

THE PHILIPPINES **MAKE IT HAPPEN**

PH Towards Automotive Electrification

Liveable Cities Lab Mobility: Building
an E-vehicle Ecosystem
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Transitioning to EV

LTO's Administrative Order 2021-039
DOE DC No. 2021-07-0023: Policy Framework on Charging Station

Regulations

PNS: vehicles, batteries, charging systems, charge ports, battery swapping systems, connectors, other key parts and components

Information, Education and Communication

Awareness campaign on use and benefits of EVs

Incentives and Industry Development

Tariff removal/reduction; incentives for assembly & operation of EV and charging stations

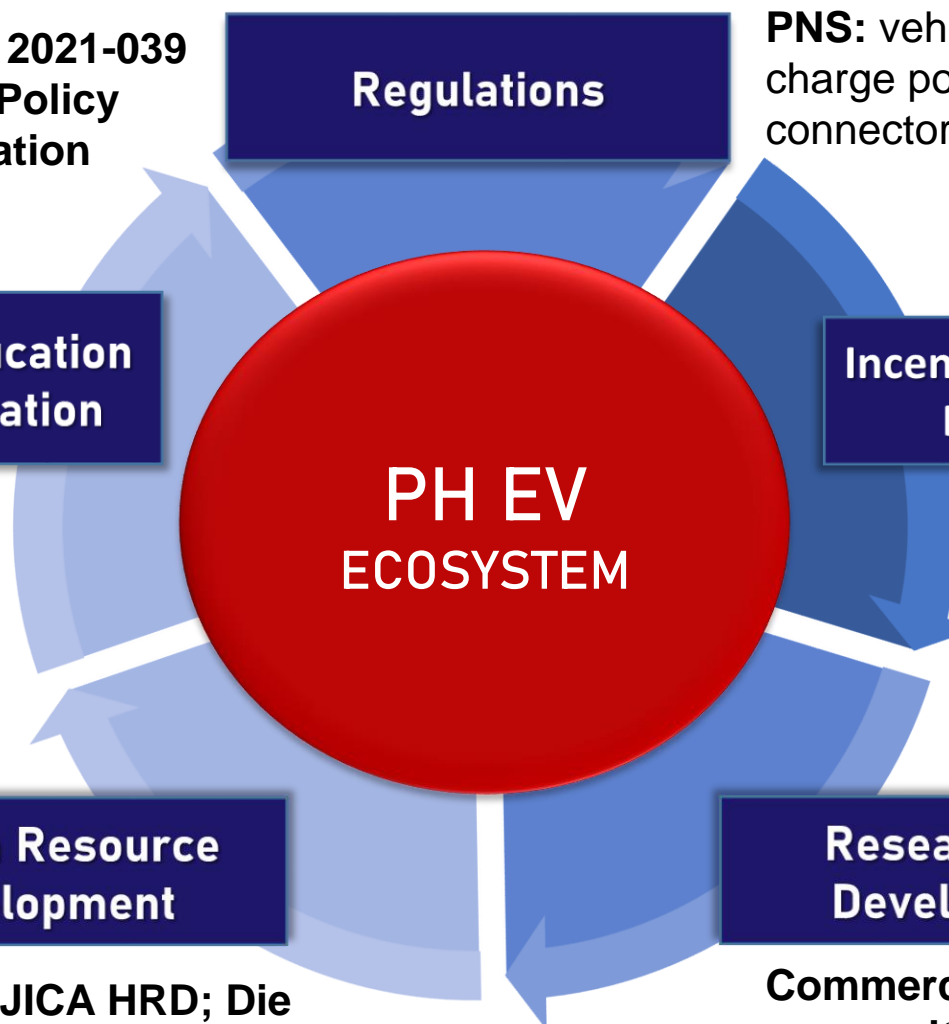
PH EV ECOSYSTEM

Human Resource Development

CB Programs: MOU with CHED; JICA HRD; Die & Mold Training; IC Design Training

Research and Development

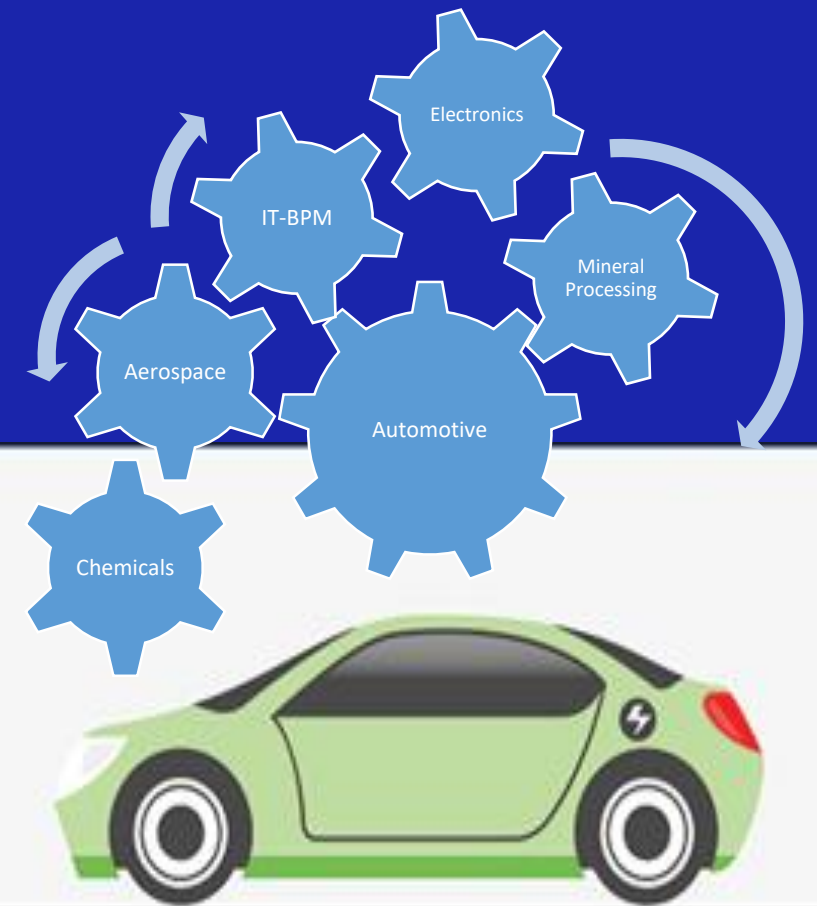
Commercialization/Research on composite materials, optimization of minerals for battery manufacture, etc.



According to the WB study on Reconfiguration of PH Participation in Global Value Chains, the country has a couple of building blocks to support a competitive EV industry in terms of:

- a) converting voluminous quartz/cobalt resources into lithium-ion EV batteries;
