



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

MEMORANDUM CIRCULAR

No. 40
Series of 2022

**SUBJECT : IMPLEMENTING GUIDELINES FOR THE PROVISION OF
YOUTH SCHOLARSHIP GRANT ON ORGANIC FARMING**

Section I. Rationale and Program Description

One way to promote organic agriculture, and thereby expand the system, is by provision of scholarships and trainings. The DA-Agricultural Training Institute (ATI) and Technical Education and Skills Development Authority (TESDA) implement several scholarship programs and trainings on agriculture, including organic agriculture. However, even with these programs, there are few entrants to the sector, especially among the youth. Hence, there is a need for a comprehensive approach in the provision of scholarship to include intensified and extensive hands-on training on farm, provision of start-up project support fund for the trainees, and mentoring during the implementation of enterprise project of the trainees.

This scholarship program is a highly specialized internship program designed to instill and develop in the trainees an appreciation and eagerness for organic agriculture and eventually adopt it as their source of income. It differs from other scholarship programs which provided tuition fee and stipend only. The program provides start-up support and mentoring for the implementation of their business plan. Thus, empowering the youth to become organic agripreneur.

Patterned after the internship program of the Korean Government wherein, there is 100% engagement of their scholars in agriculture sector after the training completion. The 21-month internship program for the youth aims to fully imbibe the "life of a farmer" and the organic practices. It comprises of 1) nine-month schooling and on-site training to the farm partners, and 2) one-year hands-on practice and implementation of proposed organic enterprise.

The program aims to provide all-out support to the trainees until their enterprises are established and made profit to ensure sustainability and to boost their morale. As they complete the program, they will stay as farmer by heart and mind.

The provisions under this Memorandum Circular are sanctioned and approved by the National Organic Agriculture Board (NOAB), and aim to lay down the criteria, rules, and procedures to avail the scholarship grant.

Section II. Goals and Objectives

The program aims to contribute to the attainment of food sovereignty through ensuring the availability of healthy agricultural produce and products grown, raised and developed in a healthy and safe environment.

Primarily, the program aims to encourage the youth, develop and train them to become organic farmers and practitioners. Specifically, it aims to:

- equip the youth with knowledge and skills in organic agriculture practices;
- increase organic agriculture practitioners, and organic agriculture related enterprise;
- increase organic agriculture areas; and
- increase adopters of organic agriculture practices.

Section III. Scope and Coverage

The program is a collaborative effort between the DA- NOAP and the DA- ATI and shall be implemented nationwide enjoining the youth. The program targets 150 youth, enjoining women, out-of-school youth, and degree holders, and 75 farm partners coming from different provinces practicing chemical-free and/or organic farming system, as beneficiaries.

For 21 months, the trainees will be given a monthly stipend while the farm partners will receive a mentoring fee. Towards the end of the 1st year-implementation, the start-up support will be released to the trainees for the implementation of their proposed organic enterprise under the supervision of farm partners. The start-up support will be used for all the materials and requirements of the trainees for his/her enterprise including site rental, planting materials, facilities, equipment, among others.

Considering that the trainees are still starting their businesses, they need monthly assistance for their food and other basis needs, thus a continuous monthly stipend and mentorship fee will be provided to the trainees and farm partners, respectively.

The grants will be given to 150 trainees and shall cover the following:

PARTICULARS	YEAR 1 (FY 2023)	YEAR 2 (FY 2024)	REMARKS
Farm Partners	75	75	• @1.0 hectare/ trainee x 150 trainees/ batch the project hopes to increase 150 OA adopters/ year and expand 150 hectares OA areas/ year; • 75 farms will be from different provinces and
Trainees per Farm	2	2	
Total Trainees	150	150	
Internship/Mentoring Fee	5,000.00	5,000.00	
Monthly stipend	5,000.00	10,000.00	

No. of Months	9	12	practicing chemical free/organic farming system; • Graduates of BS agriculture and related courses or holders of NCII on OA are priority in selection of trainees
Start-up Support	150,000.00	-	
Monthly Cost	1,500,000.00	2,250,000.00	
Project Coordination and other MOOE	4,500,000.00		For the conduct of monthly monitoring, performance evaluation and insurances
Annual Cost	40,500,000.00	27,000,000.00	

There is a need to increase organic practitioners in every region, and the NOAP hopes to cater all interested applicants, as much as possible. However, due to the budget constraints, only 150 trainees can be accommodated to the allotted fund for this program during its first year of implementation.

