



SETTING THE RECORD STRAIGHT: MOST EVS IN CANADA ARE NOT SUBJECT TO TARIFFS

Electric Mobility Canada

May 15 2025



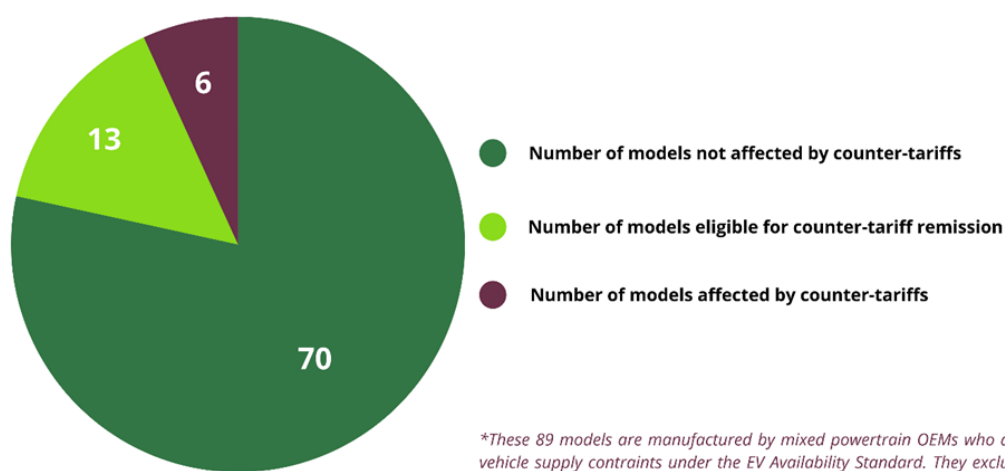


Executive summary

Since President Trump's broad attack on global trade - the automotive industry in particular - there has been a lot of uncertainty surrounding the potential impact of automotive tariffs and counter-tariffs on the price of new cars. This situation has led to much speculation regarding if and how these new automotive counter-tariff measures would make electric vehicles (EVs) more expensive. Some industry stakeholders cited the potential rise in EV prices resulting from automotive counter-tariffs as a reason for the federal government to reconsider the EV Availability Standard.

After thorough research, **Electric Mobility Canada (EMC)** has found that **most EV models offered in Canada *will not be affected* by Canada's 21.25%¹ automotive counter-tariffs for the simple reason that most EVs offered in Canada do not come from the U.S.**

**Impact of Canadian automotive counter-tariffs
on EV models offered in Canada ***



**These 89 models are manufactured by mixed powertrain OEMs who are subject to vehicle supply constraints under the EV Availability Standard. They exclude American EV manufacturers Lucid, Rivian & Tesla.*

We have found that out of 89 different battery electric vehicle (BEV) and plug-in hybrid electric vehicle (PHEV) models currently offered by 33 different automotive brands in Canada, only 6 models are affected by Canada's automotive countermeasure tariffs. This represents less than 7% of the models offered and less than 5% of BEV + PHEV sales by these 33 brands in the country in 2024.

¹ USMCA-compliant motor vehicles are subject to a surtax in the amount of 25% minus 15% of the value for Canadian and Mexican content leaving on 85% of the value of each vehicle subject to a surtax of 25% with a default tariff rate of 21.25%. (<https://www.canada.ca/en/departement-finance/news/2025/04/canada-announces-entry-into-force-of-countermeasures-against-auto-imports-from-the-united-states.html>)





In light of the above, Electric Mobility Canada urges the Government of Canada to maintain its EV Availability Standard, as it will ensure that Canadians continue to have access to a growing number of BEVs and PHEVs *and that more affordable EV models will be sent to our country moving forward.*

STARTING WITH THE RIGHT INFORMATION ON CANADA'S AUTOMOTIVE TARIFFS AND COUNTER-TARIFFS

To ensure that consumers, elected officials, media, and government bureaucrats understand the effect of Canada's automotive counter-tariffs, EMC looked at the list of BEVs and PHEVs offered in Canada and the potential impact of the 21.25% [Canadian counter-tariff measures announced by the federal government on April 8, 2025](#).

Applicability of Canada's automotive counter-tariffs on BEVs and PHEVs offered in Canada

On the issue of tariffs and counter-tariffs, EMC compiled the list of all BEVs and PHEVs offered in Canada, along with their country of origin and whether Canada's automotive counter-tariffs are applicable to each model.

