

'Agricultural Entrepreneurship: A Pathway to Progress'

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Entrepreneurship

Basic Definition:

‘The **WILLINGNESS** and **CAPACITY** to undertake conception, organization, and management of a productive venture with all attendant risks, while seeking profit as a reward.’

Business Dictionary

‘Agricultural Entrepreneurship’ as an initiative...

**“can CHANGE how we utilize
available resources while**

**CREATING new opportunities &
solutions.”**

At the outset...

Let's take a look on our current Agricultural situation?



1. Current Negative Agriculture GDP

I. REAL SECTOR	Latest Quarter	Preceding Quarter	Year to Date	Same Quarter Year Ago
A. National Income (% g.r.) (NSCB)				
GNP	7.9 (Q2 '10)	8.6 (Q1'10)	8.2 (Q1-Q2 '10)	4.4 (Q2 '09)
GDP	7.9	7.8	7.9	1.2
Agriculture	-3.0	-2.7	-2.9	0.3
Industry	15.8	15.9	15.9	-0.6
Services	6.4	7.1	6.7	2.7

2. Increasing Unemployment in Agriculture sector

II. EMPLOYMENT (NSO-LFS) AND WAGES	Latest Period	Preceding Period	Year to Date	Same Period Year Ago
A. Unemployment Rate (%)[†] new definition	8.0 (Apr '10)	7.3 (Jan '10)	7.7 (Jan-Apr '10)	7.5 (Apr '09)
B. Employment Generated ('000)	414 (Apr '10)	1730 (Jan '10)	1072 (Jan-Apr '10)	1,462 (Apr '09)
Agriculture	-803	-48	-426	409
Industry	395	464	430	87
Services	822	1314	1068	965

Source: NEDA Sept 2010

3. Declining Growth Rates - by Commodity

Table 1. Growth Rates of Agricultural GVA by Commodity, 1960-2000 (1985 Prices)				
Commodity	1960-70	1970-80	1980-90	1990-2000
Crops	3.9	6.8	0.6	1.2
Palay	4.5	4.7	2.7	1.8
Corn	5.3	5.9	3.5	-1.4
Coconut	2.3	4.9	-4.9	0.6
Sugar	4.8	2.9	-5.3	0.6
Bananas	5.5	15.6	-3	2.1
Others	3.6	9.5	1.1	1.7
Livestock & Poultry	3.2	3	4.7	4.8
Livestock	3.1	0.5	4.9	4.3
Poultry	3.7	9.2	4.4	5.6
Fisheries	6.9	4.5	2.4	1.4
Forestry	5.1	-4.4	-7	-21.5

Source: David (2003)/ Habito/Briones- Phil Agriculture Over the Years

4. Dwindling Yield Growth for Major Crops

Table 2: Yield Growth for Major Crops, Annual Average by Decade, 1961-2003				
	1961-1970	1971-1980	1981-1990	1991-2003
Rice	4.3	2.6	3.3	1.2
Corn	3.2	1.5	2.8	2.8
Coconuts	-2.6	1.7	4.9	2.8
Sugarcane	0.1	0.8	2.8	-0.8
Bananas	1	13.4	-2.5	3.1

Source: FAOStat (2004)/ Habito/Briones- Phil Agriculture Over the Years

5. Alarming Forestry Degradation

Philippines Forest Figures

Forest Cover

Total forest area: 7,162,000 ha

% of land area: 24%

Primary forest cover: 829,000 ha

% of land area: 2.8%

% total forest area: 11.6%

Deforestation Rates, 2000- 2005

Annual change in forest cover : -157,400 ha

Annual deforestation rate : -2.1%

Change in defor. rate since '90s: -20.2%

Total forest loss since 1990 : -3,412,000 ha

Total forest loss since 1990 : -32.3%

Source: Philippine Forestry Profile, 2005

6. Looming Marine Habitat Concerns

Philippine Marine Habitat and Biological Resources Situation

- 1) Mangrove from 400k to 100k only at present**
- 2) 16 species should be saved**
- 3) 69 spa of 23 families**
- 4) Coral reef 25k km. 5 - 10% are in good condition**
- 5) Tuna from 300k to 500k now 200 k**
- 6) Coral fish from 350k to 177k**
- 7) 90 to 95 % of fish in the reef area are lost in biomass sq.km**

**Source: Dr. Angel Alcala, Silliman University,
Director, Angelo King Center for Research & Environmental
Management, Biologist & Coral Reef Expert**

Now, what can be done to address these alarming Agricultural issues?



