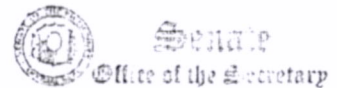


SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



'18 MAY -2 P1 :25

SENATE
P.S. Res. 718

RECEIVED BY _____

Introduced by Senator Grace Poe

RESOLUTION
URGING THE GOVERNMENT TO FULLY SUPPORT THE LOCAL COCOA INDUSTRY IN ORDER TO TAKE ADVANTAGE OF THE RISING GLOBAL DEMAND FOR COCOA BEANS AND RELATED PRODUCTS, AND IN DOING SO GENERATE EMPLOYMENT AND INCOME FOR COCOA FARMERS AND THEIR FAMILIES, CONTRIBUTE TO RE-GREENING THE COUNTRYSIDE, AND PROMOTE INCLUSIVE GROWTH

1 WHEREAS, Section 9, Article II of the 1987 Philippine Constitution declares it
2 a State policy to "...promote a just and dynamic social order that will ensure the
3 prosperity and independence of the nation and free the people from poverty through
4 policies that provide adequate social services, promote full employment, a rising
5 standard of living, and an improved quality of life for all."

6 WHEREAS, Section 1, Article XII of the Constitution further mandates the
7 State to promote "sound agricultural development" towards equitably distributing
8 opportunities, income, and wealth; sustaining an increase in the amount of goods
9 and services produced by the nation for the benefit of the people; and expanding
10 productivity as the key to raising the quality of life for all, especially the
11 underprivileged;

12 WHEREAS, pursuant to the above Constitutional mandates, Republic Act No.
13 7900, or the "High-Value Crops Development Act of 1995" which seeks to ensure the
14 "all-out promotion of the production, processing, marketing, and distribution of high-
15 value crops in suitable areas of the country";

16 WHEREAS, the amount of Php 2.148 billion was allocated for the High Value
17 Crops Program and its various components under Republic Act No. 10964, or the
18 "General Appropriations Act for Fiscal Year 2018";

19

1 WHEREAS, a recent news report stated that ranchers in the Amazon
2 rainforest have started planting cocoa trees as a means to diversify their crops;

3 WHEREAS, the new trend of planting cocoa trees has been hailed for its
4 potential to revive the Amazon rainforest, diversify the income sources of Brazilian
5 farmers, and reposition Brazil as a new player in the global cocoa trade;

6 WHEREAS, the same reported that benchmark cocoa prices in New York are
7 currently at around \$2,500 per ton, bouncing back from a ten-year low of \$1,756 in
8 2017;

9 WHEREAS, a report¹ by the Department of Trade and Industry (DTI) also
10 noted that global consumption of cocoa-related products has increased
11 simultaneously with stagnation in the supply of cocoa beans;

12 WHEREAS, it was also recently French company Valrhona which is
13 internationally known as a producer of high-quality chocolate products, will soon
14 source its cocoa beans from Davao-based farmers due to their "high quality and
15 taste";

16 WHEREAS, in 2016, Davao-based Malagos unsweetened chocolate won silver
17 and two out of three stars at the Academy of Chocolate and Great Taste Awards in
18 London;

19 WHEREAS, the relevant government agencies of our country should take note
20 and take advantage of these trends in the cocoa industry, as it can help achieve the
21 Constitutional and legal mandates and national objectives identified above;

22 WHEREAS, our government already has the tools to support our cocoa
23 industry, such as the High Value Crops Program which already includes cocoa among
24 its priority crops, and the National Greening Program, of which the expansion of the
25 cocoa plantations was conceptualize in 2015;

26 WHEREAS, if the government meets these trends with decisive leadership and
27 well-planned policies, then our country will be poised to take a bigger role in the
28 global value chain for cocoa beans;

¹ Department of Trade and Industry. "The Philippines in the Cocoa-Chocolate Global Value Chain" (April 2017). Retrieved from <http://industry.gov.ph/wp-content/uploads/2017/08/The-Philippines-in-the-Cocoa-Global-Value-Chain.pdf>

1 WHEREAS, with sufficient support from and coordination with it is even
2 possible for the Philippines to also venture into producing high-quality finished cocoa
3 products using locally sourced cocoa beans;

4 WHEREAS, as based on the Brazilian experience cited above, cocoa trees may
5 also further re-green the country, in accordance with the people's right to a healthful
6 and balanced ecology;

7 WHEREAS, supporting our local cocoa industry will also encourage crop
8 diversification, generate employment in the agricultural sector, and create alternate
9 sources of income for our farmers, who remain the as one of the poorest sectors;

10 NOW THEREFOR BE IT RESOLVED, as it is hereby resolved by the Senate of
11 the Philippines, to urge the government to fully support the local cocoa industry in
12 order to take advantage of the rising global demand for cocoa beans and related
13 products, and in doing so generate employment and income for cocoa farmers and
14 their families, contribute to re-greening the countryside, and promote inclusive
15 growth.

Adopted,


GRACE POE