Section IV. Definition of Terms

- a. *Youth* refers to those persons whose age ranges from eighteen (18) to thirty-five (35) years old;
- b. *Farm partner* refers to farmer/farmers' association/cooperative or other public institutions that will serve as an extension arm and will provide training on organic agriculture practices;
- c. *Internship* is a 9-month on-site training and learning program for skill development on organic agriculture in an organic or chemical-free farm;
- d. *Hands-on practice* is a year-long simulation, the implementation of proposed business plan applying the theories and practices learned during the internship.

Section V. Creation of Committees

To facilitate orderly screening of applicants and selection of qualified farm partners and trainees, a committee shall be created separately for the farm partners and trainees and shall be composed of the following:

A. *Screening and Selection Committee for Farm Partners*

- Chair : DA-ATI Partnership and Accreditation Division
Members : NOAP-National Program Coordinating Office (NPCO)
ATI-RTCs
DA-RFOs' Organic Agriculture Focal Person

B. Screening and Selection Committee for Trainees

Chair : DA-ATI Career Development and Management Division
Members : NOAP-National Program Coordinating Office (NPCO)
ATI-RTCs
DA-RFOs' Organic Agriculture Focal Person

A Special Order shall be issued by the Secretary of the DA for the creation of these Committees.

Section VI. Eligibility Criteria and Corresponding Documentary Requirements for Application

There are two key players in this program, classified as: a) farm partners; and b) trainees.

A. Farm Partners

Eligibility Criteria	Documentary Requirement
1. Farm operator/owner of certified organic or chemical-free farm, preferably LSA certified farm	Notarized Affidavit as owner/operator of an organic and/or chemical-free farm; Learning Site for Agriculture (LSA) certification, if applicable
2. Must be in operation for at least one (1) year	Farm journal; Financial statement for the previous year's operation
3. Has farm activities within the value chain either production, value adding, processing, or marketing	Farm layout; Photos of farm and its facilities including accommodation areas;
4. Has basic farm tools, equipment or facilities needed for its operation	List and biodata of resource persons/trainers;
5. Has accommodation facility for at least two (2) trainees	
6. Has internship program plan from March to November within a year	Internship Program plan and design including performance evaluation and post-internship assessment
7. With good community standing and has no proven derogatory record	At least two (2) recommendations letter from a community leader (e.g. barangay captain, parish priest, school principal, civil society organization, farmers' cooperative or association)
8. Farm area is not part of military identified conflict zones	Certification from the respective AFP infantry division

9. Others	Letter of intent addressed to the DA-ATI Regional Director
	Bank account details, preferably LBP if available

B. Trainees

Eligibility Criteria	Documentary Requirement
Youth	
1. Age 18 to 35 years old at the time of application	Clear scanned copy of any valid government issued ID (indicating the date of birth)
2. Natural born Filipino citizen	
3. Interested to enter the agriculture industry, especially practice organic agriculture	Notarized Sworn Statement as proof of willingness and commitment to undertake organic agriculture-related activities/enterprises after the training; Business Model Canvas (BMC)
4. Willingness to undertake 21-month internship and hands-on practice contract	
5. Physically and mentally fit	Medical certificate indicating "fit to work"
6. Has good community standing or moral character	At least two (2) recommendation letters from a community leader (e.g. barangay captain, parish priest, school principal, civil society organization, farmers' cooperative or association)
7. Others	Bank account details, preferably LBP if available
	Accomplished application form

Section VII. Mechanics of Implementation and Procedures

A. Application, Selection and Evaluation Procedures for Trainees

1. Application

The ATI-Regional Training Centers (RTCs) and the DA-Regional Field Offices (RFOs) shall conduct information caravan to raise awareness among the general public. Interested applicants for farm partners and trainees shall submit their application form to the ATI-RTCs along with the documentary requirements (Section VI). Submission of application can be done physically or via email. ATI-RTCs shall provide email addresses where the applicants can send their application and required documents.

2. Selection

All applications shall undergo screening process by the Screening and Selection Committee. The Committee shall assess and verify the completeness and accuracy of the documents submitted by the applicants.

