

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 3924



**Introduced by REP. YSABEL MARIA J. ZAMORA and
REP. JUAN CARLOS "ARJO" C. ATAYDE**

EXPLANATORY NOTE

Republic Act No. 11697 or the Electric Vehicle Industry Development Act, enacted in 2022, aims to accelerate the development, commercialization, and utilization of electric vehicles (EV) in the Philippines. Section 25 of the law provides for non-fiscal incentives to encourage this transition but limits their availability to eight (8) years from the effectivity of the Act or until 2032.

However, considering the current pace of EV adoption, infrastructure development, and the environmental challenges faced by the country, this period is not sufficient to catalyze a sustainable shift toward electric mobility.

First, EV adoption in the Philippines remains low. According to data from the Electric Vehicle Association of the Philippines, there are only around 16,000 electric vehicles in the country as of 2023.¹

Second, EV infrastructure still lags. As of April 2025, the Department of Energy (DOE) reported only 912 operational EV charging stations across the country—far below the target of 7,300 by 2028 under the Comprehensive Roadmap for the Electric Vehicle Industry.²

Third, the Department of Environment and Natural Resources (DENR) estimates that 74% of air pollutants come from transport sources.³ Transitioning to EVs and hybrids could significantly reduce carbon emissions, thereby reducing air pollution in the country.

Fourth, EV prices remain prohibitive despite tax incentives. Brand-new EVs in the Philippines remain more expensive than internal combustion engine vehicles. Removing the 8-year limitation on non-fiscal incentives can help bridge this cost gap and attract more users.

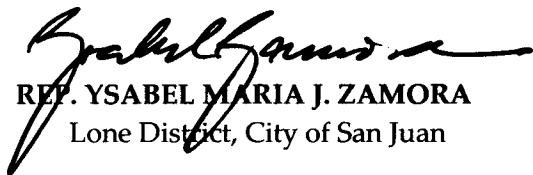
Fifth, our neighboring ASEAN countries such as Malaysia, Thailand and Indonesia have also adopted aggressive economic policies to facilitate the growth of their local EV industries. Limiting the non-fiscal EV incentive policies of the Philippines to only eight (8) years places the country at a competitive disadvantage in attracting EV manufacturers and investors.

¹ <https://business.inquirer.net/438541/registered-evs-in-ph-grew-more-than-twofold-in-first-semester>

² <https://pia.gov.ph/philippines-expands-electric-vehicle-charging-network-to-over-900-stations/>

³ <https://legacy.doe.gov.ph/energy-efficiency/comprehensive-roadmap-electric-vehicle-industry-0>

In light of the above, the immediate passage of this measure is earnestly sought to maintain momentum toward a green transport future, achieve national climate goals, and provide Filipinos access to cleaner and more efficient mobility.



REP. YSABEL MARIA J. ZAMORA
Lone District, City of San Juan



REP. JUAN CARLOS "ARJO" C. ATAYDE
1st District, Quezon City

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AN ACT
AMENDING SECTION 25 OF REPUBLIC ACT NO. 11697, OTHERWISE KNOWN AS THE
"ELECTRIC VEHICLE INDUSTRY DEVELOPMENT ACT," BY REMOVING THE
EIGHT-YEAR LIMITATION ON THE GRANT OF NON-FISCAL INCENTIVES TO
ENCOURAGE THE TRANSITION TO ELECTRIC AND HYBRID VEHICLES AND FOR
OTHER PURPOSES

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

SECTION 1. Section 25 of Republic Act No. 11697 is hereby amended to read as follows:

SEC. 25. *Non-Fiscal Incentives.* – The following non-fiscal incentives shall **BE GRANTED TO SUPPORT THE TRANSITION TO ELECTRIC VEHICLES, AND SHALL** remain in force **UNLESS OTHERWISE AMENDED BY LAW** [~~for eight (8) years from the effectivity of this Act~~]:

(a) For EV users:

(1) Priority registration and renewal of registration, and issuance of a special type of vehicle plate by the LTO;

(2) Exemption from the mandatory unified vehicular volume reduction program, number-coding scheme, or other similar schemes implemented by the Metropolitan Manila Development Authority, other similar agencies, and LGUS;

(3) Expeditious processing by the LTFRB of applications for franchise to operate, including its renewal, for PUV operators that are exclusively utilizing EVs; and

(4) Availment of TESDA Training Programs on EV assembly, use, maintenance, and repair for its employees;

(b) For EV manufacturers and importers, the expeditious processing by the Bureau of Customs on the importation of parts and components for the manufacture and assembly of EVs; and

(c) For EV manufacturers, the government shall allow expert foreign nationals to be employed under a form of technology transfer agreement, subject to the guidelines that shall be issued by the DOLE, the Professional Regulatory Commission, and the DTI.

SEC. 2. All laws, executive orders, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,