The assessment presented in this document shows that Canada's automotive counter-tariffs are only applicable to a minority of BEV and PHEV models offered to Canadians.

With regards to Canada's automotive counter-tariffs, vehicle manufacturers can be divided in 3 categories:

- a) Global automotive manufacturers
- b) The "Group of Five"
- c) American EV-only manufacturers



(Hyundai Ioniq 6's country of origin: South Korea)





a) Global automotive manufacturers

While global automotive manufacturers do sell BEVs and PHEVs in Canada, they don't assemble light-duty vehicles in Canada. Collectively, they supply 59 BEV and PHEV models to the Canadian market, which are listed below.

What we found is clear: Out of the 59 different models offered by 18 Brands, only 5 low volume models and 1 higher volume model (VW ID.4) are affected by Canada's counter-tariffs, leaving 53 BEV and PHEV models not affected by counter-tariffs.

Model		Country of origin	Canada's countermeasure tariffs on U.S. made vehicles
Audi			
1	e-tron GT	Germany	Not applicable
2	Q4	Germany	Not applicable
3	Q5	Mexico	Not applicable
4	Q8	Belgium	Not applicable
BMW			
5	i4	Germany	Not applicable
6	i5	Germany	Not applicable
7	i7	Germany	Not applicable
8	iX	Germany	Not applicable
9	5 Series PHEV	Germany	Not applicable
10	X5 PHEV	USA	Applicable
Genesis			
11	GV60	South Korea	Not applicable
12	GV70	South Korea	Not applicable
13	G80	South Korea	Not applicable
Hyundai			
14	Ioniq 5	South Korea	Not applicable
15	Ioniq 6	South Korea	Not applicable
16	Ioniq 9	South Korea	Not applicable
17	Kona EV	South Korea	Not applicable
18	Tucson PHEV	South Korea	Not applicable
Jaguar			
19	i-Pace	Austria	Not applicable
Kia			
20	Niro EV	South Korea	Not applicable
21	Niro PHEV	South Korea	Not applicable
22	EV6	South Korea	Not applicable
23	EV9	South Korea	Not applicable





24	Sportage PHEV	South Korea	Not applicable
25	Sorento PHEV	South Korea	Not applicable
Land Rover			
26	Ranger Rover Sport PHEV	England	Not applicable
27	Land Rover PHEV	England	Not applicable
Mazda			
28	CX-70 PHEV	Japan	Not applicable
29	CX-90 PHEV	Japan	Not applicable
Mercedes-Benz			
30	EQB	Hungary	Not applicable
31	EQE Sedan	Germany	Not applicable
32	EQE SUV	USA	Applicable
33	EQS Sedan	Germany	Not applicable
34	EQS SUV	USA	Applicable
35	eSprinter	Germany	Not applicable
Mini			
36	Countryman EV	Germany	Not applicable
Mitsubishi			
37	Outlander PHEV	Japan	Not applicable
Nissan			
38	LEAF 2026	Japan or England	Not applicable
39	Ariya	Japan	Not applicable
Polestar			
40	3	USA	Applicable
41	4	South Korea	Not applicable
Porsche			
42	Cayenne e-Hybrid	Slovakia	Not applicable
43	Panamera e-Hybrid	Germany	Not applicable
44	Taycan	Germany	Not applicable
45	Macan EV	Germany	Not applicable
Subaru			
46	Solterra	Japan	Not applicable
47	Trailseeker	Japan	Not applicable
VinFast			
48	VF8	Vietnam	Not applicable
49	VF9	Vietnam	Not applicable
VW			
50	ID.4	USA	Applicable
51	ID Buzz	Germany	Not applicable
Volvo			
52	EC40	Belgium	Not applicable





53	EX30	Belgium	Not applicable
54	EX90	USA	Applicable
55	EX40	Belgium	Not applicable
56	XC60 Recharge PHEV	Sweden	Not applicable
57	XC90 Recharge PHEV	Sweden	Not applicable
58	S60 PHEV	Belgium	Not applicable
59	V60 Recharge PHEV	Sweden	Not applicable



(Nissan Ariya's country of origin: Japan)

b) The “Group of Five”

The group of five represents the five light duty vehicle manufacturers that operate assembly plants in Canada. They are:

