Electric Mobility Canada's Top 10 Priority recommendations
March 25th, 2025

1- **Reinstate the Zero-Emission Vehicle (ZEV) incentives**

- **Reinstate incentives for the purchase or lease of a new or used Electric Vehicles (EVs)** – two wheels or four wheels – so hard-working Canadians can afford to transition to electric vehicles.
  - **a) One time only**: to make sure that more Canadians take advantage of the incentives.
  - **b) Predictable incentive pathway**: a gradually declining incentive, from 2025 to 2029 is also recommended so industry, government and consumers can plan accordingly:
    2025: $5,000 | 2026: $4,000 | 2027: $3,000 | 2028: $2,000 | 2029: $1,000.
- **Reinstate the enhanced capital cost allowance (CCA) for ZEVs for business owners, fleet operators and self-employed workers**: a growing number of businesses are making the transition to EVs for their work and fleets, but the current enhanced CCA is being phasing out. EMC recommends reinstating the 100% first-year CCA for ***light, medium and heavy-duty vehicles*** moving forward.
- **Gradually phase out** the capital cost allowance for internal combustion vehicles, from LDVs to MHDVs to school buses.

2- Deploy an ambitious and interconnected pan-Canadian EV charging network so Canadians can travel everywhere from highways to rural and tourist areas. This project will create well paid sustainable jobs in every region across Canada:

- **Update EV charging infrastructure deployment targets across Canada and meet those targets in collaboration with the private sector:** Access to reliable charging infrastructure is critical to the success of the national transition to EVs. While Canadians need more public EV chargers, the backbone of charging remains home charging.
- **Financially support charging in multi-unit residential buildings (MURBs)**: We recommend making 1.6 million condominiums and apartments EV-ready[1] by 2030. Nearly 30% of Canadians live in apartments or condominiums (Statistics Canada, 2021). We recommend that the government allocates $250 million/year for five years to fund 50% of electrical upgrades and make-ready infrastructure costs in existing MURBs.
- **Recapitalize NRCan's flagship Zero Emission Vehicle Infrastructure Program (ZEVIP)** administered in a predictable, regular, and consistent way to build out a reliable public network of charging infrastructure across the country.
- **Incorporate EV-Readiness into the Model National Building Code:** Ensuring electrical infrastructure is installed when a building is in development will reduce long-term costs and accelerate EV adoption by increasing access to charging where it is needed the most: at home.
- **Introduce residential EV charging incentives** as part of the Energy efficiency program so homeowners can get financial support for the installation of an EV charger and/or related equipment.

3- **Maintain *Canada's Electric Vehicle Availability Standard*** with the commitment to reassess the targets in 2029. This will allow Canada to stay aligned with the 16 ZEV states and 2 Canadian provinces representing 40% of the North American vehicle market. Without regulated targets, the more affordable EVs ***will simply be sent to other markets***, making affordable electric vehicles unavailable to Canadians.

4- **Adopt a Medium- & Heavy-Duty Electric Vehicle Availability Standard** so industry and fleet operators can plan their transition to zero emission in a predictable manner between now and 2040.

[1] "EV Ready" parking features an adjacent electrical outlet (e.g., a junction box or a receptacle), at which an EV charger can be installed in the future when needed.

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5- **Work in partnership with First Nations for mining and critical mineral transformation projects in Canada:** As critical mineral mining will become more and more economically, strategically and geopolitically important for Canada, it is primordial for the Canadian government and industry to work in partnership with First Nations to plan mining and mineral processing projects through accelerated timelines while respecting First Nations prerogatives and protecting the environment.

6- **Fund the development of EV awareness and training programs for Canadian consumers and workers:** One of the reasons why there is some resistance to the EV transition is lack of awareness for consumers and training for current and future industry workers.

7- **Develop an EV supply chain strategy that supports innovation:** From mining to R&D to assembly to commercialization through tax credits for R&D for *all* industries, *from SMEs to Multinationals,* Canada must support the development of a Canadian EV supply chain strategy. We cannot continue extracting critical minerals without adding value through refining, transformation, and assembly.

8- **Adopt a *Clean Procurement Policy*** in accordance with international trade agreements and the WTO.

9- **Maintain the Clean Fuel Regulations and its CC3 credit creation category**. Credit generation derived from displacing transportation fuel (i.e., EV charging) is a highly effective market-based lever to crowd in private investments in charging infrastructure and creates a virtuous circle since revenue generated from these credits are required to be reinvested in charging infrastructure.

10- **EMC does not support policies that inhibit free trade.** We recognize the government's efforts to ensure fair trade practices and support Canadian businesses. In this context, we respectfully recommend any measures do not inadvertently hinder the growth of Canada's e-mobility sector. Should the Government of Canada decide to implement retaliatory tariffs in response to US trade policy, EMC urges Canada to:

a) **Exclude tariffs on critical EV charging equipment and associated electrical equipment**: Avoid tariffing or consider exemptions for CUSMA-compliant EV charging and related electrical equipment (8504.40.90, 8537.10.99, 8504.90.10, 8504.50.00), to ensure that necessary components remain affordable.
b) **Exclude tariffs on light, medium and heavy-duty EVs**: Avoid tariffing or consider exemptions for EVs coming from a country that Canada has a free trade agreement with to ensure driving electric remains affordable and accessible to Canadians.
c) **Exclude tariffs on EV replacement parts and on components necessary in automating automotive assembly lines**.
d) **Recognize the growing economic and strategic importance of the Canadian EV industry** and prioritize their inclusion in the development of a new or revised free trade agreement with the United States and Mexico *(see EMC's Economic report, April 2025).*
e) **Develop EV industry collaboration with strategic partners** such as Mexico, the European Union, South Korea, etc., in line with our economic objectives.
f) **Prioritize projects that cannot be relocated outside of Canada** such as renewable electricity generation and distribution, energy efficiency, deployment of electric vehicle public charging infrastructure, extraction, refining and recycling of critical minerals, research and development of clean technologies, training, and education, etc.
g) **Expand the scope of the EV Manufacturing Investment Tax Credit** so that small and medium enterprises can also benefit from the measure for investments under $100M.
h) **Reduce regulatory barriers between provinces** to accelerate clean technology projects.

CONTACT INFORMATION

For any questions regarding these recommendations, please contact:

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