Missing Out

Europe enjoys 21 electric vehicles selling for less than $40,000 Canadian. Only one of them is available in Canada

September 2025

CLEAN ENERGY CANADA

A tale of two continents

Canada has an affordable EV problem. Lower-priced new electric vehicles have become an extinct species here, and that simply isn't the case in other countries.

With the prospect of bringing more European cars into Canada being floated in recent months, Clean Energy Canada decided to analyze the European car market to see what affordable electric options Europeans enjoy today compared to Canadians. The result was pretty striking. **Europe has 21 EVs selling for less than the equivalent of $40,000, and only one of those cars, a small, relatively low-range Fiat, is available in Canada (it is the only sub-$40,000 EV available in Canada, period).**

It's not that these cars wouldn't appeal to Canadians—all but three of them have driving ranges over 300 kilometres—and it's also not the case that they are all cheap Chinese vehicles undercutting the competition. **Only seven of these EVs are from Chinese automakers, or exactly one-third of the list, while 10 of them are European, three are Japanese, and one is South Korean. None are American.**

Here's what Canadians are missing out on.

The German Opel Frontera Extended Range, at $38,838 with 406 kilometres of range, is a compact SUV that nonetheless features plenty of cargo space and a flexible interior. The French Citroën e-C3 Comfort Range, at $29,013 with 320 kilometres of range, is a crossover option for budget-sensitive drivers. While a familiar brand, Hyundai, sells the compact INSTER Long Range at $31,628 with 369 kilometres of range. And among the Chinese offerings, the best known is also one of the most appealing: BYD's Dolphin Surf Comfort will start selling this fall for $33,621 with a very impressive range of 499 kilometres. None of these prices include purchase incentives that may be available in some European countries.

So, why is $40,000 such an important number? A recent Clean Energy Canada report, *Empowering Households*—informed by market research conducted in the Toronto and Vancouver metro regions—found that only 27% of respondents are willing to spend more than $40,000 on a new EV. Whereas **a car coming in under $40,000 drastically increases the pool of potential buyers to roughly half the population (49%).**[1]

It should be said that Canada used to have a good sub-$40,000 option. The Chevy Bolt, a car launched by GM in 2017 and paused in 2023, was the most popular non-Tesla EV in the country when it went out of production. A new version has been announced for next year, though we don't yet know at what price. Pricing of the newly revamped Nissan Leaf, for example, starts at $44,998 in Canada despite a more basic model being made available in America for US$29,990 ($41,500 Canadian).[2]

In other words, it's not that we have other affordable North-American-only EVs that are unavailable in Europe. Canada's competitive market bottoms out at $45,000. To be clear, there are great EVs for sale today, and they are fairly priced relative to their fossil fuel

equivalents, but the economy category doesn't even exist in Canada. And with a 100% tariff on Chinese EVs, market conditions here are unlikely to change without government intervention.

Fortunately, there are a number of solutions to this problem. **The federal government should take a multi-faceted approach to it, including lowering the tariff on Chinese EVs to increase competition** (Volkswagen just unveiled a sub-€25,000 electric hatchback to compete with low-cost Chinese EVs in Europe), **bringing back consumer incentives to help with upfront cost, and keeping in place Canada's EV Availability Standard** (which one study found would reduce the average price of EVs by 20% as carmakers must produce lower-priced models to meet more of the market).[3,4]

There is also another way Canada could open up its car market: allowing for sale any vehicle that has passed safety and environmental standards in Europe. This would increase the availability of car brands and models in Canada, with an eye to bringing in some of those more affordable EVs into the country. The idea, which the Canadian Automobile Dealers Association also supports, is overwhelmingly popular among Canadians, with 70% support and only 10% opposition when we polled it with Abacus Data earlier this summer.[5,6]

Indeed, there is a market for these cars in Canada. It's not the case that Canadians only want big North American vehicles. In the aforementioned survey, we found that 32% of residents in the Toronto and Vancouver regions (representing 27% of Canada's population) intend to purchase either a sedan or a hatchback as their next car, not far behind the 38% who prefer an SUV.[7] And that flips for those under age 30: 36% want a sedan or hatchback compared to 30% favouring an SUV.

This is interesting for two reasons. One is because **younger respondents are most keen on going electric: 71% of those under 30 want an EV compared to 49% of people over 60.** The other is financial: EVs already save their drivers thousands of dollars a year on gas, and a well-priced compact one will save cash-strapped young drivers even more money on day one.[8]

Opening the gate to European EVs should be part of a broader suite of measures, including keeping the EV Availability Standard and lowering the tariff on Chinese EVs to ensure an adequately competitive market. But in and of itself, it represents a no-regrets chess move the federal government could make today with plenty of financial and political upside.