One hundred fifty (150) trainees shall be selected among the applicants. All applicants shall undergo prioritization ranking based on the following criteria to select the target number of trainees:

2.1 Graduate of 4-year course

Criteria	25 points	20 points	15 points	10 points
Educational/training background on agriculture	Graduate of Bachelor's degree major in Organic Agriculture	Graduate of any Bachelor's degree related in Agriculture	Graduate of any related Bachelor's degree	Graduate of any Bachelor's degree
Farm Experience	More than 3 years	2 to 3 years	More than a year	Less than a year
Re-entry plan on the preferred production area (crop, livestock and poultry, fishery, and processing)	Complete operation, human resources, marketing and financial plan	Complete operation, marketing and financial plan	Complete operation and marketing plan	Complete operation plan
Availability of site for planned project	Site under the name of the immediate family of the trainee	Site under tenancy of the family	Site with written commitment for rent/usufruct to the trainee	Has no clear site for planned project

2.2 Out of school youth

Criteria	25 points	20 points	15 points	10 points
Educational/training background on agriculture	Graduate of TESDA vocational courses on agriculture	With NC II certification on organic agriculture	At least high school graduate and/or training certificate on organic agriculture	High school level
Farm Experience	More than 3 years	2 to 3 years	More than a year	Less than a year
Re-entry plan on the preferred production area	Complete operation, human	Complete operation, marketing	Complete operation and marketing plan	Complete operation plan

(crop, livestock and poultry, fishery, and processing)	resources, marketing and financial plan	and financial plan		
Availability of site for planned project	Site under the name of the immediate family of the trainee	Site under tenancy of the family	Site with written commitment for rent/usufruct to the trainee	Has no clear site for planned project

3. Evaluation

All applicants with complete documentary attachment shall be evaluated by the Screening and Selection Committee. The Committee shall then review and assess the submitted documents by the trainees.

1. Validation

After checking the completeness of the documents, the Screening and Selection Committee shall validate its accuracy. Upon verification, the Screening and Selection Committee shall prepare the shortlist to be submitted to the DA-ATI Office of the Executive Director for approval.

B. *Application, Accreditation and Evaluation Procedures for Farm Partners*

1. Application

Simultaneous to the information caravan of the ATI- RTCs and the DA-RFOs, applicants for farm partner shall submit their application together with their documentary requirements (Section VI). Applicants may opt to submit their application physically or via email thru the provided email address/es of the ATI-RTCs.

2. Evaluation

Evaluation of farm partners shall be based on the eligibility criteria (Section VI) and their proposed internship program plan and design. The internship program shall cover all aspects of organic agriculture practices of either crop, livestock and fishery production and processing.

All certified organic or chemical-free farms are encouraged to join the program. The Screening and Selection Committee shall assess the submitted documents of the applicants and select as many farm partners as they deem fit.

3. Validation

Once evaluated, the Screening and Selection Committee shall validate the accuracy of all the documents submitted by the farm partners. Upon verification, shall provide a shortlist to the ATI Central Office for approval of the DA-ATI Executive Director.

C. *Orientation and Contract/MOA Signing (c/o ATI)*

Upon approval of the qualified list of applicants for farm partners and trainees by the ATI Director, the Selection Committee shall prepare a Memoranda bearing the official list of farm partners and trainees and shall forward the same to the DA-RFOs and ATI-RTCs along with the templates of Memorandum of Agreement for the farm partners and Scholarship Contract, and the briefing materials for the conduct of orientation activity.

The ATI-RTCs shall inform the farm partners and trainees of their acceptance to the program and conduct a separate orientation for the farm partners and trainees to discuss the contents of the Memorandum of Agreement and Scholarship Service Contract prior to the start of the internship;

Respective ATI-RTCs and eligible farm partners shall enter into a Memorandum of Agreement for the conduct of the internship program.

The Scholarship Contract shall be duly signed by the scholar, the Regional Center Director and the ATI-RTC Head Accountant as witness.

D. *Deployment*

Once all the contracts were signed and notarized, trainees shall be deployed according to the deployment plan designed by the Screening and Selection Committee. Cross-matching shall be based on the preferred organic enterprise of the trainees.

