

**Republic of the Philippines**  
**HOUSE OF REPRESENTATIVES**  
*Quezon City*

**SEVENTEENTH CONGRESS**  
**First Regular Session**

House Bill No. 2458

<b>HOUSE OF REPRESENTATIVES</b>	
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**INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP**

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**EXPLANATORY NOTE**

The Philippines until today remains largely an agricultural country. 70% of its population are dependent on farming and fishing activities and are considered poor. In the countryside, children of subsistence farmers and fishermen can hardly pursue higher education because of poverty and most stop from going to school after completing elementary or secondary education. As a result, they end up as subsistence farmers or fishermen themselves in bondage to the land they till for others, or find themselves doing menial jobs in the cities.

Meanwhile, it has been observed that there is a steady decline in enrolment in agriculture and related courses due to perceived low employment opportunities for graduates of these courses. Enticed by so-called sunrise industries such as business processing and information technology industries, many young people prefer landing in blue or white collar jobs than working the farmlands. If left unchecked, this trend could lead, in the long run, to a limited human resource capital necessary to drive and develop the agricultural sector in the country.

To address these concerns, there is a need to create and develop more lucrative and materially rewarding opportunities in agriculture to attract more students to consider it as a worthy career path. Agricultural education policies and curricula have to be revised and geared towards the production of agribusiness managers and entrepreneurs who will generate employment opportunities for others and strengthen the base of the country's agricultural sector. To sustain their education, financial assistance in the form of scholarships should be made available to deserving students who are willing and interested in staking their future in agribusiness and agricultural production.

In sum, this bill aims to provide opportunities to poor but deserving high school students, as well as graduate students, to pursue careers in

agriculture as successful entrepreneurs and agribusiness founders and managers.

In view of the foregoing, the immediate passage of the bill, field as House Bill No. 417 by the undersigned in the Sixteenth Congress, is earnestly urged.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a series of loops and a final flourish.

**ARTHUR C. YAP**  
*Representative*

**Republic of the Philippines**  
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**AN ACT**  
**ESTABLISHING THE AGRI SCHOLARSHIP FOR**  
**AGRIBUSINESS AND ENTREPRENEURSHIP**  
**PROGRAMS IN THE AGRICULTURAL CURRICULA**  
**OF STATE UNIVERSITIES AND COLLEGES AND FOR**  
**OTHER PURPOSES**

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

1       **SECTION 1. *Title*** – This Act shall be known as the ‘Agri  
2       Scholarship Program Act of 2016’.

3       **SECTION 2. *Statement of Policy*** – The State shall give priority to  
4       education, science and technology to accelerate social progress, and promote  
5       development. To realize this policy, government shall provide opportunities  
6       to all to obtain quality education especially to those who are poor but  
7       qualified students through the provision of scholarships. It is also the policy  
8       of the State to produce graduates who will become agribusiness managers  
9       and entrepreneurs that will generate employment rather than job-seekers.

10       **SECTION 3. *Objectives*** – The following are the objectives of this  
11       Act:

- 1        1. Develop competency skills and knowledge of students in agricultural
- 2        technologies and agribusiness;
- 3        2. Provide opportunities to poor but deserving students to realize their
- 4        potentials in agribusiness and entrepreneurship;
- 5        3. Increase food production utilizing idle lands of state universities and
- 6        colleges (SUCs);
- 7        4. Commercialize proven viable technologies to increase food
- 8        production and income of rural communities through the development
- 9        of livelihoods and markets;
- 10       5. Provide income to students while doing experiential learning and on-
- 11       the-job training which form part of their degree programs;
- 12       6. Link young farmer-students with credit, financing and marketing
- 13       institutions; and,
- 14       7. Contribute to the alleviation of poverty.

15       **SECTION 4. *Definition of Terms.*** – For purposes of this Act, the  
16       following terms shall mean:

- 17       1) **Agri scholarship** – a scholarship program designed to benefit poor but
- 18       deserving graduates of agricultural and vocation high schools including
- 19       similarly situated freshmen students in agriculture and allied courses.
- 20       2) **Agribusiness venture laboratory** – laboratory classes of agricultural
- 21       subjects designed as business ventures in agriculture such as raising of
- 22       poultry, goats, corn or rice or crop production, and credited as satisfying
- 23       the laboratory requirement of a course.
- 24       3) **Small enterprise technology upgrading program (SET-UP)** – a
- 25       technology transfer program being implemented by the Department of

1 Science and Technology designed to assist small and medium enterprises  
2 by providing packages of technologies and interest free capital for the  
3 acquisition of technologies.

