

**NINETEENTH CONGRESS OF THE REPUBLIC )**  
**OF THE PHILIPPINES )**  
*First Regular Session )*



**Senate**  
Office of the Secretary

23 JAN 25 P 6:33

**SENATE**  
**Senate Bill No. 1778**

RECEIVED BY: \_\_\_\_\_

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Introduced by: **Senator Raffy T. Tulfo**

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**AN ACT REPEALING REPUBLIC ACT NO. 4635 OR "AN ACT TO SAFEGUARD THE HEALTH OF THE PEOPLE AND MAINTAIN THE DIGNITY OF THE NATION BY DECLARING IT A NATIONAL POLICY TO PROHIBIT THE COMMERCIAL IMPORTATION OF TEXTILE ARTICLES COMMONLY KNOWN AS USED CLOTHING AND RAGS," SETTING NATIONAL POLICIES ON THE COMMERCIAL IMPORTATION OF USED TEXTILES, AND FOR OTHER PURPOSES**

Explanatory Note

"Ukay-Ukay" refers to a type of retail business that deals in second-hand clothes, bags, shoes, and other accessories which are sold at a cheap price. The emergence of the Ukay-Ukay business started in the early 1980s in Baguio. Due to the frequency of natural calamities in the country, Salvation Army distributed imported second hand goods to victims of the calamities as a form of humanitarian assistance. The said goods were accumulated and bought in bulk by traders who sold the same to the public at cheap prices. The business initially catered to the low-income populace. Due to the heightened popularity of the business, high-income earners started to patronize it.

However, the commercial importation of secondhand clothing to the Philippines has been prohibited since 1966 under the Republic Act No. 4653, also known as the "Act. It was enacted to safeguard the health of the Filipino people and maintain the dignity of the nation through the prohibition of the importation of used clothing and other goods. Pursuant to aforesaid law, Ukay-Ukay business is deemed illegal. Nonetheless, there has been a proliferation of the Ukay-Ukay business on account of ineffective implementation of the applicable law banning the same. Consequently, there is an urgent need to repeal the law relative to the sale of imported used clothing by Ukay-Ukay stores.

The Ukay-Ukay industry has evolved as part of the Filipino Culture. It goes without saying that the revenue-generating industry has generated jobs for our fellow Filipinos. However, it must be regulated by the proper government agencies to ensure its compliance with applicable laws. This bill seeks to legalize and regulate the importation of second-hand clothes used clothing and other goods, repealing RA 4653. Pursuant to the proposed bill, the P18 billion industry will no longer be an underground enterprise since it will be duly registered and its revenues audited for accountability by the proper government agencies.

The passage of this measure is thus earnestly sought.



**RAFFY T. TULFO**  
**Senator**

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

- 1 **SECTION 1.** Republic Act No. 4653, or "AN ACT TO SAFEGUARD THE HEALTH OF  
2 THE PEOPLE AND MAINTAIN THE DIGNITY OF THE NATION BY DECLARING IT A  
3 NATIONAL POLICY TO PROHIBIT THE COMMERCIAL IMPORTATION OF TEXTILE  
4 ARTICLES COMMONLY KNOWN AS USED CLOTHING AND RAGS" is hereby repealed.  
5  
6 **SEC. 2.** No repeal of the Revised Penal Code. - This Act does not in any manner  
7 repeal, amend or modify the provisions of the Revised Penal Code, as amended.  
8  
9 **SEC. 3.** Health standards.  
10 - In the interest of public health, the Department of Health shall determine the health  
11 standards and prerequisites for importing and distributing used textile articles  
12 commonly known as used clothing and rags.  
13  
14 **SEC. 4.** Tariffs. - The Tariff Commission, in consultation with the relevant agencies,  
15 shall determine the proper tariff line for used textile articles commonly known as used  
16 clothing and rags.

1 **SEC. 5.** Disposition of smuggled used textiles.  
2 - The Bureau of Customs and the Department of Social Welfare and Development shall  
3 determine the disposition of imports of used textiles seized for violations of the  
4 Customs Modernization and Tariff Act, as amended, and other applicable laws, rules,  
5 and regulations.  
6  
7 **SEC. 6.** Implementing Rules and Regulations.  
8 The Bureau of Customs, the Tariff Commission, the Department of Health, and the  
9 Department of Social Welfare and Development shall issue the rules and regulations  
10 necessary for the implementation of this Act.  
11  
12 **SEC. 7.** Separability Clause. - If any provision of this Act is subsequently declared  
13 invalid or unconstitutional, the other provisions hereof which are not affected thereby  
14 shall remain in full force and effect.  
15  
16 **SEC. 8.** Repealing Clause. - All other laws, executive orders, rules and regulations, or  
17 parts thereof inconsistent with any provisions hereof are hereby repealed or modified  
18 accordingly.  
19  
20 **SEC. 9.** Effectivity clause.- This Act shall take effect fifteen (15) days after its  
21 publication in two (2) national newspapers of general circulation.

**Approved,**