

2030 ERP: TRANSPORTATION



Actions to reduce emissions will enable cleaner public transit, more active transportation, make ZEVs more affordable and accessible, and provide cleaner modes of air, marine, and rail travel. Efforts will also create new jobs in areas like ZEV manufacturing and public transit.

2005 emissions: **160 Mt**

2019 emissions: **186 Mt**

Estimated change from 2005 to 2030: **-11%**

What We've Already Done

- ✓ Set a mandatory target for 100% of new light-duty cars and passenger truck sales are zero-emission by 2035.
- ✓ Established the \$660 million Zero-Emission Vehicles (iZEV) Program which provides incentives and encourages the adoption of ZEVs.
- ✓ Provided \$14.9 billion in funding to support public and active transportation infrastructure including zero-emissions busses, new subway lines, light-rail transit and streetcars and improved rural transit.
- ✓ Provided over \$450 million since 2016 for infrastructure programs supporting deployment, demonstrations and codes and standards for EV charging and refueling stations across Canada.

Key New Actions

To meet Canada's 2030 emissions reduction target and reach net zero by 2050, the Government of Canada will focus on the following key areas to reduce emissions in the transportation sector:



Develop a light duty vehicle (LDV) ZEV sales mandate, which will set annually increasing requirements towards achieving 100% LDV ZEV sales by 2035, including mandatory interim targets of at least 20% of all new LDVs offered for sale by 2026 and at least 60% by 2030.



Launch an integrated strategy to reduce emissions from medium-and heavy-duty vehicles (MHDVs) with the aim of reaching 35% of total MHDV sales being ZEVs by 2030. In addition, the Government will develop a MHDV ZEV regulation to require 100% MHDV sales to be ZEVs by 2040 for a subset of vehicle types based on feasibility, with interim 2030 regulated sales requirements that would vary for different vehicle categories based on feasibility, and explore interim targets for the mid-2020s.



In support of these objectives, the following investments will be made:

- \$1.7 billion to extend the Incentives for Zero-Emission Vehicles Program (iZEV) for light-duty vehicles for three years. Budget 2022 will provide additional detail on the program's design.
- \$400 million in additional funding for ZEV charging stations, in support of the Government's objective of adding 50,000 ZEV chargers to Canada's network.
- In addition, the Canada Infrastructure Bank will invest \$500 million in large-scale ZEV charging and refueling infrastructure that is revenue-generating and in the public interest.
- 547.5 million for a purchase incentive program for MHDVs. Purchase eligibility date will be announced in Budget 2022.
- \$199.6 million to retrofit large trucks currently on the road.
- \$33.8 million for hydrogen trucking demonstration projects that address barriers to long-haul zero-emission trucking commercialization – including technical, regulatory and standards challenges.
- \$2.2 million to support Greening Government fleet electrification commitments.



Going Further

The Government of Canada also commits to explore additional opportunities, including:

Rail

- Building on successive voluntary agreements with industry, develop an action plan to decarbonize rail in line with Canada's net-zero by 2050 goal, which could include efforts to advance zero-emission locomotives and locomotive electrification.

Aviation

- Developing a whole-of-government approach on the long-term decarbonization of aviation, informed through ongoing engagement with industry and other stakeholders on a renewed action plan to reduce emissions from aviation, which could include initiatives to expand the production and use of low-carbon sustainable aviation fuel, and efforts to decarbonize and electrify airport operations in Canada.
- Working with international partners to increase ambition in International Civil Aviation Organization (ICAO) emission reduction goals and measures.

Marine

- Developing a national action plan to enable the marine sector to reduce its emissions, which could include engagement with stakeholders on energy efficiency/carbon intensity requirements for domestic vessels in-line with requirements for international vessels.
- Working with international partners to develop measures to reduce black carbon in the Arctic from international shipping.

Off-road

- Pursuing zero-emission standards for new off-road small spark-ignition engines (such as lawn and garden equipment). The Government of Canada could also investigate the potential to advance zero-emission technologies and clean fuels for other types and applications of off-road equipment (e.g., small marine engines and recreational vehicles, and larger equipment found in the agriculture, construction, mining and port sectors).

Other

- Working with other levels of government, and in collaboration with key federal partners on additional emission reductions from transportation (e.g., urban mobility and local goods movement).
- Explore opportunities to link investments in infrastructure, particularly public transit, to urban form (e.g. urban mobility of people and goods, optimizing modal shift) and housing outcomes.