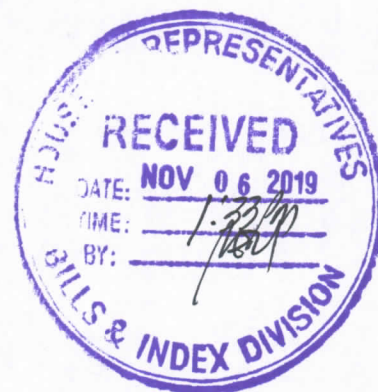


Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

**HOUSE BILL NO. 5344**



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Introduced by **HON. JOSEPH "JOJO" L. LARA**

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### **EXPLANATORY NOTE**

Cagayan Valley is proud of the uniqueness of the cacao it produces. Although the current industry is not as big as compared to other regions, the region's cacao producers are gearing up towards making its cacao production internationally competitive.

For the past years, the global demand for cacao has continued to increase. With the growing awareness for its various health benefits, its usage has gone beyond chocolate production and in the food and beverage industry. It has expanded to cover possible applications in the cosmetic and pharmaceutical industries.

This bill aims to promote, enhance, protect and increase cacao production in the Cagayan Valley region by providing ample technical and financial support to the local farmers to further improve the production quality of its products to be at par with the internationally traded ones.

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

  
**JOSEPH "JOJO" L. LARA**

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**AN ACT**  
**DEVELOPING THE CACAO INDUSTRY IN CAGAYAN VALLEY REGION,**  
**CREATING FOR THE PURPOSE THE CACAO SUBSIDY FUND AND THE**  
**CACAO RESEARCH AND DEVELOPMENT CENTER AND APPROPRIATING**  
**FUNDS THEREFOR**

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

**SECTION 1. *Title.*** — This Act shall be known as the "Cacao Industry Research and Development Center in Cagayan Valley Region Act."

**SECTION 2. *Declaration of Policy.*** — It is hereby declared the policy of the State to promote and support the development of the cacao industry in the Cagayan Valley region to strengthen the industry and make it internationally competitive, thus, providing livelihood and employment to hundreds of farmers in the region.

**SECTION 3. *Creation of the Cacao Research and Development Center.*** — Within a year from the approval of this Act, there shall be created the Cacao Research and Development Center in Cagayan which shall be attached to the Cagayan State University.

**SECTION 4. *Functions of the Cacao Research and Development Center.*** — The Cacao Research and Development Center shall perform the following functions and duties:

- a. Undertake and conduct researches and technical studies on the development, production, management and marketing of cacao and its by-products;
- b. Provide technical assistance and support to cacao farmers and producers and other stakeholders in the Cagayan Valley Region;



- c. Develop appropriate technologies beneficial to the cacao industry;
- d. Train faculty members and other research personnel who will undertake research and development work on cacao;
- e. Publish research studies, papers, articles, and other works or writings relating to cacao on a regular basis with the end goal of benefitting cacao farmers and other stakeholders nationwide;
- f. Coordinate with the Department of Agriculture (DA), Department of Trade and Industry (DTI), Department of Science and Technology (DOST), and Department of Environment, Natural Resources (DENR) and Cagayan State University (CSU) to consolidate all policies, programs, and projects on cacao research and development;
- g. Perform such other functions and duties necessary or incidental to the promotion and development of the cacao industry.

**SECTION 5. *Cacao Subsidy Fund.*** – There is hereby created a Cacao Subsidy Fund, which shall be used to financially support the Cacao industry. The fund shall be directly and exclusively used for:

- a. Cacao tree planting and cultivation;
- b. Research and technical studies; and
- c. Skills training and capital development for the cacao industry.

**SECTION 6. *Implementing Rules and Regulations.*** – The DA and DENR in collaboration with DTI, DOST, and the Cagayan State University, shall issue and promulgate the necessary rules and regulations to implement the provisions of this Act.

**SECTION 7. *Appropriations.*** – For effective implementation of this Act, amount of Two Hundred Million Pesos (Php200,000,000.00) is hereby appropriated from the current and annual budgetary allocations of the DA, fifty percent (50%) of which shall serve as the initial amount for the Cacao Subsidy Fund under Section 6 of this Act. Thereafter, such sums as may be necessary for its continued implementation shall be included in the annual budget of the DA and under the General Appropriations Act.

**SECTION 8. *Repealing Clause.*** – All laws, decrees, executive issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby deemed repealed, amended or modified accordingly.

**SECTION 9. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or at least two (2) newspapers of general circulation.

Approved,