

December 19th, 2025

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Hey there!

As 2025 comes to a close, Canada's advanced air mobility ecosystem is moving faster than ever. From **regulatory milestones** like Transport Canada's certification of Canada's first electric aircraft, to **homegrown innovations** to **exciting commercial milestones**, there's no shortage of progress shaping our skies.

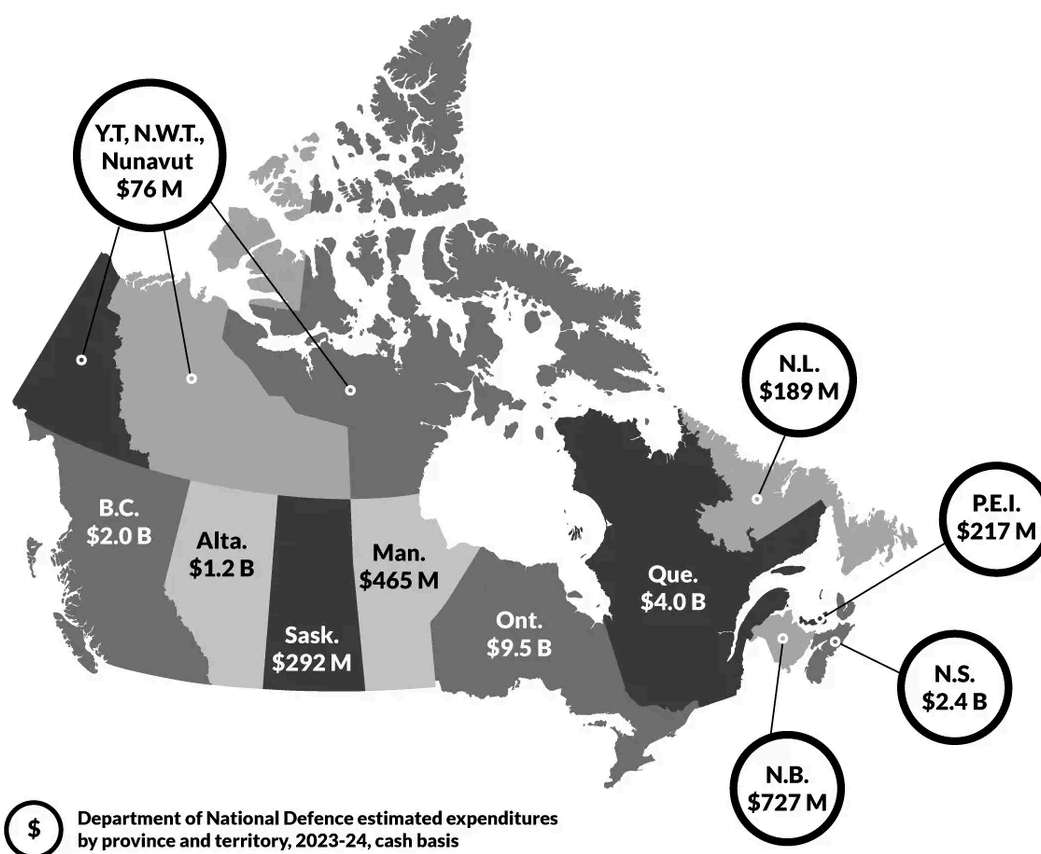
Our **final Quarterly Town Hall** highlighted how Canada is staying ahead, with Transport Canada and NAV CANADA sharing insights on drone security, traffic management, and national readiness. Meanwhile, **commercial breakthroughs** like BETA Technologies going public show that electric aviation is becoming a reality.

As we wrap up 2025, we thank everyone contributing to Canada's AAM journey and wish you a **Merry Christmas and Happy Holidays**. Here's to a safe, innovative, and exciting 2026!

Have a story you'd like to share? Reach out to the team at info@canadianaam.com.

The estimated reading time for this edition of **The Pulse** is around **8 minutes**.

National Regulatory Updates



Canada's Defense Industrial Strategy

Last month's release of Budget 2025 signals a decisive shift in how Canada approaches sovereignty, security, and industrial strength, anchored by generational investments in defence and the launch of a **new Defence Industrial Strategy** designed to build long-term, Canadian-made capability.