- b) leveraging electronics strengths to transition into EV electronic systems and sub-assemblies;
- c) design customized integrated circuits for automotive OEMs and tier one companies; and
- d) attracting an automotive outsource facility to form the core of a mega automotive cluster.

Automotive Electrification



Support Programs

A. CREATE

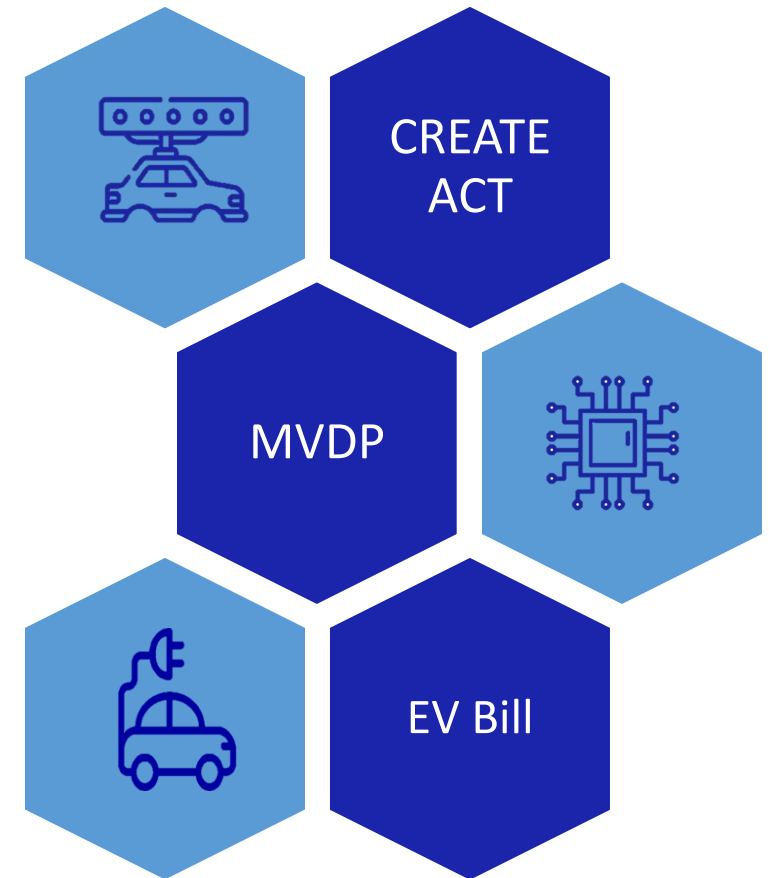
- Income Tax Holiday: 4-7 years
- Enhanced Deductions (5 or 10 years)
 - Depreciation allowance of assets-additional 10% for buildings and additional 20% for machineries and equipment; 50% additional deduction on labor expense; 100% additional deduction on R&D; 100% additional deduction on training expense given to Filipino employees; 50% additional deduction on domestic input expense; 50% additional deduction on power expense; Deduction for reinvestment allowance to manufacturing industry - the amount reinvested to a maximum of 50%; Enhanced *NOLCO*.
- Duty-free importation of capital equipment, raw materials and accessories
- Special Corporate Income Tax: 10 (for exporters)

B. Motor Vehicle Development Program

- 1% or 0% duty-free importation of parts/components

C. EV Bill

- CREATE incentives
- Non-fiscal incentives



Thank you!



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