

## Accelerating Adoption: Trends and Shifting Market Dynamics of the Philippine 4-Wheeler Electric Vehicle Industry

There is no doubt that Electric vehicle (EV) adoption has been accelerating worldwide, driven by advancements in technology, competitive pricing, and favorable policies (1). While this growth has been most pronounced in advanced economies, ASEAN markets have been quickly catching up over the past few years. The Philippines, despite historically being a laggard in EV adoption, is now seeing a noticeable acceleration in uptake, especially in recent years. This trend is expected to continue as both government policy and private sector initiatives ramp up. On the policy side, the government is focused on both demand creation and local EV industry development. At the same time, there is increasing activity in the private sector with many new brands entering the Philippine market, and increased investments in dealership networks and charging infrastructure. Now, as government policy support and private sector momentum converge, the country finds itself at an inflection point that could mark the beginning of a new era of electrification.

### Glimpse of the Philippine EV Landscape

Compared to our neighbors, the Philippine EV industry is still in its nascency but has shown promise. Although a majority of the country's fleet is still composed of internal combustion engine (ICE) vehicles, EV registrations have seen a notable uptake albeit at a smaller scale. From barely 7k units as of 2023, EV registrations are rising and expected to reach 35K units by the end of 2025 (2). This would still make up less than 1% of total registered 4-wheeler vehicles, but it shows just how much room there is to grow.

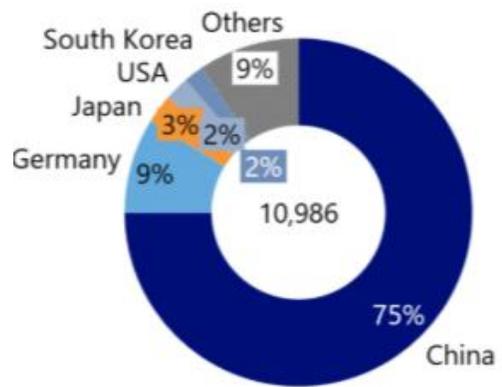
Currently, the EV landscape is mostly comprised of hybrid vehicles that are typically imported into the country. This analysis is based on records from the years 2021 to 2024 and includes all types of electric vehicles, which are grouped into three categories: a) battery electric vehicles (BEVs) that run purely on electric power, b) plug-in hybrid electric vehicles (PHEVs) that can be charged externally but also use fuel, and c) hybrid electric vehicles (HEVs) that combine an internal combustion engine with an electric motor.

*Historically, HEVs have far been the preferred type, though in the last year, BEVs have begun to catch up, signaling a shift in consumer preferences.*

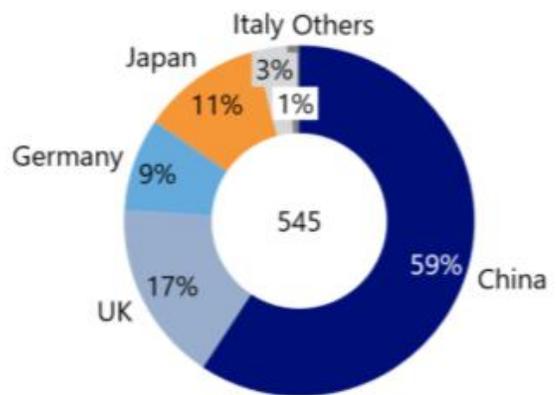
*Notably, Chinese brands have also been steadily expanding their share in the HEV category, signaling a broadening of their product strategies beyond their traditional strengths (Figure 2c).*

Each EV segment available has been particularly dominated by certain countries. Figure 1 highlights how BEVs and PHEVs are mainly covered by China while HEVs continue to be mostly handled by Japanese makers. Figure 1a shows that BEV imports have been dominated by Chinese brands, which accounted for 75% of total shipments. Beyond BEVs, Chinese manufacturers have also shown strong performance in the plug-in hybrid segment, accounting for 59% of total imports (Figure 1b), and this strength has contributed to their growing dominance in both BEVs and PHEVs since 2021, as shown in Figures 1a and 1b. In contrast, hybrid electric vehicles (HEVs) have remained largely the domain of Japanese manufacturers, who maintained an 87% share of total imports for the period (Figure 1c). This divide mirrors the distinct focus of each player, with Chinese automakers aggressively advancing full-electric and plug-in hybrid technologies, while Japanese brands leverage their longstanding leadership in the more conventional hybrid systems.