E. *Release of Fund*

1. *Trainees*

Provision of financial assistance to the trainees shall be done once the Scholarship Contract is signed and notarized. The ATI-RTCs shall facilitate the payment of financial benefits of the trainees covering monthly stipend for and one-time enterprise support (Year 1) and monthly stipend (Year 2). It shall be directly deposited in the trainee's bank account.

Release of enterprise support shall be given in full amount during the third quarter of the internship program, once their BMC was approved by the Screening and Selection Committee.

The trainees shall submit supporting documents for the release of funds such as, but not limited to:

- Scholarship Contract;
- Photocopy of Bank Account;
- Photocopy of valid ID;
- Monthly reports/farm journal; and
- Approved BMC.

Additional documentary requirements for the provision of financial assistance to the trainees shall be included in the contract, if needed.

2. *Farm Partners*

Release of internship fee shall be given to the farm partners after the Memorandum of Agreement was signed and notarized. The ATI-RTCs shall directly deposit the internship fee to the farm partners' bank account on a monthly basis for their supervision and mentorship of the trainees.

Release of funds to the farm partners shall be supported by the following, but not limited to:

- Memorandum of Agreement;
- Photocopy of Bank Account;
- Certificate of Accreditation; and
- Monthly report/farm journal.

Additional documentary requirements for the provision of financial assistance to the farm partners shall be included in the agreement, if needed.

F. Internship

Once all the trainees are deployed in their respective farm partner, the internship shall commence. Farm partners shall train the trainees based on the approved internship plan by the Screening and Selection Committee. Trainees shall stay in the farm during their internship thus the farm partner shall provide them with accommodation.

G. Hand-on Practice

After the 9-month internship, trainees shall implement their submitted BMC for another year which will serve as their hands-on practice. The farm partner shall supervise and continue their mentorship among the trainees.

H. Termination

If the trainees discontinue the internship, all financial assistance shall be cut-off, especially the enterprise support. In case of reports of abuse or misbehavior on the part of either farm partners or trainees, the ATI and NOAP-NPCO shall investigate. Those found to be at fault after the investigation shall be severed from the program and will be blacklisted in all NOAP programs for a period of three (3) years.

Section VIII. Duties and Responsibilities

The key players, including the implementing agencies, shall perform the following duties and responsibilities:

A. Farm Partners

1. Submit a proposed internship program plan and design with your respective organic production, either crop, livestock, poultry, fishery, and processing, including performance evaluation and post-internship assessment;
2. Open a new bank account, preferably with LBP, or use an existing bank account under the name of the farm enterprise or owner/operator where the funds will be transferred. The said bank account shall strictly be used in the implementation of this scholarship grant program;
3. Issue an Acknowledgement Receipt or Official Receipt upon release of the financial assistance, whatever is available;
4. Conduct the internship program based on the approved internship program of the DA-ATI;
5. Provide suitable accommodation for the trainees and other materials needed during the internship;
6. Mentor and supervise the trainees during their hands-on practice;
7. Submit updates/reports to the DA-ATI based on the following timelines:
 - Monthly report on the trainees' activities and progress;
 - Midterm evaluation;
 - Evaluation after the internship and hands-on practice.
8. Notify in writing and seek approval from the DA-ATI in case of any changes, delay, or any concern affecting the conduct of internship program;
9. Ensure availability of documents and other information relevant for the monitoring and evaluation of the program; and
10. Report any emergency and/or issue at the farm and the trainees.

B. Trainees

1. Open a new bank account, preferably with LBP, or use an existing bank account under the name of the farm enterprise or owner/operator where the funds will be transferred;
2. Participate and complete the internship program;
3. Apply the knowledge acquired in the internship program through the establishment of an organic agriculture enterprise based on the submitted BMC for a year;
4. Accomplish a daily farm journal;
5. Submit monthly accomplishment reports to the DA-ATI based on the following timelines:
 1. Notify in writing and seek approval from the DA-ATI in case of any changes, delay, or any concern affecting the establishment of the enterprise; and
 6. Ensure the availability of documents and other information relevant to the monitoring and evaluation of the internship and hands-on practice.