What can we CHANGE and CREATE from these key Agricultural issues and problems?



Conceivably...

WHY?
CHANGE
(The way)

- **We use & protect our natural resources**
- **We nourish our families**
- **We develop our communities**
- **We meet the needs of society**

HOW?
CREATE

- **Ways to solve problems & create value**
- **Ways to do business**
- **Jobs, Products & Services**
- **Wealth**

The bottom line is...

We need to focus on 3 critical factors:

- **Productivity**
- **Efficiency**
- **Sustainability**

Let's try to simplify further...

A young child with short brown hair, wearing a light blue shirt, stands in a field of tall, golden-brown grass. The child is looking upwards and to the right, with their hands clasped in front of them. The background is a bright, slightly hazy sky with some clouds. The overall scene is peaceful and evokes a sense of nature and growth.

**From an Agricultural
Entrepreneurship's Perspective**

Community Livelihood Model



**Barangay Atisan, San Pablo City,
Laguna, Philippines**

BARANGAY ATISAN MODEL:

Key Challenges in Community Livelihood Program

- 1) Unpredictable low prices of products they produce**
- 2) Lack of capitalization**
- 3) Lack of knowhow of plants that can be profitable**
- 4) Dependence on single source of income**
- 5) Management of their source of income**

ECONOMIC & ENVIRONMENTAL Program Implemented in the community (since 2004)

1. VARIETAL selection of plants & trees ENDEMIC in the area



2. MULTIPLE CROPPING systems to arrest erosion





Farming system to control erosion



3. Initiated cattle fattening program & gave technical & financial support for ginger & yam production



4. Encouraged people to PLANT the PRESCRIBED TREES & assure them of the market at a guaranteed price



5. EDUCATION of people in the community with supplemental LIVELIHOOD such as bee & organic farming



Bee Farming Training for Aetas & local folks

6. Assistance given to the community through student scholarships & computer donations



Rationale of the Program

1

**To shift the paradigm
of Slash & Burn Farmers**

2

**To educate people on the importance
of cover crop**

3

**To plant indigenous crops with economic
& environmental value**

4

**To control & manage
frugivore birds & other animals**

Rationale of the Program

5

To renew the people's interest & attitude towards profitable tree planting

6

To design minimal management of indigenous trees & plants

7

To practice multiple cropping for pest & disease management

8

To achieve an effective water conservation program

Results of the Program

1

The farmers have shifted to planting profitable trees intercropped with cash crops

2

They have started raising animals to support their livelihood

3

They practice rotational cropping

4

They start to appreciate the value of the endemic plants and animals

Results of the Program

5

The parents and children in the community are becoming aware of the importance of education

6

The water supply started to increase in volume

7

Development of fruit wines, juices, preserves and possibly medicinal herbs

8

A substantial source of livelihood has been created in the community



Potential business for food & ladies' accessories



Organic Products from Bee Farming



St Ambrose (Bignay) Wine



Patronage of this wine & honey contributes to the LIVELIHOOD of the once slash & burn farmers, EDUCATION to their children & PRESERVATION & SUSTAINABILITY of biodiversity

