

Submission – The Nation Municipality

Re: *Consultation on Proposed Criteria for Special Economic Zones (SEZs), Trusted Proponents and Designated Projects*

Environmental Registry of Ontario (ERO) # 019-9040

Submitted by: The Nation Municipality, Ontario

Date: 10/22/25

1. Overview and Position

The Nation Municipality appreciates the opportunity to comment on the proposed regulation under the *Special Economic Zones Act, 2025* (S.O. 2025, c. 4, Sch. 9). We support, in principle, the province's objective of strengthening Ontario's economic resilience through the creation of Special Economic Zones (SEZs) that facilitate coordinated, strategic investment while maintaining public-interest safeguards.

We welcome the draft regulation's clarity in defining criteria for zones, trusted proponents, and designated projects, and we acknowledge the Ministry of Economic Development, Job Creation and Trade's (MEDJCT) commitment to responsible implementation, including the Duty to Consult under section 35 of the *Constitution Act, 1982*.

2. Municipal Context

The Nation Municipality is a lower-tier municipality within the United Counties of Prescott and Russell (UCPR), located midway between Ottawa and Montréal along the Highway 417 corridor. The municipality has pursued a balanced development strategy focused on attracting investment, supporting job creation, and sustaining a high quality of life for residents across its urban and rural communities.

A cornerstone of this strategy is The Nation Innovation Park, a municipally owned employment area situated near Limoges.

The Park is strategically positioned within the Highway 417 growth corridor, offering efficient regional connectivity to Ottawa, Montréal, and interprovincial markets. It is equipped with paved municipal roads, three-phase hydro service, and high-speed internet.

Phase 1 of the Innovation Park is fully sold out and serviced through private water and wastewater systems that are functioning effectively.

Phases 2 and 3, representing more than 200 acres of development land with an additional 200 acres identified for long-term expansion, are planned to follow a similar model initially, with potential future connection to municipal water and sewer services if warranted by continued growth and investment demand.

Natural-gas service is available within two kilometres of the park boundary.

Serviced and developable parcels are typically two acres in size, offering flexibility for small- and medium-sized industrial and commercial users.

The Nation views the Innovation Park as a regional economic anchor capable of supporting advanced manufacturing, clean technology, Agri-processing, and logistics enterprises—sectors of strategic importance to Ontario’s economy.

Designating this area as a Special Economic Zone (SEZ) would accelerate infrastructure readiness, attract private investment, and strengthen the Highway 417 corridor as an Eastern Ontario growth hub, while maintaining environmental safeguards and full Indigenous-consultation compliance.

The Innovation Park’s successful first phase demonstrates strong market demand, with future phases expected to generate significant employment, business investment, and assessment growth as new industries locate along the Highway 417 corridor.

3. Comments on the Draft Regulation

3.1 Eligibility of Municipal Innovation Parks

- The draft regulation correctly lists municipalities among entities eligible for designation as *trusted proponents* [s. 2 (1)(i)]
- The Nation recommends that the final regulation explicitly affirm that municipally owned or managed innovation or industrial parks are eligible for SEZ designation where they meet the economic-significance test.
- Municipal-led SEZs can serve as pilot zones demonstrating how streamlined provincial approvals can be achieved without reducing environmental or planning safeguards.

3.2 Municipal Consent and By-law Integrity

- The Nation recommends that any exemptions or modifications affecting municipal by-laws, planning instruments, or permits be developed in consultation with, and with the agreement of, the affected municipality wherever feasible. This collaborative approach would maintain local accountability while advancing provincial economic objectives.
- This approach aligns with the principle of partnership between municipal and provincial governments and will strengthen public confidence in the SEZ program.

3.3 Transparency and Public Reporting

- We support AMCTO’s recommendation for a public registry of proposed and designated SEZs, projects, and proponents.
- Transparent publication of SEZ-related regulations and exemption orders will enhance predictability for both investors and communities.

3.4 Indigenous Consultation and Community Benefits

- We commend the inclusion of Indigenous-engagement plans within the trusted-proponent criteria and encourage MEDJCT to continue consulting on Indigenous-led SEZ proposals.
- The Nation supports incorporating community-benefit expectations (employment, procurement, training) into the designated-project criteria to ensure tangible local gains.

3.5 Environmental and Health Safeguards

- The inclusion of environmental and health-impact assessment and risk-mitigation analysis within the project-designation criteria is appropriate and should remain mandatory.
- We recommend that MEDJCT coordinate with MECP to define a clear environmental-review pathway for SEZ projects to avoid duplication while preserving provincial standards.

4. Proposed Pilot: The Nation Innovation Park SEZ

The Nation Municipality requests that the Province consider The Nation Innovation Park as a potential pilot Special Economic Zone (SEZ) under the final regulation.

Rationale

- Strategically located along the Highway 417 corridor between Ottawa and Montréal, linking Ontario’s capital region with key Québec markets and national trade routes.
- Established infrastructure: paved municipal roads, three-phase hydro, and high-speed internet.
- Servicing model: Phase 1 is fully sold and operates on private water and wastewater systems; future phases could transition to municipal servicing if warranted by growth and investment.
- Energy access: Natural gas service available within two kilometres.
- Scalable development area: over 200 acres in Phase 2, with an additional 200 acres identified for long-term expansion.
- Market-ready parcels: generally, two-acre lots suited to a range of industrial and commercial operations.

- Represents an ideal rural test case for how SEZ tools can accelerate infrastructure extension, investment readiness, and private-sector attraction.
- Demonstrates a strong municipal compliance and governance record, transparent procurement, and established Indigenous-engagement practices consistent with section 35 of the *Constitution Act, 1982*.
- Aligns with provincial priorities for job creation, regional economic diversification, and rural prosperity.

Consultation and Partnership Approach

The Nation Municipality recognizes that fulfilling the Duty to Consult is an essential component of any SEZ initiative.

To ensure this is undertaken to the highest standard, the Municipality intends to work with the Eastern Ontario Regional Network (EORN) to support Duty-to-Consult activities, drawing on EORN's experience coordinating Indigenous engagement for regional infrastructure initiatives in Eastern Ontario. This partnership would complement the Municipality's ongoing collaboration with the United Counties of Prescott and Russell and provincial ministries to ensure consultation requirements are fulfilled effectively and respectfully.

Beyond Duty-to-Consult matters, The Nation will continue to collaborate with the United Counties of Prescott and Russell, neighbouring municipalities, Indigenous communities, provincial ministries, and private partners to maximize economic, social, and environmental benefits from the Innovation Park SEZ.

A detailed map of The Nation Innovation Park, showing existing and planned phases of development, is attached as Figure 1 to illustrate the area proposed for SEZ designation.

5. Summary of Recommendations

Area	Recommendation
Municipal Role	Explicitly confirm municipal innovation or industrial parks are eligible for SEZ designation.
Consent Mechanism	Encourage consultation with municipalities before exemptions from local by-laws.
Transparency	Create a public SEZ registry with project/proponent listings.
Indigenous Engagement	Maintain strong consultation and allow collaboration with entities such as EORN for Duty-to-Consult support.
Environmental Safeguards	Keep mandatory risk-mitigation and environmental-review provisions.
Pilot Opportunity	Evaluate The Nation Innovation Park as an initial SEZ pilot.

6. Closing Statement

The Nation Municipality supports the Province's goal of using Special Economic Zones to enhance Ontario's competitiveness and investment climate.

We respectfully request that rural and small-municipality perspectives be explicitly incorporated into the final regulatory framework to ensure equitable access and balanced governance.

We look forward to ongoing collaboration with the Ministry as the regulatory framework and pilot opportunities advance.