C. DA-ATI Central Office

1. Develop briefing materials for the information caravan;
2. Serve as resource speaker during the information caravan, when needed;

3. Consolidate all the applications of trainees from ATI-RTCs through the Career Development and Management Division (CDMD);
4. Call and preside a meeting, through the CDMD, to evaluate all the applications based on the set criteria;
5. Prepare a shortlist of applicants, through the CDMD, for submission to and approval of the ATI Executive Director;
6. Forward the approved shortlist of applicants to ATI-RTCs;
7. Conduct cross-matching of trainees and farm partners for the deployment plan;
8. Manage the insurance of trainees during the whole duration of the program;
9. Aid during the review and assessment of BMCs;
10. Provide technical assistance during the monitoring activity;
11. Lead the investigation in case of reported misbehavior or abused among the farm partners and trainees; and
12. Oversee the overall implementation of the program.

D. *ATI-RTCs*

1. Lead the conduct of information caravan upon approval of the implementing guidelines;
2. Accept all the applications of trainees and prepare a list for submission to the ATI-CO;
3. Submit a database of LSAs to ATI-CO for the cross-matching of trainees and farm partners;
4. Inform eligible applicants of their acceptance to the program;
5. Conduct orientation and contract/MOA signing with the eligible trainees and farm partners;
6. Facilitate the deployment of trainees to their respective farm partner based on the deployment plan from ATI-CO;
7. Assist in the review and assessment of BMCs;
8. Release financial assistance to the farm partners and trainees;
9. Maintain constant communication with the trainees and farm partners and may conduct monthly meetings, via physical or online set-up at the time of the release of monthly allowance, as a form of reporting and assessment;
10. Lead the monitoring of farm partners' and trainees' activities thru site visitation; and
11. Provide assistance during investigation in case of reported misbehavior or abused among the farm partners and trainees.

E. *DA-RFOs*

1. Assist in the conduct of information caravan;
2. Submit a database of certified organic and/or natural or chemical-free farms to ATI-CO for the cross-matching of trainees and farm partners;
3. Validate and assess all the documents submitted by the farm partners and trainees;
4. Review, assess, and approve the BMC submitted by the trainees;
5. Assist in the monitoring activity of the program;

6. Join and participate in the investigation in case of reported misbehavior or abuse among the farm partners and trainees;
7. Involve trainees and farm partners in the Regional Organic Agriculture Congress after the program; and
8. Assist the trainees and farm partners to form or be a member of Participatory Guarantee System (PGS) groups after the program.

F. *NOAP – National Program Coordinating Office (NPCO)*

1. Review and approve briefing materials for the information caravan;
2. Participate in the information caravan as resource speaker, when needed;
3. Assist in the review and assessment of BMCs;
4. Join and participate in the site visitation of farm partners and trainees' organic enterprise, and in the monitoring activity;
5. Aid in the investigation in case of reported misbehavior or abused among the farm partners and trainees; and
6. Provide recommendations for the improvement of the internship program of the farm partners.

Section IX. Fund Source

All expenses incurred in the implementation of this program including the provision of internship fee, stipend and honorarium shall be charged against the NOAP regular fund subject to existing government accounting and auditing rules and regulations and in compliance with Commission on Audit (COA) Circular No. 2012-001 and COA Circular No. 2016-002.

Section X. Monitoring and Performance Evaluation

To monitor the implementation of the program, the farm partners shall submit monthly, midterm, year-end and other reports related to the implementation of the internship program and hands-on practice.

All reports shall be submitted to the ATI-RTCs and they shall ensure the trainees' and farm partners' compliance with their responsibilities and obligations set by the program.

The NOAP and DA-ATI shall review and evaluate the submitted reports of the farm partners and shall conduct regular monitoring thru farm visitation. The trainees and farm partners shall be profiled for future partnership and further provision of technical assistance that would help enhance and strengthen their organic agriculture-related enterprises.

Section XI. Supplementary Guidelines

The Executive Director of the DA-ATI is hereby authorized to issue supplementary guidelines as it deemed necessary to facilitate the orderly implementation of the program

in their respective regions. Provided such shall be consistent with the provisions of this Memorandum Circular.

Section XII. Separability Clause

If any part of this Memorandum is declared invalid, other parts or provisions thereof not so declared shall remain valid and subsisting.

Section XIII. Effectivity

This Memorandum Circular shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation and its filing with the University of the Philippines Law Center – Office of the National Administrative Register (ONAR).

Done this 15th day of November, 2022 in Quezon City.

Domingo F. Panganiban
Senior Undersecretary



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