	_____
Grant assistance	_____	_____
Loan	_____	_____
Equity	_____	_____
Product sales	_____	_____
Other cash Inflow, specify	_____	_____
Total Cash Inflow	_____	_____
Cash Outflow		
Fixed assets	_____	_____
Operating capital	_____	_____
Cost of sales	_____	_____

Operating expenses	_____	_____
Salaries and wages	_____	_____
Loan repayment	_____	_____
<i>Total Cash Outflow</i>	_____	_____
<i>Net Cashflow</i>	_____	_____
Ending balance	_____	_____

5. Profitability Indicators
- Payback period : \_\_\_\_\_ Number of years \_\_\_\_\_
- Return on Investment : \_\_\_\_\_%

G. Project Organization and Management (for organizations only)

1. Scheme of implementation
- Individual \_\_\_\_\_
- Communal \_\_\_\_\_
- Others, specify \_\_\_\_\_
2. Management \_\_\_\_\_
- Project Manager \_\_\_\_\_
- Chairman/President of the Organization \_\_\_\_\_
- Board of Directors \_\_\_\_\_
- Committee, specify \_\_\_\_\_
- Selected member(s), specify \_\_\_\_\_
- Others, specify \_\_\_\_\_
- \_\_\_\_\_
- Duties and Responsibilities \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

H. Socio-Economic Aspect

(Indicate the effect of the project on the socio-economic conditions of the intended beneficiaries and their immediate community)

1. Income generated: P \_\_\_\_\_ monthly/cropping/production cycle
2. Employment Generation
- Number of Directly employed : \_\_\_\_\_
- Number of Indirectly employed : \_\_\_\_\_
3. Capital build-up for the organization: P \_\_\_\_\_ monthly/yearly/cropping season
4. Product
- Product made available in the locality \_\_\_\_\_
- Product sold at a lower price \_\_\_\_\_
- Better quality product made available in the locality \_\_\_\_\_
5. Others, specify \_\_\_\_\_
- \_\_\_\_\_

I. Sustainability Measures

(Indicate the measures to be implemented to sustain the project operation even after the termination of assistance)

Will be sustained through:

- Capital build-up for the organization \_\_\_\_\_
- Contribution from the members \_\_\_\_\_
- Assistance from the LGU \_\_\_\_\_
- Marketing tie-up/contract \_\_\_\_\_
- Assistance from other institutions/agencies \_\_\_\_\_
- Others, specify \_\_\_\_\_

**MARKETING CONTRACT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Marketing Agreement entered into by and between:

\_\_\_\_\_, a duly organized and registered enterprise under the laws of the Philippines, and represented herein by \_\_\_\_\_ with the principal address at \_\_\_\_\_, herein after referred as the **PRODUCT USER**;

and

\_\_\_\_\_ with principal address at \_\_\_\_\_ herein referred to as the **PRINCIPAL BORROWER**.

**WITNESSETH**

WHEREAS, the PRINCIPAL BORROWER is engaged in (procurement/production/processing/marketing/trading) of \_\_\_\_\_.

WHEREAS, the PRODUCT USER is engaged among others, in the (buying/selling/processing) of \_\_\_\_\_ and consequently in need of sufficient supply of commodity.

WHEREAS, the PRODUCT USER commits to purchase a certain amount of \_\_\_\_\_ to the PRINCIPAL BORROWER so as to ensure ready market.

WHEREAS, the PRINCIPAL BORROWER is willing to enter into marketing agreements with the PRODUCT USER concerning (production/processing/marketing/trading) of \_\_\_\_\_.

NOW THEREFORE, for and in consideration of the foregoing premises and mutual covenants hereinafter set forth, the parties hereto have agreed and do hereby agree as follows:

**COMMITMENT OF THE PARTIES**

**I. PRINCIPAL BORROWER shall:**

- 1.1 Supply the (produce / commodity) to the PRODUCT USER:
- 1.2 Submit inventory report following the format and timetable specified by the PRODUCT USER; and
- 1.3 Maintain complete and accurate records of operations, financial transactions, including corresponding sales proceeds to the beneficiaries.

**2. PRODUCT USER shall:**

- 2.1 Purchase the product at a guaranteed price of P \_\_\_\_\_ per kilo or at the prevailing market price of the locality whichever is higher based on quality specification agreed upon, the latter's delivery of the produce.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands this day of \_\_\_\_\_, 200\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
(Principal Borrower)

\_\_\_\_\_  
(Product User)

By: \_\_\_\_\_

By: \_\_\_\_\_

**SIGNED IN THE PRESENCE OF:**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

**ACKNOWLEDGEMENT**

Republic of the Philippines)  
\_\_\_\_\_ ) S.S.

**Before Me**, undersigned Notary Public for and in \_\_\_\_\_, personally appeared:

<b>NAME</b>	<b>Community Tax Certificate No.</b>	<b>Date and Place Issued</b>
_____	_____	_____
_____	_____	_____

Known to me and to be known as the same persons who executed the foregoing instrument and they acknowledge to me the same as their own free and voluntary act and deed, and the voluntary act and deed of the agencies and (groups, clusters, organizations) they represent.

This instrument consisting of three (3) pages including this acknowledgement is written has been signed on the left margin of each page and every page thereof by the parties and their witnesses and sealed with my notarial seal.

