



Canada's Action Plan for Clean On-Road Transportation Report Summary

Introduction

The Government of Canada has released an action plan to reduce the impact and emissions of on-road transportation.

In order to reach Canada's goal of net zero emissions by 2050, it's essential the transportation sector is brought onboard. This short report will summarize **Canada's Action Plan for Clean On-Road Transportation** which can be found [HERE](#).

The main goal of the Action Plan is that **ALL NEW CANADIAN VEHICLES SOLD WILL EVENTUALLY BE NET ZERO EMISSIONS**, including:

- **ALL NEW Light-Duty Vehicle Sales to be Zero Emissions by 2035:**
And that the Government shall work towards ensuring:
- **ALL NEW Medium-and-Heavy-Duty Vehicle sales are Zero Emissions by 2040.**

Achieving these goals will require effort on behalf of multiple stakeholders, which is why the Government of Canada intends to strengthen efforts to engage local and regional governments to overcome barriers encountered when adopting Net Zero.

Also, the Government of Canada will strengthen ties to consult with Industry, Non-Governmental Organizations, and Academia to ensure progress. The Government of Canada has released this Action Plan to show its commitment to a more sustainable future.

Statistics and Goals

- The transportation sector is responsible for about **25%** of all of Canada's emissions, making it the **second-largest polluter in Canada**.
- The regular combustion engine cars on the road also contribute to worsening air quality.
- Many Canadians live near highways or large urban roads.
- Health Canada reports about **1,200 premature deaths caused by air pollution per year**.

Noticing the risks, and the impacts of the GHG emissions from the Transportation Sector, the Government of Canada has committed to Federal sales targets and requirements. Medium-and-heavy-duty Zero-Emission Vehicle Regulation will be subject to interim regulations.

With these new sales regulations, experts predict Canada can expect around **395,000 New Light-Duty Zero-Emission Vehicle Sales in 2026**, all the way to **2 Million Zero-Emission Vehicle Sales in 2035** and **12.4 Million on the road by 2035**. Around **39,000 new Medium and Heavy-Duty Zero-Emission Vehicle Sales can be expected in 2030**.

Canada also commits to a sustained effort to retrofit, replace, and repower Medium-and-Heavy-Duty Vehicles. Although, it will clearly take time to replace the combustion engines for 2.6 million of these vehicles, so far **1,620 trucks and trailers have been updated and 2,830 individual retrofits** have been executed.

To achieve these goals Canada is working with its international partners, including the State of California and the European Union, plus National Partners at the Municipal and Provincial/Territorial-scale. Page 20 of the Action Plan Report provides more information on Canada's international partnerships.

Issues and Opportunities in Northern, Rural, and Remote Communities

The Government of Canada recognizes that incorporating Zero-Emission Vehicles may not be accessible for all in the short-medium term including Northern, Rural, and Remote Communities, and Underrepresented Groups. Reaching every community in Canada is a necessity to achieve a Net-Zero Transportation Sector.

A few actions Canada will execute to ensure all communities have equal access to Net-Zero vehicles includes:

Making Sure Zero-Emission Vehicles Are Available

- Canada intends to have ambitious sustainability goals and is working to align with the United States of America's Climate Goals.
- Canada has invested **\$1 billion prior to 2022** to help Zero-Emission vehicles become available.

Making These Vehicles More Affordable

- Canada is investing in incentive programs to promote Zero-Emission Vehicles and ensure they are less costly.
- Recently, the government invested in **the Incentives for Zero-Emission Vehicles Program** which allocated **\$2.3 billion for 37 eligible models** as of October 2022.
- This program saw **171,000** participants as of October 2022.
- Also, a similar incentive was made called the **Incentives for Medium and Heavy-Duty Zero-Emission Vehicle Program** which allocated **\$547.5 Million for 40 eligible models, and 37 participants**.
- Each Province and Territory has their own incentives, which can be viewed in the report on Page 8.

Building More Charging and Refueling Stations

- Prior to the Budget in 2022, the Government allocated **\$376 million** to make chargers more accessible.
- Recently, the Government has provided an additional **\$900 million for 50,000 new chargers to be installed by 2029**.
- Also, **35,000** new charging stations and **25** hydrogen refueling stations are to be built by **2026**.

Creating Public Awareness and Confidence in Zero-Emission Vehicles

- Awareness-building, education, and training are all other stated goals to help Canadians build greater confidence in Zero-Emission Vehicles.
- A **Zero-Emission Vehicle Awareness Initiative** has been created to help tackle the gap in education around these new Zero-Emission technologies.
- Some other funded projects include an **Indigenous electrical vehicle ambassador project**, and an **electric vehicle buyer's guide**.

Support Research, Development, and Demonstration

- **\$76 million** of recent investments have created **the Electric Vehicle Infrastructure Demonstration Program** to support technology demonstrations.
- Additional investments have been put toward the **Clean Growth Program and Breakthrough Energy Solutions Canada** which supports projects regarding electrification of many industries.
- Other measures include **The Clean Fuel Regulations, Federal Carbon Pricing and The Clean Electricity Regulations**.

Lead by Example

- The Government of Canada intends to adopt **low-carbon mobility solutions, set ambitious targets for the federal fleet, and modernize its operations and facilities**.
- Various working groups and subcommittees have also been made to mobilize these efforts.
- The Government has updated its goals for the light-duty zero-emission vehicle fleet from **80% to 100% by 2030**.

Act on Multiple Clean Growth Opportunities

- Canada intends to continue promoting clean growth companies and technologies and fund research opportunities.
- **The Strategic Innovation Fund** supports large-scale projects to promote the competitiveness of Canadian industries and demonstrate clean growth and technological advantage.
- Canada will promote the advancement of **Battery Cell Technology and Reduce Taxes** for those researching and creating zero-emission technologies domestically.
- Canada has placed emphasis on creating programs that are specific to Indigenous communities' needs.

Planned Investments

- At the Government-level, Canada will continue to invest 'several billions of dollars' towards the transition to a Zero-Emission Vehicle Market.
- At the household, business and consumer-level, S&P Global Mobility predicts the market share and sale of Light-Duty Zero-Emission Vehicles will reach **7.9% in the first half of 2022** in comparison to **3.1% in 2019**.

Workforce Development

- To ensure the movement to Zero-Emission Vehicles is done in a fair way, the workforce must be included. Investments are being made to maintain and secure future vehicle production centres that create sustainable jobs.
- In 2021, the Government announced an investment of **\$14.9 billion** for public transit projects, encouraging energy saving methods.
- This will go towards expanding transit systems, electrifying buses, and providing other transit solutions for rural communities.
- Another investment in Canada's North was through the **Electric Vehicle Infrastructure Demonstration Program**. This program is being delivered alongside Indigenous partners to help Indigenous communities develop EV Infrastructure.

Conclusion

The report essentially states that Canadian Governments have been monitoring the rise of electric vehicles, forecasting increased loads, and developing new tools for upgrades.

The report states that Canada continues to be competitive in the global movement towards the adoption of electrified transportation systems - to help mitigate the risks of climate change. It recognizes the need to find the right talent, knowledge, ingenuity, strength, and resources required to bring about this important change.

The report also acknowledges achieving the goal of low-carbon development will be an important transition in our society, and states increased emphasis will be placed on resource consumption, and the need to build a more circular economy. The Full Report can be viewed [HERE](#).