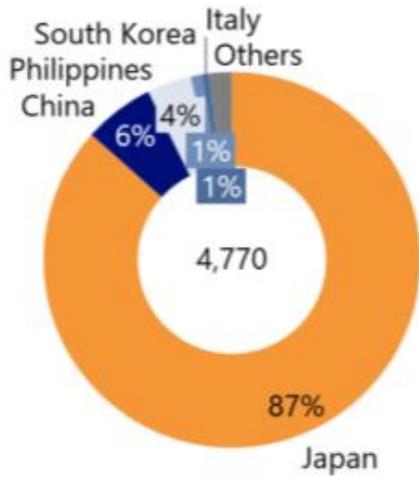
**Figure 1. Distribution of Brand Nationality of EV Imports (2021-2024)**



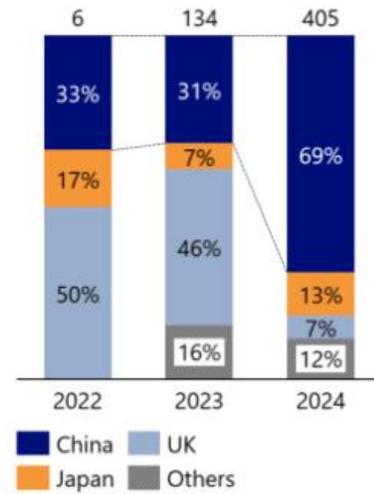
**a) BEVs**



**b) PHEVs**

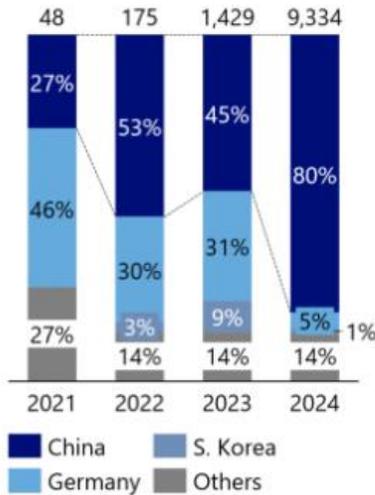


c) HEVs

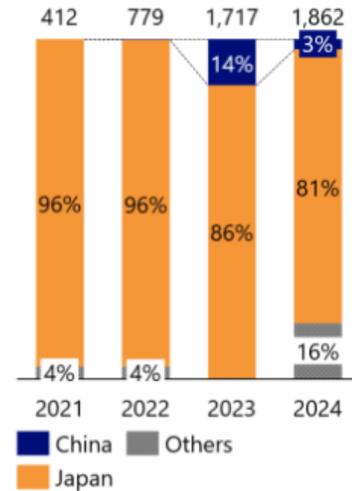


b) PHEVs\*

Figure 2. Annual Distribution of Brand Nationality EV Imports (2021-2024)



a) BEVs

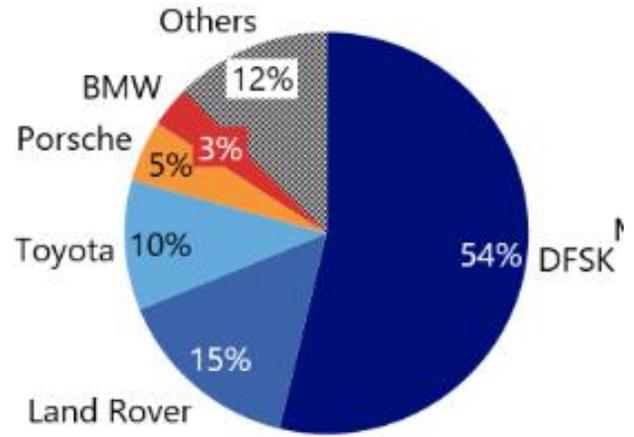


c) HEVs

\*There are no import records for 2021

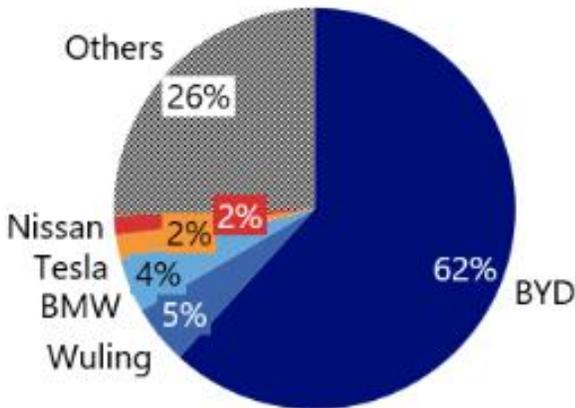
Brand concentration is also high, with a few big brands controlling a majority of the market for each segment. As seen in Figure 3a, BYD emerged as the dominant BEV importer with a commanding 62% share. This is driven by its aggressive market push in the last year through

a partnership with Ayala Corporation, their official Philippine distributor, which envisions becoming the leading platform for EVs and other new energy vehicles in the Philippines. Toyota and Lexus together held 70% of the HEV market (Figure 4c), while in the plug-in hybrid segment, DFSK led with 54% of imports, showing the growing influence of Chinese manufacturers even in hybrid technologies (Figure 3b).