**IN WITNESS WHEREOF**, I have hereunto set my hand this \_\_\_ day of \_\_\_\_\_ 200\_ at \_\_\_\_\_, Philippines.

**Notary Public**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 200\_

**YOUNG FARMERS PROGRAM  
PROJECT FINANCE AGREEMENT  
(For Individual, Group, Cluster)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Agreement entered into by and between:

The **National Agricultural and Fishery Council (NAFC)**, a government agency attached to the Department of Agriculture created pursuant to Executive Order No. 116, with office address at the Department of Agriculture Building, Elliptical Road, Diliman, Quezon City, represented in this Act by its **Executive Director Bernie G. Fondevilla**, hereinafter referred to as the **"NAFC"**;

- and -

\_\_\_\_\_ Young Farmer Entrepreneur (YFE) with residence address at \_\_\_\_\_, hereinafter referred to as **"Proponent"**

**WITNESSETH**

**WHEREAS**, the NAFC acts as a catalyst for ensuring participatory broad-based decision making in the development of agriculture and fisheries sectors in the country through its network of consultative councils;

**WHEREAS**, the NAFC assists the Department of Agriculture (DA) by serving as its advisory body in the monitoring and coordination of agriculture and fisheries modernization process through policy recommendations;

**WHEREAS**, the Congressional Oversight Committee on Agriculture and Fisheries Modernization in coordination with the Department of Agriculture - National Agricultural and Fishery Council are implementing the Young Farmers Program (YFP) which intends to encourage young farmers and graduates of agriculture and fisheries to go into agribusiness;

**WHEREAS**, the Young Farmer Entrepreneurs, they can avail of funding support from this program for their projects with the following breakdown: 10% equity (or P15,000.00 for purposes of approval of loan and release of grant) , 40% grant, and 50% loan;

**WHEREAS**, the grant portion of the project cost and the monitoring expenses has been managed by NAFC;

**WHEREAS**, the proponent intends to undertake \_\_\_\_\_ Project with a total project cost of \_\_\_\_\_ (P \_\_\_\_\_) to become entrepreneurs and strong partners in agriculture, fishery and agribusiness development.

**WHEREAS**, the proponent desires to improve his/her income but lacks the necessary capital to support his/her agriculture, fishery or agribusiness activities;

**NOW, THEREFORE**, in connection with the above premises and considerations, the parties hereby agree on the following:

**A. The NAFC shall:**

1. Require the proponent to open a bank account jointly with the NAFC Chairman using cash equity as initial deposit.
2. Release the grant funds amounting to \_\_\_\_\_ intended for the project in accordance with the project and/or work and financial plan.
3. Through the local Agricultural and Fishery Council (AFCs) ascertain the progress or accomplishments of the project, proper utilization of the fund and compliance of the provisions stipulated in this Agreement.

4. Through the local AFCs and the have the right to intervene and institute corrective measures for the purpose of securing the fund in case of, but is not limited to, misappropriations of the fund, non-compliance with any provisions stated in this Agreement and if project monitoring and evaluation warrant, the introduction of corrective measures.
5. Provide technical assistance and other support services to ensure the success of the program.
6. Prepare and submit quarterly and annual reports to the NSC.

**B. The Proponent shall:**

1. Open a joint account with the PAFC Chairman in a local bank, preferably Land Bank.
2. Withdraw and disburse the fund in accordance with the scheduled date of utilization based on the approved Work and Financial Plan.
3. Submit, within fifteen (15) working days from the date of withdrawal, official receipts of disbursements to the PAFC Chairman. Implement the project in accordance with the approved project proposal.
4. Submit to PAFC Chairman, copy furnish NAFC, the monthly reports of disbursement or accomplishment.
5. Record all transactions related to project implementation and make available all project records and related documents to the authorized representatives of the NAFC, local AFCs and Quedancor for inspection and monitoring.
6. Return to NAFC through the PAFC Chairman the unspent portion of the grant funds, including accrued interest earnings.
7. Refund/return to NAFC through the PAFC Chairman the full amount of released grant funds to the project including the accrued interests, in case of:
  - a. misappropriation of funds
  - b. non-utilization of fund within the specific time frame to be set by the proponent
  - c. non-compliance of any provisions stated in this Agreement
  - d. termination of the project
8. Request approval from NSC any changes/deviations from the approved work and financial plan prior to implementation of said changes/deviations.

This Agreement shall take effect immediately upon signing thereof. Any modifications or amendments to this Agreement shall be mutually agreed in writing by the parties.

**IN WITNESS WHEREOF**, the parties have hereto affixed their signatures this \_\_\_\_ day of \_\_\_\_\_ at Quezon City

**NATIONAL AGRICULTURAL AND FISHERY COUNCIL:**

**PROPONENT:**

By:

By:

**BERNIE G. FONDEVILLA**  
Executive Director

\_\_\_\_\_

**Signed in the Presence of:**

By:

By:

\_\_\_\_\_  
Chief Accountant, NAFC

\_\_\_\_\_  
PAFC Chairman/Coordinator

**ACKNOWLEDGEMENT**

Republic of the Philippines)

\_\_\_\_\_ ) S.S.

**Before Me**, undersigned Notary Public for and in \_\_\_\_\_, personally appeared:

**BERNIE G. FONDEVILLA**, in his capacity as the Executive Director of the National Agricultural and Fishery Council (NAFC) with Community Tax Certificate No \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_; and \_\_\_\_\_ as proponent of the project with Community Tax Certificate No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_.

Known to me and to be known as the same persons who executed the foregoing instrument and they acknowledge to me the same as their own free and voluntary act and deed, and the voluntary act and deed of the agencies and (groups, clusters, organizations) they represent.

This instrument consisting of three (3) pages including this acknowledgement is written has been signed on the left margin of each page and every page thereof by the parties and their witnesses and sealed with my notarial seal.

**IN WITNESS WHEREOF**, I have hereunto set my hand this \_\_\_ day of \_\_\_\_\_ 200\_ at \_\_\_\_\_, Philippines.

**Notary Public**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 200\_