At its core, our government is committing to **rebuild, rearm, and reinvest** in the Canadian Armed Forces while ensuring that more of those capabilities are **designed, built, and sustained in Canada**. Defence spending is accelerating to meet **NATO's 2% of GDP target this year**, with a longer-term pathway toward **5% of GDP by 2035**, positioning defence as both a security imperative and an economic growth engine.

The Defence Industrial Strategy: What It Means for Canadian Innovation

A cornerstone of Budget 2025 is the launch of a **whole-of-government Defence Industrial Strategy**, backed by **\$6.6 billion over five years**—with **\$4.6 billion already allocated** to initial investments. The strategy is explicitly focused on strengthening **sovereign Canadian supply chains**, accelerating innovation, and ensuring that defence procurement actively supports domestic industry.

Key pillars include:

- **Faster, smarter procurement** through a new **Defence Investment Agency**, streamlining approvals and engaging industry earlier—especially for large, strategic programs.
- **Access to capital for SMEs**, including a new Defence and Security Business Mobilization Program delivering loans, venture capital, and advisory support.
- **Dual-use technology development**, supporting civilian–military innovation across **aerospace, space, AI, cybersecurity, advanced manufacturing, marine, and automotive sectors**.
- **Strategic technology bets**, including major investments in **quantum technologies, cyber defence, sovereign space launch capability, and critical minerals processing and stockpiling**.
- A strong emphasis on **Canadian-made solutions**, ensuring defence dollars create high-value jobs, anchor talent, and scale domestic capability.

For Canada’s advanced air mobility, aerospace, and emerging aviation ecosystem, this represents a meaningful shift: defence is no longer just a customer—it is becoming a **platform for innovation, commercialization, and industrial growth**.

The graphic features a dark green background with a white city skyline silhouette at the bottom. Two circular portraits of speakers are shown. The left portrait is of Jatinder Sahota, and the right is of Alan Chapman. Text and logos are placed around and below the portraits.

CAAM | DECEMBER AAM TOWN HALL

JATINDER SAHOTA
RPAS SECURITY POLICY,
SENIOR POLICY ADVISOR

 Transport Canada  Transports Canada

ALAN CHAPMAN
DIRECTOR, RPAS
TRAFFIC MANAGEMENT



Our Final AAM Town Hall of 2025

Our final Quarterly AAM Town Hall of 2025 wrapped up last Friday - Transport Canada and NAV CANADA joined us for a full conversation that reflected just how quickly our sector is moving and how active Canada has become on the global stage. Catch the recording [here!](#)

Transport Canada: Drone Security and National Preparedness

Jatinder Sahota, Senior Policy Advisor at Transport Canada, provided a detailed look at the federal drone security program. He shared how fast the drone landscape is changing and how TC is organizing around prevention, preparedness and response. Real world examples included airport incursions, major event disruptions and criminal activity at correctional facilities. The takeaway was clear. As drones grow, so must our national capability to manage risk, coordinate faster and apply new detection technologies in smart, safe ways.

NAV CANADA: Integrating New Entrants into the Airspace

Alan Chapman, Director of RPAS Traffic Management, and Patrick Annetts, Evolving Aviation Operations Manager, walked through how NAV Canada is preparing for the next wave of aviation activity. Key themes included:

- Continued upgrades to NAV Drone to support sheltered operations, EVLOS, medium RPAS and more
- Concept of Operations work to build BVLOS and traffic management frameworks for the years ahead
- New space transport operations, with Canada preparing for more domestic launch and reentry activity
- A growing focus on real time coordination, airspace protection and national readiness as new vehicles enter our skies

So, what's next?

If the themes in this town hall sparked new ideas or opportunities, we invite you to watch the Q4 Town Hall recording and stay engaged by [signing up](#) for the Q1 2026 AAM Town Hall!

Want to stay updated with Transport Canada & NAV CANADA?

- Sign up for Transport Canada's [Drone Zone newsletter](#).
- Sign up for NAV CANADA's [newsletter](#).



Transport Canada has officially certified its first electric aircraft - the **Pipistrel Velis Electro!**

This marks a major moment for Canadian aviation. While the Velis Electro by Pipistrel Aircraft became the world's first certified electric aircraft in Europe in 2020, Transport Canada has now completed its own multi-year evaluation, setting the foundation for how future electric aircraft will be certified and operated in our country.