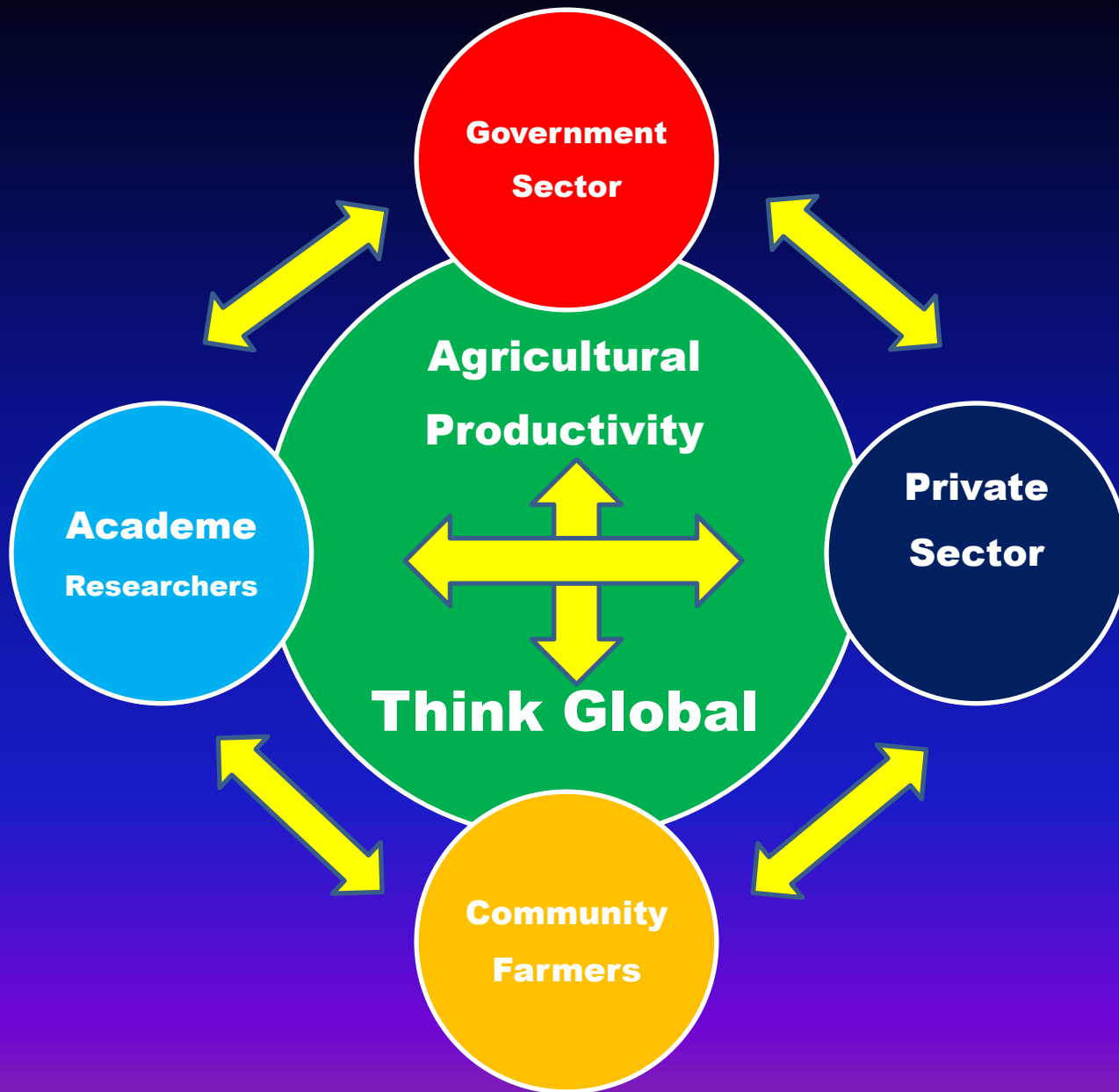
San Ambrocio Honey



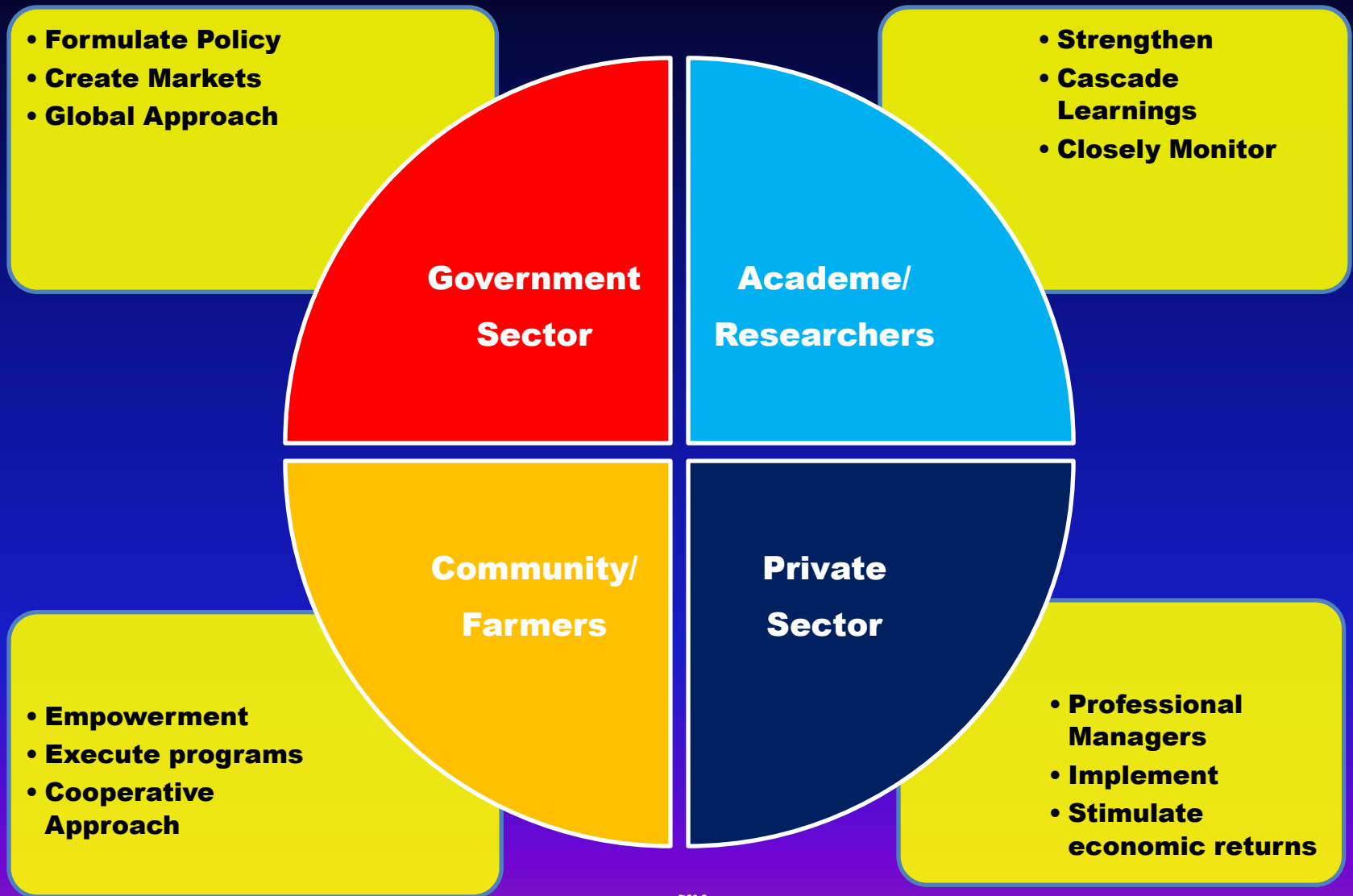


Moving forward...

**Now, what would be our respective
critical roles in addressing
key Agricultural issues?**



Roadmap to Agricultural Productivity



Roadmap to Agricultural Productivity

- **Formulate Policy**
- **a) Incentive- driven**
- **b) Technical Support**
- **c) Obligation & Accountability of Agencies**
- **d) Amendment of Outdated Laws**



**Government
Sector**

Roadmap to Agricultural Productivity

- **Product & Market Development**
- **a) Develop and create various products from a single crop**
- **b) Utilization of all remains**

**Government
Sector**

Roadmap to Agricultural Productivity

- **Global Approach**
- **a) Create standards for all products' produce**
- **b) Find niche markets for key endemic products**
- **c) Focus on products of strength**

**Government
Sector**

Government's Focus on Productivity

- Utilize all resources of each agency for its mandated purpose



Animals

- Swine
- Poultry
- Livestock



Plants



Fisheries



“Productivity is never an accident. It is always the result of a commitment to excellence, intelligent planning, and focused effort”

Paul J. Meyer

Thank you!