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SENATE
S. No. 2529

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 16 provides:

The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

Recent studies show that climate change is occurring faster than expected. Without resolute action we could face irreversible changes to the climate.¹ If emissions continue to rise at the rate of the past 30 years, atmospheric concentrations will increase to 700 ppm or more, corresponding to global average temperatures of +6°C or more by 2050.² Even if we stopped emitting greenhouse gases altogether, the effects of global warming are now unavoidable. For these reasons, societies will need to adapt to the unavoidable consequences of climate change.

Weather-related disasters disproportionately affect the agricultural sector in least developed countries where most farmers have only limited access to financial means such as microcredit and insurance solutions.³ The Philippines is considered a climate change hot spot vulnerable to sea-level rise, cyclones and storm surges which threaten social and economic stability particularly in densely populated urban centers such as Metro Manila.⁴ The twin typhoons and accompanying floods that wrecked havoc in the Philippines recently are clear manifestations of the high vulnerability of the country to climate change.⁵ Automobiles are a major source of greenhouse gases. A prime example is the United States where automobiles are

¹ *Global Risks 2009*, Global Risk Network, World Economic Forum, 2009.

² *Intergovernmental Panel on Climate Change (IPCC) 2007 4th report*; World Energy Outlook, International Energy Agency 2008.

³ *Id.*

⁴ *Climate Change and Migration in Asia and the Pacific*, University of Adelaide, et al, Asian Development Bank, 2009

⁵ Francisco, Hermina, *Going Beyond the Map: What is next in the Climate Change Challenge for the Philippines?*, Economy and Environment Program for Southeast Asia, International Development Research Centre, Singapore, 2009.

the second largest source of carbon dioxide, creating nearly 1.5 billion tons of CO₂ annually.⁶ The United Nations itself recognizes the need to promote innovation, clean energy, energy efficiency and conservation and to accelerate the deployment of cleaner technologies.⁷

This brings us to the concept of electronic vehicles. Electric motors usually reach 90% energy conversion efficiency over the full range of speeds and power output and can be precisely controlled. They can also be combined with regenerative braking systems that have the ability to convert movement energy back into stored electricity. This can be used to reduce the wear on brake systems (and consequent brake pad dust) and reduce the total energy requirement of a trip. Regenerative braking is especially effective for start-and-stop city use. Electric vehicles give quiet and smooth operation and as a result have less vibration and noise than internal combustion engines. Electric vehicles release almost no air pollutants at the place of use. Moreover, it is generally easier to build pollution control systems into centralized power stations than retrofit enormous numbers of cars. Electric vehicles emit no tailpipe carbon dioxide or other pollutants at the point of use.⁸

This Bill seeks to address the problem of climate change by exempting the users of electronic vehicles or “e-vehicles” from the payment of the road user’s tax. Electronic vehicles have zero emissions and their use by the greater public will be accelerated by the introduction of government incentives for their use. This will not just make us less dependent on oil, but will also address the detrimental effects to the environment and the health of our people caused by the emissions of the ubiquitous fuel-powered vehicles in the status quo.

Miriam Defensor Santiago
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⁶ Natural Resources Defense Council, <http://www.nrdc.org/globalwarming/f101.asp>, accessed on 25 August 2010.

⁷ 2005 World Summit Outcome of the United Nations General Assembly.

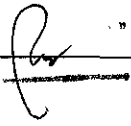
⁸ http://en.wikipedia.org/wiki/Electric_vehicle, accessed on 17 September 2010.

FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

SENATE
OFFICE OF THE SECRETARY

10 SEP 20 P1:38

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Introduced by Senator Miriam Defensor Santiago

1 AN ACT
2 EXEMPTING THE USERS OF ELECTRONIC VEHICLES
3 FROM THE PAYMENT OF THE ROAD USER'S TAX

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

4 SECTION 1. *Short Title.* – This Act shall be known as the “E-Vehicle Road User’s Tax
5 Exemption Act of 2010.”

6 SECTION 2. *Declaration of Policy.* – It is the policy of the State to afford full protection
7 and the advancement of the right of the people to a healthful ecology in accord with the rhythm
8 and harmony of nature. In this light, the State has adopted the Philippine Agenda 21 framework
9 which espouses sustainable development, to fulfill human needs while maintaining the quality of
10 the natural environment for current and future generations.

11 As a party to the United Nations Framework Convention on Climate Change, the State
12 adopts the ultimate objective of the Convention which is the stabilization of greenhouse gas
13 concentrations in the atmosphere at a level that would prevent dangerous anthropogenic
14 interference with the climate system which should be achieved within a time frame sufficient to
15 allow ecosystems to adapt naturally to climate change, to ensure that food production is not
16 threatened and to enable economic development to proceed in a sustainable manner.

1 SECTION 3. *Definition of Terms.* – As used in this Act, the following terms shall mean:

2 (a) e-vehicle – or electronic vehicle shall refer to any vehicle that uses electric motors for
3 propulsion; This does not include motor vehicles propelled by gasoline or diesel engines or
4 hybrid motor vehicles that are powered by both fuel and electricity;

5 (b) emission – means any air contaminant, pollutant, gas stream or unwanted sound from a
6 known source which is passed into the atmosphere;

7 SECTION 4. *Tax exemption.* – Electric, hybrid and other alternative fuel vehicles shall be
8 exempted from the payment of the road user's tax.

9 SECTION 5. *Separability Clause.* – If any provision, or part hereof is held invalid or
10 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
11 valid and subsisting.

12 SECTION 6. *Repealing Clause.* – Any law, presidential decree or issuance, executive
13 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
14 with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

15 SECTION 7. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
16 publication in at least two (2) newspapers of general circulation.

Approved,