1. Ford: including Ford and Lincoln
2. GM: including Cadillac, Chevrolet, GMC
3. Honda: including Honda and Acura
4. Stellantis: including Alfa Romeo, Chrysler, Dodge, Fiat, Jeep, RAM
5. Toyota: including Lexus and Toyota





On April 15, 2025, Canada's Minister of Finance, the Honourable François-Philippe Champagne "announced a performance-based remission framework for automakers, designed to incentivize continued production and investment in Canada. In recognition of the integrated nature of the North American automotive sector, **this will allow automakers that continue to manufacture vehicles in Canada to import a certain number of U.S.-assembled, CUSMA-compliant vehicles into Canada, free of the countermeasure tariffs that Canada has imposed.**"²

The remission granted to these companies is contingent on these automakers continuing to produce vehicles in Canada and on completing planned investments. The number of tariff-free vehicles a company is permitted to import will be reduced if there are reductions in Canadian production or investment."

These automakers' BEV and PHEV models are listed below.

	Model	Country of origin	Canada's countermeasure tariffs on U.S. made vehicles
Ford & Lincoln			
60	Ford Mustang Mach-E	Mexico	Not applicable
61	Ford F-150 Lightning	USA	Eligible for remission
62	Ford Escape PHEV	USA	Eligible for remission
63	Lincoln Corsair PHEV	USA	Eligible for remission
Chevrolet, Cadillac & GMC			
64	Cadillac Lyriq	USA	Eligible for remission
65	Cadillac Celestiq	USA	Eligible for remission
66	Cadillac Optiq	Mexico	Not applicable
67	Cadillac Escalade iQ	USA	Eligible for remission
68	Chevrolet Blazer EV	Mexico	Not applicable
69	Chevrolet Brightdrop	Canada	Not applicable
70	Chevrolet Equinox EV	Mexico	Not applicable
71	Chevrolet Silverado EV	USA	Eligible for remission
72	GMC Hummer EV	USA	Eligible for remission
73	GMC Sierra EV	USA	Eligible for remission
Honda & Acura			
74	Acura ZDX EV	USA	Eligible for remission
75	Honda Prologue	Mexico	Not applicable
Stellantis : Alfa Romeo, Chrysler, Dodge, Fiat, Jeep, RAM			
76	Alfa Romeo Tonale PHEV	Italy	Not applicable
77	Chrysler Pacifica PHEV	Canada	Not applicable
78	Dodge Hornet PHEV	Italy	Not applicable

² Department of Finance Canada. Canada announces new support for Canadian businesses affected by U.S. tariffs. April 15, 2025 (<https://www.canada.ca/en/departement-finance/news/2025/04/canada-announces-new-support-for-canadian-businesses-affected-by-us-tariffs.html>)





79	Dodge Charger EV	Canada	Not applicable
80	Fiat 500 e	Italy	Not applicable
81	Jeep Wrangler 4Xe	USA	Eligible for remission
82	Jeep Grand Cherokee 4Xe	USA	Eligible for remission
83	RAM 1500 Ramcharger	USA	Eligible for remission
Toyota & Lexus			
84	Lexus NX450h+	Japan	Not applicable
85	Lexus RZ450e	Japan	Not applicable
86	Toyota BZ4x	Japan	Not applicable
87	Toyota Mirai	Japan	Not applicable
88	Toyota Prius Prime	Japan	Not applicable
89	Toyota RAV4 Prime	Japan	Not applicable

Of the 30 light-duty BEVs and PHEVs in this list, 17 are not subject to Canada's 21.25% countermeasure tariff as they are not assembled in the USA. This means that ***the majority of these vehicles are not subject to the Canadian counter-tariffs.***

In addition, as a result of the Government of Canada's April 15th announcement, BEVs and PHEVs assembled in the USA can benefit from a remission framework that allows automakers to "import a certain number of U.S.-assembled, CUSMA-compliant vehicles into Canada, free of the countermeasure tariffs that Canada has imposed."³

If the vehicle manufacturers that assemble BEVs and PHEVs in the U.S. choose to prioritize imports of these CUSMA compliant EVs to Canada, nearly all imports from the 'Group of Five' would be exempt from Canada's countermeasure tariffs on vehicles.

