



**EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )**

20 JUL 27 AM 11:15

REC.

**SENATE**

**S.No. 1741**

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Introduced by **SENATOR CYNTHIA A. VILLAR**

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**AN ACT DECLARING THE CITY OF DAVAO AS THE CACAO AND  
CHOCOLATE CAPITAL OF THE PHILIPPINES**

**EXPLANATORY NOTE**

Section 1, Article XII of the 1987 Constitution provides that the Senate shall promote the industrialization and full employment based on sound agricultural development and agrarian reform, through initiatives that make full and efficient use human and natural resources, which are competitive in both domestic and foreign markets. Pursuant to such pronouncement, the State recognizes that one of the means by which socio-economic advancement can be attained is through agricultural development.

The Philippines, Davao City in particular, has been put on the map for producing world class cocoa beans, which is the main ingredient in chocolate production. It is the main ingredient in chocolate production and there is no other crop or product that can substitute it in as far as chocolate production is concerned. There are six (6) intermediate products that can be derived from cacao beans: cocoa nibs, cocoa liquor (tablea), cocoa cake, cocoa butter, cocoa powder and chocolate confectionary blocks. Its diversified use, both for food and non-food, provides broader market opportunities. As a health food, cacao is packed with vitamins and antioxidants that make it almost a super food or a natural multivitamin. Cocoa-based products traded in the local and international market include: (1) Wet cacao beans, (2) Ready to sow cacao seeds (seedling purposes), (3) Cocoa nibs (beans, whole/broken, raw/roast, (4) Tablea (Cocoa paste or liquor, not defatted), (5) Cocoa powder (not containing


added sugar / other sweetening matter), (6) Cocoa butter, fat/oil, (7) Chocolates, and (8) Chocolate Confectionery.

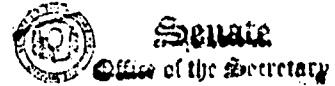
Davao City-based Malagos Chocolate won the country the prestige of placing third in the 2017 Academy of Chocolate in London for its sweetened dark chocolates, only two weeks after it won second place in the same competition for its 100% unsweetened dark chocolate under drinking category. To date, Malagos's major international award total seven. This just shows that the Philippines is among the countries in Asia seen to have a competitive advantage on cacao production given its strategic location and climatic condition.

Furthermore, the province of Davao supplies at least 81% of the country's total cacao production and home to world-class dark chocolates. As of 2016, the Philippine Statistics Authority recorded 6,262.77 metric tons (MT) of cacao produced in the Philippines that has an annual demand of 50,000MT. Of this volume, 5,073 MT was produced in the region – Davao del Sur (1,702.54MT), Davao City (1,606.80), Davao del Norte (945.31MT), Davao Oriental (507.26MT), and Compostela Valley (311.92MT).

The US Department of Agriculture expects that global demand to reach between "4.7 million to 5 million metric tons by the year 2020," with an estimate of "1 million MT" deficit. This deficit "has given rise to the Philippine Cacao Challenge, which commits the Philippines to producing 100,000MT by the year 2020 and onward.

In view of the foregoing, the immediate passage of this bill is earnestly sought.

  
**CYNTHIA A. VILLAR**  
Senator



**SENATE**

20 JUL 27 A11 :15

S. B. No. 1741

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**Introduced by Sen. Cynthia A. Villar**

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**AN ACT**

**DECLARING THE CITY DAVAO AS THE CACAO AND CHOCOLATE CAPITAL OF THE PHILIPPINES**

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

**SECTION 1. Declaration of Policy.** – Section 1, Article XII of the 1987 Constitution provides that the Senate shall promote the industrialization and full employment based on sound agricultural development and agrarian reform, through Initiatives that make full and efficient use human and natural resources, which are competitive in both domestic and foreign markets.

Towards this end, the State hereby recognized the importance of cacao as a driver of rural development not only because of its singular potential as a raw material that can increase the country's export earnings tremendously, and put the name of the country in the map for producing the finest chocolate beans, but for having provided livelihood to many small farmers in the countryside.

**SEC. 2. Cacao and Chocolate Capital of the Philippines.** – In recognition of the status as the country's biggest producer of cacao and its vital contribution in making the Philippines world renowned and sought after by chocolate makers from the U.S., Japan, and Europe, the City of Davao is hereby declared the Cacao and Chocolate Capital of the Philippines.

**Sec. 3. Effectivity.** This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

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2 Approved,

  
**CYNTHIA A. VILLAR**  
**Senator**