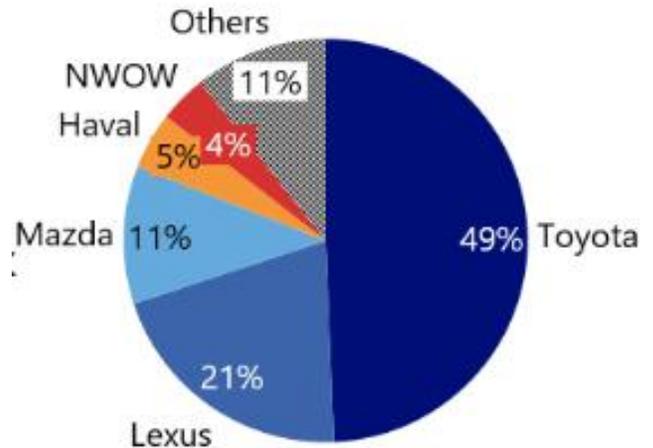


b) PHEVs

Figure 3. Leading Brands of Imported EVs (2021-2024)



a) BEVs



c) HEVs

**What Lies Ahead for EVs in the Philippines**

EVs are expected to further cement its position on the streets of the Philippines through the persistent expansion efforts of manufacturers as

supported by policy development and implementation. Overall, it appears that the popularity of BEVs will start to grow as Chinese brands continue their aggressive expansion strategies. However, they must ensure that BEV ownership must be affordable, accessible, and convenient by broadening their dealership coverage, expanding their charging networks, and introducing wider ranges of competitively priced vehicle models. Meanwhile, although the HEV segment is likely to remain stable due to the established network and strong familiarity with both the product and the existing Japanese brands, the manufacturers still have the opportunity to capitalize on their track records of reliability and brand recall to continue being an option for consumers who want to explore beyond ICE but also remain wary of fully electric options.

The pace of adoption hinges not only on the manufacturers' efforts but also on the government's capacity to follow through on their initiatives and industry targets. The government has already been implementing the Comprehensive Roadmap for the Electric Vehicle Industry (CREVI), which sets EV and charging station adoption targets, and is currently finalizing the Electric Vehicle Incentive

Strategy (EVIS), which gives fiscal incentives to domestic EV manufacturing and imports.

*It is crucial to watch out for new initiatives and developments that can help incentivize both manufacturers and consumers to partake in this evolving landscape.*

The Philippines is expected to continue its path to align with global and regional electrification efforts. With growth expected on the horizon, competition across all EV categories is likely to intensify, creating opportunities for both established and emerging players. This also gives the administration a chance to evaluate its current plans and explore opportunities that empower consumers to transition to EVs but also enable firms to scale up their imports and even potentially entertain the idea of domestic production.

## About the Contributor



**Miguel Campos**

Business Analyst

[miguel.campos@nrisg.com](mailto:miguel.campos@nrisg.com)

Miguel is a Business Analyst under the Industry Solutions Sector of Nomura Research Institute Singapore - Manila Branch. He holds a bachelor's degree in civil engineering from De La Salle University (graduated 2022) and became a licensed Civil Engineer in 2023. He joined the Manila branch in 2024.

Since joining NRI, he has worked on projects involving industry analysis with a focus on the energy, automotive, and telecommunications sectors. His work also includes market entry strategy and corporate sustainability advisory.

## References

- (1) [IEA Global EV Outlook 2025](#)
- (2) [Philippine News Agency](#)

- Department of Trade and Industry Bureau of Import Services Import Data
- Land Transportation Office Registration Data
- Department of Energy Philippine EV Industry Portal
- Comprehensive Roadmap for the Electric Vehicle Industry (CREVI)
- RA 11697: Electric Vehicle Industry Development Act (EVIDA)



Interested to talk about the article or any of NRI's services?



[nrimanila-inquiry@nrisg.com](mailto:nrimanila-inquiry@nrisg.com)



26/F Yuchengco Tower, RCBC Plaza,  
6819 Ayala Avenue, Makati City  
Philippines