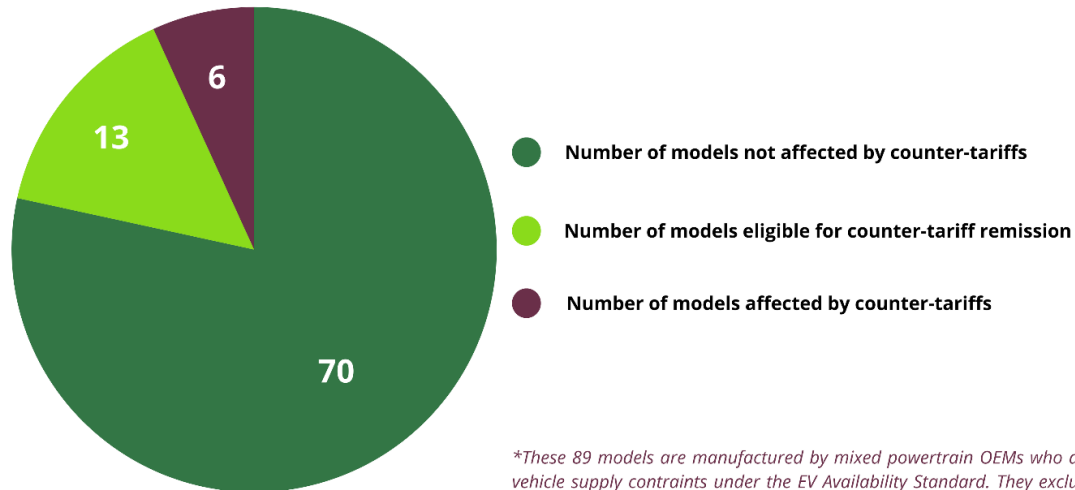
To summarize, when we add the 59 BEVs and PHEVs from the global automotive manufacturers to the 30 BEVs and PHEVs from the Group of Five, only 6 of 89 models may be affected by Canada's 21.25% countermeasure tariffs, or less than 7% of the models offered by 33 brands and less than 5% of all BEV + PHEV sales in Canada in 2024.

³ Department of Finance Canada. Canada announces new support for Canadian businesses affected by U.S. tariffs. April 15, 2025
<https://www.canada.ca/en/department-finance/news/2025/04/canada-announces-new-support-for-canadian-businesses-affected-by-us-tariffs.html>





Impact of Canadian automotive counter-tariffs on EV models offered in Canada *



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(Chevrolet Equinox EV's country of origin: Mexico)

c) American EV-only manufacturers

This group includes American BEV manufacturing leaders Lucid, Rivian and Tesla, whose vehicle models available in Canada are assembled in the United States. These automakers' models are listed below.





	Model	Country of origin	Canada's countermeasure tariffs on U.S. made vehicles
Lucid			
90	Air	USA	Applicable
91	Gravity	USA	Applicable
Rivian			
92	R1S	USA	Applicable
93	R1T	USA	Applicable
Tesla			
94	Cybertruck	USA	Applicable
95	Model 3	USA	Applicable
96	Model S	USA	Applicable
97	Model X	USA	Applicable
98	Model Y	USA	Applicable

While these three American EV-only manufacturers are leading the way in the transition to electric vehicle manufacturing and adoption, **all the models they offer in Canada are impacted by Canada's counter-tariff measures.** Despite being the most affected by these counter-tariffs, they continue to support Canada's EV Availability Standard.

Given Canada's clear intention to lead in EV manufacturing and adoption, its tariff policy toward these three manufacturers appears inconsistent with its broader goals for EV adoption and greenhouse gas reduction.

These automakers exceed Canada's 2026-2034 targets, and the EV Availability Standard does not negatively impact affordability of their supply. In fact, the EV Availability Standard enables automakers with surplus credits to sell them to those with deficits, which could mitigate the impact of Canada's counter-tariffs, and in turn, disproportionately affects imports from American EV-only manufacturers.





In closing, Canadian consumers currently have access to a significant number of BEVs and PHEVs free of counter-tariff measures. Nevertheless, in these uncertain times, EMC is aware of the short-term challenges facing all automakers.

Therefore, we recommend that the federal government:

- **Maintains the EV Availability Standard;**
- **Maintains its 100% ZEV sales target by 2035;**
- **Work with industry experts from Electric Mobility Canada and other stakeholders to identify short term solutions to help industry reach their interim targets for the period between 2026 and 2030;**
- **Ensures that all carmakers have access to the Canadian market free of counter-tariffs as early as possible;**
- **Reinvests significantly in EV infrastructure deployment;**
- **Reinstates an EV rebate program.**

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