A few key insights:

- The Velis Electro has been flying in Canada since 2022, with more than 400 test flights completed through the Waterloo Institute for Sustainable Aeronautics (WISA) and the Waterloo Wellington Flight Centre
- These trials generated detailed data on cold-weather operations, battery behaviour and training-environment energy use, informing updates to Canada's aviation regulations
- Sealand Flight in British Columbia is already using the aircraft for real student training, including its first student solo in January 2025 (we were lucky enough to see this live!)
- Alongside the Velis Electro, Transport Canada also approved the non-electric Pipistrel Explorer and Velis Club

This certification does more than validate a single aircraft. It creates a pathway for the next wave of electric platforms now moving through development, from Harbour Air's eBeaver to Diamond's eDA40 and future eVTOL models.

Canada now has a regulatory process in place that can support the transition to cleaner, quieter training and regional aviation.

ICYMI (In Case You Missed It)



What is Project CRYSTAL? (Now Project HOVR)

In our last newsletter, we shared that Horizon Aircraft, our country's leading AAM OEM and CAAM member, has received a \$2 million INSAT grant to push forward Project CRYSTAL! So what is Project CRYSTAL?

Project CRYSTAL - Canadian Research Yielding Sustainable All-weather Lift system, and now renamed to Project HOVR, is an all-weather vertical propulsion project in partnership with Flight Centre of Excellence (Certification Center Canada, 3C) and the University of Toronto.

Advanced ice detection and protective technologies such as ice-phobic and electrothermal coating solutions will be tested on the Cavorite X7, preparing the aircraft to be certified to fly under IFR and in FIKI conditions.

These systems aim to keep eVTOLs flying safely in challenging conditions that would normally ground most helicopters. The project could lead to Flight Into Known Icing (FIKI) certification for Horizon's Cavorite X7, a major step toward making

electric and hybrid aircraft more capable for missions such as medevac, disaster response, and regional transport.



H2CanFly Selected by Airbus to Advance Hydrogen-Electric Helicopter Propulsion

H2CanFly has been selected by Airbus to explore hydrogen-electric propulsion solutions for helicopters, marking another important step for sustainable aviation and clean propulsion in Canada.

The project focuses on fuel cell systems for aviation and is part of Airbus' Industrial and Technological Benefits (ITB) commitment to Canada, tied to the delivery of 19 H135 helicopters for the Royal Canadian Air Force's Future Aircrew Training (FAcT) program. Assembly will take place at Airbus Helicopters' Fort Erie, Ontario facility.

This work is being led by Eric Lefebvre—former CAAM Board Member and a familiar voice in Canada's hydrogen and AAM community—through his role as CEO of H2CanFly. His team is helping turn hydrogen flight from an idea into something practical, scalable, and grounded in real aviation use cases.

With support from Airbus Helicopters and the National Research Council of Canada, the collaboration highlights how Canadian expertise continues to shape the future of hydrogen-electric propulsion and advanced air mobility.



Montréal's Evio Unveils Hybrid-Electric Regional Airliner

A new Canadian player has stepped into the spotlight. [Montréal-based start-up Evio](#) has unveiled plans for the **Evio 810**, a **50–100 seat hybrid-electric regional aircraft** targeting **first flight in 2029** and **early-2030s entry into service**.

The 810 is a “**strong**” **hybrid**: it can fly short routes on **battery power alone** while using **Pratt & Whitney Canada PT6 turboprops** as range extenders for longer flights. Optimized for **200–300 nm routes** with a cabin wider than today's regional jets, it promises **lower operating and maintenance costs** alongside reduced emissions.

Evio has secured **conditional purchase agreements for 250 aircraft** and collaborates with **P&WC and Boeing**. The aircraft also targets **cargo, defence, and remote power applications**, highlighting the growing versatility of hybrid-electric platforms.

Led by aerospace veterans with experience on the **Q400, CRJ, and A220**, Evio is another example of **Canadian innovation driving sustainable regional aviation forward**.



BETA Technologies is officially a publicly traded company!

On November 3rd, BETA TECHNOLOGIES marked a major milestone by ringing the opening bell at the New York Stock Exchange and completing an IPO that raised about \$1 billion, valuing the company at \$7.4 billion.

For Canada's advanced air mobility ecosystem, this is another signal that electric aviation is moving from promise to commercial reality and operationalization.