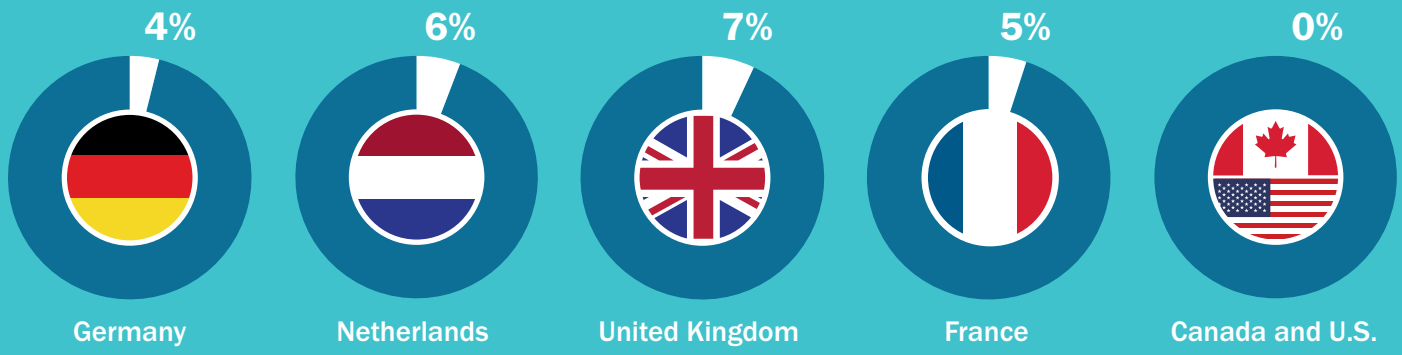
$40,000

EVs selling in Europe for under the equivalent of $40,000 by country of automaker

European: **10**	South Korean: **1**
Chinese: **7**	American: **0**
Japanese: **3**	**Total: 21**

Competing, not taking over

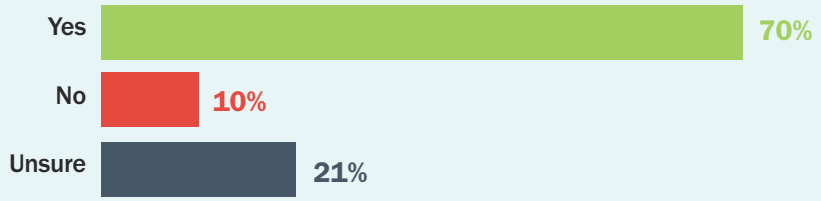
Chinese share of local EV markets in 2024



Source: Visual Capitalist[9]

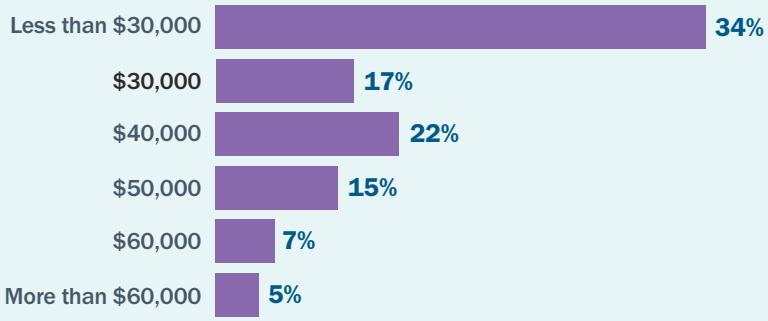
What do Canadians think?

70% of Canadians support allowing European-approved vehicles into Canada



Source: National, June 2025, Abacus Data[5]

Maximum spend on a new electric vehicle



Only 27% of those in the Toronto and Vancouver regions are willing to spend more than $40,000 on a new EV. Whereas **half of respondents (49%) are open to purchasing an EV under $40,000.**

Source: Greater Toronto Hamilton Area and Metro Vancouver, January 2025, Abacus Data[1]

In the Toronto and Vancouver regions, sedans/hatchbacks are nearly as desired as SUVs, and more so among those under age 30.

Vehicle preference for next purchase

Sedan/ hatchback **32%**

SUV **38%**

Among those 18 to 29

Sedan/ hatchback **36%**

SUV **30%**

Methodology

European car prices were pulled from the EV Database in euros and converted to CAD. Sales tax was deducted from prices to reflect pricing conventions in Canada. Vehicle prices were based on those in Germany or, where unavailable, the Netherlands and do not include incentives. Where more than one trim came under the equivalent of $40,000, the vehicle with the highest driving range was selected. All but three cars listed are currently for sale, with the others being made available this fall. The EUR to CAD exchange rate was based on the 2024 annual average as reported by the Bank of Canada (with an exchange rate for H1 2025, 16 vehicles come under the price threshold). Actual retail prices and availability of vehicles in Canada would be determined by automakers, and this analysis is merely illustrative.[10–12]

21

Electric vehicles selling in Europe for less than $40,000 Canadian

Dacia
Spring Electric 45

$21,044
Price in Canadian (without tax)

Range: **225 km**
Automaker Country: **Romania**

Leapmotor
T03

$23,534
Price in Canadian (without tax)

Range: **265 km**
Automaker Country: **China**

Citroën
e-C3 Comfort Range 44 kWh

$29,013
Price in Canadian (without tax)

Range: **320 km**
Automaker Country: **France**

Dongfeng
Box 42.3 kWh

$30,002
Price in Canadian (without tax)

