

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
Second Regular Session

HOUSE BILL NO. **10848**



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
PROHIBITING THE TRADE OF GOODS PRODUCED WHOLLY OR IN PART WITH
FORCED LABOR AND PROVIDING PENALTIES THEREFOR

EXPLANATORY NOTE

On June 2, 2026, the Office of the United States Trade Representative found that the Philippines had failed to impose and effectively enforce an express prohibition on the importation of goods produced wholly or in part through forced labor.

On July 23, 2026, the United States consequently imposed an additional tariff of twelve and one-half percent (12.5%) on products of the Philippines, subject to specified exemptions. The tariff took effect on July 24, 2026.

The Executive Branch has issued a Joint Administrative Order establishing an inter-agency mechanism for investigating imported goods suspected of having been produced through forced labor. However, an administrative issuance is not a substitute for an unequivocal and permanent statutory prohibition.

This bill expressly prohibits the importation of goods produced wholly or in part through forced labor, authorizes the Bureau of Customs to exclude and forfeit such goods, and provides corresponding penalties. It also requires permanent inter-agency coordination for its effective implementation.

Its immediate enactment will protect workers and Filipino enterprises from unfair competition and provide a clear legal basis for seeking the modification or termination of the additional United States tariffs imposed on Philippine products.

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


RAYMOND ADRIAN E. SALCEDA

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Forced Labor Goods Trade Prohibition Act.*”

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to afford full protection to labor and protect Filipino enterprises against unfair foreign competition and trade practices. In pursuance thereof, the State shall prohibit the importation of goods produced wholly or in part with forced labor and ensure the effective enforcement of such prohibition.

SEC. 3. *Prohibition.* – Goods mined, produced, manufactured, harvested, processed, or assembled wholly or in part with forced labor shall not be entitled to entry into the Philippines, and their importation is hereby prohibited.

For purposes of this Act, forced labor means all work or service exacted from any person under the menace of any penalty and for which the person has not offered himself or herself voluntarily.

The prohibition shall include goods containing any raw material, intermediate good, component, part, or other input produced with forced labor, regardless of the country of origin, shipment, processing, or substantial transformation. It shall apply regardless of the customs procedure to which the goods are declared, including consumption, warehousing, processing, transit, transshipment, admission into a free zone, or re-exportation.

SEC. 4. *Enforcement.* – Where there are reasonable grounds to believe that imported goods were produced wholly or in part with forced labor, the Bureau of Customs may withhold their release and require the importer to submit relevant supply-chain, origin, production, and labor-compliance records within fifteen (15) working days.

If the importer fails to establish by clear and convincing evidence that the goods were not produced wholly or in part with forced labor, the Bureau shall deny their entry. The goods shall be reexported within thirty (30) days at the importer's expense. Failure to reexport the goods within such period shall cause their seizure, forfeiture, and destruction in accordance with this Act and applicable customs laws.

A permanent inter-agency mechanism is hereby established to coordinate the investigation and enforcement of the prohibition under this Act. Its composition and procedures shall be prescribed in the implementing rules and regulations.

SEC. 5. *Seizure, Forfeiture, and Penalties.* – Goods imported or sought to be imported in violation of this Act shall be considered goods of prohibited importation and shall be subject to seizure and forfeiture under Section 1113(f) of Republic Act No. 10863, otherwise known as the “Customs Modernization and Tariff Act.” Goods finally forfeited shall be destroyed and shall not be sold, donated, or otherwise released into Philippine commerce.

Any person who knowingly imports, brings into the Philippines, or assists in importing goods prohibited under this Act, or who receives, conceals, buys, sells, transports, or otherwise facilitates the disposition of such goods after importation with knowledge of their unlawful importation, shall be penalized under Section 1401 of the Customs Modernization and Tariff Act.

Any person who knowingly submits a false or fraudulent statement, certification, or document to secure the entry or release of goods covered by this Act shall be penalized under Section 1403, in relation to Section 1401, of the Customs Modernization and Tariff Act.

SEC. 6. *Implementing Rules and Regulations.* – Within thirty (30) days from the effectivity of this Act, the Secretary of Finance, upon recommendation of the Commissioner of Customs and in consultation with the Department of Trade and Industry, Department of Labor and Employment, Department of Foreign Affairs, economic zone authorities, and other concerned agencies, shall promulgate the necessary implementing rules and regulations.

SEC. 7. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall continue in full force and effect.

SEC. 8. *Repealing Clause.* – All laws, rules, regulations, and issuances inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,