4 **SECTION 5. *Establishment of Agri Scholarship Programs in State***  
5 ***Universities and Colleges in Agribusiness Management and/or***  
6 ***Entrepreneurship Courses*** – A scholarship program shall be established and  
7 integrated in a ladderized program in Diploma in Agricultural Technology  
8 (DAT), Bachelor in Agricultural Technology (BAT) and Bachelor of  
9 Science in-Agribusiness (BS Agrib) prescribed to the student-scholars of  
10 state universities and colleges. The DAT-BAT curriculum will be enhanced  
11 with agribusiness and entrepreneurship components and comply with the  
12 minimum standards and guidelines prescribed by the Commission on Higher  
13 Education (CHED).

14 Target beneficiaries are high school graduates from agricultural and  
15 vocational high schools with average high school grades of at least 80  
16 percent. College freshmen already enrolled in agricultural courses in the  
17 state universities and colleges will be considered for as long as their weight  
18 grade average is at least 2.5.

19 **SECTION 6. *Entrepreneurship Components of the Program*** – To  
20 enhance the entrepreneurship components of the curriculum, about 25% of  
21 the entire curriculum shall be in the form of on-the-job training or related  
22 learning experiences. Laboratory components of various agricultural  
23 subjects shall be in the form of agribusiness ventures. Proven viable  
24 agribusiness ventures shall be packaged for students to engage in, and these  
25 shall serve as their laboratory classes under a supervised farming scheme.

Each agribusiness venture shall be under the supervision of a faculty who is also a technology expert in the chosen commodity.

The agribusiness venture laboratory program to be developed must be implementable within 3 to 12 months, should be science and technology-based agribusiness, the end products shall be highly marketable, and the facilities needed are present/existing within the SUCs.

#### **SECTION 7. *Scholarships and Agribusiness Ventures Start-Up***

**Financing.** - Ten percent (10%) of the Agricultural Competitiveness and Enhancement Fund (ACEF) created under Republic Act No. 8178, as amended by Republic Act No. 9586, and implemented by the Department of Agriculture Administrative (DAO ) Order No. 19, Series of 2008, shall be used for the funding of undergraduate scholarship programs in agribusiness, forestry, fisheries, veterinary medicine, and graduate studies in environmental and marine sciences, hydrology, renewable energy and agribusiness management programs in state universities and colleges in the country.

Likewise, there shall be allocated from the ACEF Three hundred fifty million pesos ( P 350,000,000 ) over the first 4 years of the Program, of which Fifty million pesos ( P 50,000,000 ) shall be used as start-up capital for agribusiness venture laboratory.

The Department of Science and Technology (DOST) shall assist the Program by providing additional technology packages under its Small Enterprise Technology Upgrading Program (SET-UP).

**SECTION 8. *Management of the Scholarship and Agribusiness Venture Start-up Funds.*** - The scholarship funds shall be managed by

1 CHED and remitted directly to participating SUCs based on billing of tuition  
2 and other fees. The venture financing shall be released to SUCs to be  
3 deposited as trust funds for the purpose. Student-beneficiaries shall pay back  
4 the venture capital for each cycle of the agribusiness project.

5 **SECTION 9. *Use of Idle Lands for the Agribusiness Venture***

6 ***Laboratory.*** - The SUCs shall provide the lands and facilities to be used by  
7 the students under the Program. Where appropriate, the Department of  
8 Environment and Natural Resources (DENR) shall make available untenured  
9 public lands under its jurisdiction for the use of students in their agribusiness  
10 ventures under appropriate arrangements with CHED and the participating  
11 SUCs.

12 **SECTION 10. *Implementing Rules and Regulations.*** - Within one

13 hundred eighty (180) days from the approval of this Act, the CHED, in  
14 coordination and consultation with the DOST and DENR, shall promulgate  
15 the rules and regulations necessary for the effective implementation of this  
16 Act.

17 **SECTION 11. *Separability Clause*** - If any portion or provision of

18 this Act is declared unconstitutional or invalid, the other provisions hereof  
19 not affected thereby shall remain valid and effective.

20 **SECTION 12. *Repealing Clause*** - All laws, presidential decrees,

21 executive orders, rules and regulations, or parts thereof inconsistent with the  
22 provisions of this Act, are hereby repealed or modified accordingly.

23 **SECTION 13. *Effectivity Clause.*** - This Act shall take effect

24 fifteen (15) days after its publication in at least two (2) national newspapers  
25 of general circulation.

**Approved.**