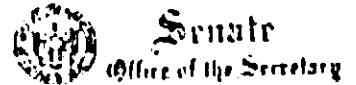
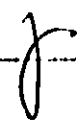


SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



'16 JAN 28 P3:38

SENATE
S. No. 3156

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

AN ACT
EXEMPTING THE USERS OF ELECTRONIC VEHICLES
FROM THE PAYMENT OF THE ROAD USER'S TAX FOR A PERIOD OF 10
YEARS

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

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.*

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 changes.⁵ Automobiles are a major source of greenhouse gases. A prime example is the United States where automobiles are 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 for a period of ten years. Electronic vehicles have zero emissions and their use by the greater public will

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.

⁶ Natural Resources Defense Council, <http://www.nrdc.org/globalwarming/f01.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.

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.⁹

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
at

⁹ This bill was originally filed during the Fifteenth Congress, First Regular Session.

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AN ACT
EXEMPTING THE USERS OF ELECTRONIC VEHICLES
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YEARS

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

1 SECTION 1. *Short Title.* – This Act shall be known as the "E-Vehicle Road User's
2 Tax - Exemption Act."

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

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

16 SECTION 3. *Definition of Terms.* – As used in this Act, the term –

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

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

6 SECTION 4. *Tax exemption.* – Electric, hybrid and other alternative fuel vehicles
7 shall be exempted from the payment of the road user's tax for a period of 10 years from
8 the effectivity of this Act.

9 SECTION 5. *Separability Clause.* – If any provision of this Act is held invalid or
10 unconstitutional, the same shall not affect the validity and effectivity of the other
11 provisions hereof.

12 SECTION 6. *Repealing Clause.* – All laws, decrees, orders, and issuances, or
13 portions thereof, which are inconsistent with the provisions of this Act, are hereby
14 repealed, amended or modified accordingly.

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

Approved,

/clr3Dec2015