A few highlights from BETA's journey to going public:

- The company chose to wait until key milestones were in place, including production-intent aircraft rolling off its Vermont line and major certification progress
- BETA now has close to 900 aircraft in its order backlog, including almost 300 firm orders. Canadian operator and CAAM member Helijet is among the customers preparing for the next generation of electric aircraft
- Its production Alia aircraft have already flown tens of thousands of miles across the U.S., Europe, and New Zealand, logging day, night, IFR, VFR, and extreme-weather operations
- A strategic investment from GE Aerospace added \$300 million in capital before the IPO

- The IPO is aimed at building confidence ahead of anticipated commercial entry in 2026 or 2027

BETA's progress reflects a broader shift in the electric aircraft sector as certification pathways mature and governments increase support for new aviation technologies.

CAAM Delegation Trips



Dubai Airshow 2025 Recap

Following the conclusion of our Middle East AAM Delegation trip adventures, we went to the Dubai Airshow to participate in a powerful conversation on the future of airports and advanced air mobility (AAM).

Our Executive Director, JR Hammond, moderated the session “Rethinking Airports for a Scalable AAM Infrastructure,” bringing together global leaders who are shaping how airports can evolve for the next era of aviation.

- Ivan Bassato - Chief Aviation Officer, Aeroporti di Roma
- Brian Cobb - Chief Innovation Officer, CVG Airport - Cincinnati/Northern Kentucky International Airport
- Alessandro Fidato, Chief Operating Officer, SEA Milan Airports
- Ali Masrahi, CEO, Cluster2 Airports, Saudi Arabia
- Bryan Bernhard, Chief Growth & Infrastructure Officer, Archer

As advanced air mobility becomes a reality, airports are no longer just gateways for traditional aircraft; they are becoming multimodal mobility hubs. This panel explored what that transformation truly requires, from infrastructure redesign to new operational models, partnerships, and passenger flows.



We were also glad to have run into CAAM members of **Joby** (top right), alongside **CAE** (top left), **MOSTAVIO** (bottom left), and **Vigelon** (bottom right) on the show floor, helping strengthen the Canadian presence at the Dubai Airshow and showcasing the depth of innovation coming out of Canada's aviation and AAM ecosystem.



ICAO's 2nd AAM Symposium — 2026 (December 1-3, 2026)

The future of advanced air mobility is global and Canada is ready to lead.

Following our collaboration with ICAO for the inaugural AAM Symposium in 2024, we are leading the Canadian delegation to ICAO's 2nd Advanced Air Mobility Symposium in **Bangkok, Thailand**, bringing together regulators, innovators, and leaders from around the world. This mission will position Canada's AAM ecosystem on the global stage and provide exclusive access to high-level dialogue, curated networking, and international collaboration opportunities.

Want in?

Fill out our [Delegation Trip Interest Form](#) - get yourself to the front of the line and be the first to hear when official recruitment begins! **Eligible CAAM Members can receive up to 50% reimbursement for travel costs associated with the delegation trip***

CAAM's Quarterly Region AAM Meetings



This quarter, we had the opportunity to engage with our members across Ontario, Alberta, and British Columbia, discussing the latest developments in Advanced Air Mobility (AAM) and their impact regionally and nationally.

In **Ontario**, Warren Askew from PortsToronto shared insights on advancing AAM at Billy Bishop and highlighted their leadership in shaping Canada's AAM future.

In **Alberta**, Lauren Hennig from Alberta Aviation, Aerospace & Defence provided an overview of the province's 2026 activities, emphasizing growth opportunities and strategic priorities.

In **British Columbia**, Danny Sitnam from Helijet gave an update on their BETA-ALIA program, offering valuable perspectives on operational progress and innovation in AAM.

These discussions reaffirm CAAM's commitment to fostering quarterly regional conversations—keeping our members connected, tracking progress, addressing challenges, and driving AAM development across Canada.

Sign up for Q1 2026 regional meetings [here!](#)

Upcoming Events That Should Be on Your Radar



[Singapore Airshow](#)

Date: February 3-8, 2026

Location: Singapore



[Alberta Aviation, Aerospace & Defence Council 2026](#)

Date: December 5, 2025

Location: Online, Microsoft Teams

Sponsor Highlight

Looking to showcase your brand within the Canadian AAM ecosystem?

We would love to partner with organizations that share our vision for advancing air mobility in Canada. Reach out to us at info@canadianaam.com to learn more about sponsorship opportunities.

Thanks for tuning into our newsletter - let us know what you think and share this with anyone who may be interested in AAM updates and we hope you have a great holiday break!

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