Range: **310 km**
Automaker Country: **China**

Renault
5 E-Tech 40kWh 95hp

$31,006
Price in Canadian (without tax)

Range: **308 km**
Automaker Country: **France**

Fiat
Grande Panda

$31,118
Price in Canadian (without tax)

Range: **320 km**
Automaker Country: **Italy**

Hyundai
INSTER Long Range

$31,628
Price in Canadian (without tax)

Range: **369 km**
Automaker Country: **South Korea**

GWM
ORA 03 48 kWh

$33,608
Price in Canadian (without tax)

Range: **309 km**
Automaker Country: **China**

BYD
Dolphin Surf 43.2 kWh Comfort

$33,621
Price in Canadian (without tax)

Range: **499 km**
Automaker Country: **China**

Nissan

Micra Standard Range 40 kWh

$36,237
Price in Canadian (without tax)

Range: **319 km**
Automaker Country: **Japan**

Renault

4 E-Tech 40kWh 120hp

$36,609
Price in Canadian (without tax)

Range: **300 km**
Automaker Country: **France**

Firefly

Firefly

$36,616
Price in Canadian (without tax)

Range: **330 km**
Automaker Country: **China**

Fiat

500e 3+1 24 kWh

$36,727
Price in Canadian (without tax)

Range: **190 km**
Automaker Country: **Italy**

Available in Canada
$39,995 | 227 km range

Leapmotor

B10 56.2 kWh

$37,232
Price in Canadian (without tax)

Range: **361 km**
Automaker Country: **China**

Toyota

Urban Cruiser 48.8 kWh

$37,344
Price in Canadian (without tax)

Range: **344 km**
Automaker Country: **Japan**

Citroën

e-C3 Aircross Extended Range 54 kWh

$38,215
Price in Canadian (without tax)

Range: **401 km**
Automaker Country: **France**

Opel

Frontera Extended Range

$38,838
Price in Canadian (without tax)

Range: **406 km**
Automaker Country: **Germany**

Suzuki

e VITARA 49 kWh 2WD

$39,182
Price in Canadian (without tax)

Range: **343 km**
Automaker Country: **Japan**

Opel

Corsa Electric 54 kWh (MY25)

$39,212
Price in Canadian (without tax)

Range: **424 km**
Automaker Country: **Germany**

Citroën

e-C4

$39,722
Price in Canadian (without tax)

Range: **353 km**
Automaker Country: **France**

BYD

ATTO 2

$39,834
Price in Canadian (without tax)

Range: **312 km**
Automaker Country: **China**

Endnotes

1. Clean Energy Canada. *Empowering Households.* https://cleanenergycanada.org/report/empowering-households/ (2025).
2. Layson, G. Why the 2026 Nissan Leaf costs thousands more in Canada. *Yahoo* https://autos.yahoo.com/articles/why-2026-nissan-leaf-costs-142751599.html (2025).
3. Environmental Defence. *Profiting from Pollution.* https://environmentaldefence.ca/report/profiting-from-pollution/ (2022).
4. Volkswagen Unveils Budget EV to Slow China's European Expansion. *Bloomberg* https://www.bloomberg.com/news/articles/2025-09-03/volkswagen-unveils-budget-ev-to-slow-china-s-european-expansion (2025).
5. Clean Energy Canada & Abacus Data. Poll: Large majority of Canadians favour more open car market with better access to affordable Chinese and European EVs. *Clean Energy Canada* https://cleanenergycanada.org/poll-large-majority-of-canadians-favour-more-open-car-market-with-better-access-to-affordable-chinese-and-european-evs/ (2025).
6. Kennedy, D. Canada should recognize EU, Korean, Japanese vehicle safety standards amid tariff turmoil, CADA says. *Automotive News* https://www.autonews.com/manufacturing/automakers/anc-trump-tariffs-cada-safety-regulations-2204/ (2025).
7. Government of Canada & Statistics Canada. Census Profile, 2021 Census of Population. https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/index.cfm?Lang=E (2022).
8. Clean Energy Canada. *The Scenic Route.* https://cleanenergycanada.org/report/the-scenic-route/ (2024).
9. Venditti, B. & Parker, S. Visualizing Chinese EV market share overseas. *Visual Capitalist* https://www.visualcapitalist.com/visualizing-chinese-ev-market-share-overseas/ (2025).
10. All electric vehicles. *EV Database* https://ev-database.org/.
11. Value Added Tax share in net car prices, by EU country. *Association des Constructeurs Européens d'Automobiles (European Automobile Manufacturers Association)* https://www.acea.auto/figure/share-of-vat-in-net-price-of-cars-by-eu-country/ (2024).
12. Annual exchange rates. *Bank of Canada* https://www.bankofcanada.ca/rates/exchange/annual-average-exchange-rates/.

CLEAN ENERGY CANADA

Clean Energy Canada
Morris J. Wosk Centre for Dialogue
Simon Fraser University | Harbour Centre
3311-515 West Hastings Street
Vancouver, B.C., V6B 5K3

SFU MORRIS J. WOSK CENTRE FOR DIALOGUE