

# Joint Foreign Chambers of the Philippines

American Chamber of Commerce of the Phils., Inc. • Australian-New Zealand Chamber of Commerce (Phils.), Inc.  
Canadian Chamber of Commerce of the Phils., Inc. • European Chamber of Commerce of the Phils., Inc.  
Japanese Chamber of Commerce & Industry of the Phils., Inc. • Korean Chamber of Commerce of the Phils., Inc.  
Philippine Association of Multinational Companies Regional Headquarters, Inc.

June 24, 2020

**Rep. Lord Allan Velasco**

Chairperson, House Committee on Energy  
House of Representatives, Batasan Complex  
Batasan Hills, Quezon City

Dear Chairperson Velasco:

We, the members of the Joint Foreign Chambers, write to express our support for the immediate passage of House Bill 4075 or the Electric Vehicles and Charging Stations Act, which seeks to (a) establish a national EV energy policy framework and (b) to establish a charging infrastructure to promote EV industry in the Philippines. While we cannot comment on technical aspects of the bills in the Congress, we fully understand the importance of passage of this measure, which incentivizes the manufacture, importation, installation, and utilization of EVs, such as the following:

1. The bill supports the building of necessary EV infrastructure. One of the leading factors for the success of EV adoption in other countries is the existence of sufficient EV charging infrastructure, whether by public or private sector utilities. Asian cities such as Shanghai and Taipei, for example, have implemented successful transitions to EVs starting with motorcycles as a result of government-led initiatives, including installation of EV charging infrastructure;
2. The bill cuts the country's dependence on imported fuel. Petroleum-based transportation is heavily reliant on refined and crude oil imports, unlike EVs, which use the national power grid. EVs are also proven to be more energy efficient compared to motor vehicles that use internal combustion engines and run on gasoline. Since EVs use the power grid, they can be fueled by electricity from renewable sources such as wind, hydro, and solar power, while gasoline can only be produced through intensive extraction and transportation processes;
3. EVs are more environmentally friendly. EVs – which include battery electric vehicles (BEV), hybrid electric vehicles (HEV), and plug-in hybrid electric vehicles (PHEV) – produce less carbon emissions than conventional motor vehicles, which are among the greatest contributors of air pollution.

With COVID-19 restricting travel and closing down public transportation, a significant improvement in air quality was observed in Metro Manila<sup>1</sup>. Greater adoption of greener transport solutions should be among the lessons learned and reforms adopted in the post-pandemic period;

<sup>1</sup> According to CleanAirAsia, Manila City experienced as much as a 56% drop in air pollutants compared to pre-quarantine levels.



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4. EVs save lives. World Health Organization data shows that, in 2016, there were nearly 47,000 deaths attributable to air pollution in the Philippines - the second highest among ASEAN economies. Indonesia has the highest with over 95,000 attributable deaths.<sup>2</sup> As a public health issue, if this fatality factor is ignored further, it may be an even bigger killer than COVID-19; and

5. A healthier environment often leads to healthier economies. A study conducted by the US Louisiana Department of Environmental Quality revealed the positive relationship between clean environments and economic growth. States with clean environments have stronger economies because people and businesses prefer to live in clean environments over more polluted areas. Implementation of environmentally friendly policies such as promoting use of EVs shows government's dedication to investing in a healthy environment.

Rising concerns for the hazardous health and environmental effects due to increased carbon emissions have resulted in strong growth in global demand for EVs, with worldwide sales growing from just 100 units in 2007 to over 2 million in 2018. In Southeast Asia, it is estimated that EVs will comprise 20% of all vehicles by 2025. Thailand, which targets to be an EV production hub by 2025, is one of the first ASEAN economies to promote EV use in its Thailand Alternative Energy Development Plan 2012-2021. While the 2017-2022 Philippine Development Plan does not have a specific section on EVs, it states that the government shall “promote environmentally-sustainable transport, including the mass transport system, use of cleaner fuels, and conversion to fuel-efficient engines.”<sup>3</sup>

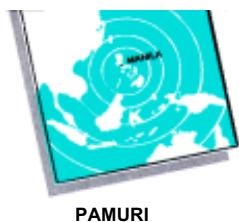
Quarantine measures to contain the COVID-19 pandemic led to the shutdown of public transportation. During this period, initiatives of LGUs to provide mobility solutions for front liners through e-shuttles, e-trikes, and e-scooters demonstrated the viability of EVs as an alternative means of public transportation.

This is the opportune time to enact the proposed legislation and establish a national policy framework for this emerging transportation sub-sector given the growing use of EVs and the importance of encouraging the private and public sectors to adopt new and sustainable transportation technology.

The JFC is a coalition of the American, Australian-New Zealand, Canadian, European, Japanese, Korean chambers and PAMURI. We represent over 3,000 member companies engaged in around \$100 billion worth of trade and some \$30 billion worth of investments in the Philippines. The JFC supports and promotes open international trade, increased foreign investment, and improved conditions for business to benefit both the Philippines and the countries the JFC members represent.

<sup>2</sup> Extracted from the World Health Organization's Global Health Observatory accessible at <https://apps.who.int/gho/data/view.main.BODAMBIENTAIRDTHS>

<sup>3</sup> Chapter 20: Ensuring Ecological Integrity, Clean and Healthy Environment; Subsector 2: Environmental quality improved; Air Quality Management, Item 3 (page 20 – 10) of the Philippine Development Plan



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With best regards,



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**PETER HAYDEN**

President  
American Chamber of  
Commerce of the  
Philippines

**DANIEL ALEXANDER**

President  
Australia-New Zealand  
Chamber  
of Commerce of the  
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Canadian Chamber of  
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**EVELYN NG**

President  
Philippine Association of  
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Cc:  
Rep. Joseph Sto. Niño B. Bernos, Abra, Lone District  
Sen. Sherwin Gatchalian, Chairperson, Senate Committee on Energy  
Sec. Alfonso Cusi, Secretary, Department of Energy (DOE)  
Dir. Patrick Aquino, Energy Utilization Management Bureau, DOE  
USec. Rafaelita Aldaba, Department of Trade and Industry  
Sec. Karl Kendrick Chua, National Economic Development Authority (NEDA)  
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