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Ministry of Economic Development, Job Creation and Trade
Government of Ontario
College Park
777 Bay Street, 18th floor
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November 14, 2025

Re: WWF-Canada's Concerns about the Proposed Regulatory Framework for the Special Economic Zones Act, 2025

On behalf of World Wildlife Fund Canada (WWF-Canada) we offer the following comments on the *Consultation on Proposed Special Economic Zones Criteria (ERO: 025-1077)*.

WWF-Canada believes that *Bill 5* will not protect the environment, the economy, and the health and well-being of Ontarians. WWF-Canada's research and on-the-ground experience indicate that a strong legal and regulatory framework is the best approach to balancing economic benefits with support for the well-being of nature and communities. As expressed in our initial comments about the repealing of the Endangered Species Act (ERO 025-0909) and the creation of Special Economic Zones (ERO 025-0391), rather than "red tape reduction", we see this legislative agenda as deregulation to fast-track economic development.

WWF-Canada is concerned about the range, depth and number of regulatory and policy changes brought on by the passing of *Bill 5* and the added pressures these are placing on communities and organizations to respond. This is especially the case with Indigenous communities, many of whom are in varying stages of emergency and/or are still recovering from a disruptive wildfire season.

We urge the province to reconsider *Bill 5* and ensure government decisions are transparent, made with the best available evidence, and respect Indigenous rights, environmental protections including for wildlife habitat, and democratic processes. The following comments highlight specific concerns with the proposed SEZ regulation and criteria including those around Ministerial powers, inadequate consultation, and lack of transparency and accountability.

Sweeping Ministerial Powers: The draft SEZ Regulation's reliance on the "opinion of the Lieutenant Governor in Council" for the designation of SEZs and the "opinion of the Minister" for decisions on what projects and/or proponents can operate within a SEZ undermines the democratic process.

The **proposed designation criteria are too vague** to provide assurance that determinations about zones, projects, and proponents will be based on rigorous data and information. Further detail is required on what indicators will be used to measure and assess criteria, and who will be providing the required data and information to the Ministry.

For example, pursuant to s 2(3)(i) of the draft SEZ regulation, it is unclear how the Minister will decide whether a "person has a good record of complying with legal requirements, including requirements relating to health and safety protections, environmental protections, employment standards and financial matters." Nowhere does the Ministry describe the threshold for a "good

record,” what timeframes this might cover, nor what records will be sought to evaluate these criteria.

It is also unclear how the Minister will determine “Whether work has been done to identify potential impacts on health and the environment and whether risk mitigation strategies have been identified to deal with such impacts.” This requires clarification due to the already limited assessments required for some development projects in the province. For example, given mine development projects are not subject to Ontario’s *Environmental Assessment Act, 1990*, it is crucial for the Ministry to outline what type of “work” would be evaluated when identifying potential health and environmental impacts from a mine project at this stage of the SEZ designation process.

WWF-Canada calls on the government to provide more details on the information that will be used to inform the Minister’s opinions, and to ensure that information, records, and data are made available for external review, including by the public and Indigenous communities, prior to decisions being made.

Consultation: The Draft SEZ Regulation raises concerns about how the government intends to consult with Indigenous communities. For example, the draft regulation allows for the Minister to opine about how quickly a project will proceed once “consultations are concluded.” This framing characterizes consultation as a bounded activity rather than an ongoing meaningful process. We urge the government to ensure meaningful consultation is at the forefront of each step of the development and implementation of the SEZ Act, its regulations and policies.

As an example, **the determination of trustworthy proponents or projects should be made only after consultation with Indigenous and non-Indigenous communities within areas where the proponent currently operates and areas where they intend to operate.** This process should include a clear description of the information and data being used to assess whether criteria have been met. It is likely that projects and proponents operating within an area that is designated as an SEZ will not be new to that area. Evaluating existing relationships and plans to improve upon them is crucial for determining whether a proponent or project should be designated.

Relatedly, s 2(3)(ii) of the regulation, “complying with legal requirements” must include explicit reference to a proponent’s record with respect to the fulfilment of delegated duty to consult obligations, including a demonstrated track record of effective and meaningful Indigenous engagement and relationship building.

Further, and given the unique and constitutionally protected status and rights of Indigenous peoples in Canada, it should not be left to the Minister’s opinion (as in s 3(3)(iii)) “whether the project will provide benefits to Indigenous communities and, if it will, the extent to which it will.” This determination should only be made after consultation that allows communities to make an informed decision about whether, and to what extent, a project may provide them with benefits. Any prior determination by Ontario would go against the principle of free, prior, and informed consent, a principle that must be upheld to advance reconciliation with Indigenous Peoples.

Transparency and Public Oversight: The Government of Ontario has sent mixed signals about the level of transparency and the opportunities for public input associated with the establishment of SEZs. To clarify, the Draft SEZ Regulation should require that any regulation designating a special

economic zone, trusted project or proponent must be posted on the Environmental Registry of Ontario and the Ontario Regulatory Registry to ensure maximum transparency.

In response to the Ministry's "Guiding Question" about greater transparency (as per the *Draft Policy Intent for SEZ Criteria and Guiding Questions*), we recommend that Ontario establish a public registry for all proposed and designated zones, projects, and proponents. This registry should include a standardized approach to presenting data and information, and regular updates.

Given that the proposed process for designating zones, proponents and projects is based entirely on speculation and predictions, and to ensure accountability, we recommend that Ontario develop a plan for evaluating the results of decisions in the context of whether predictions were accurate and whether designations have achieved the stated objectives of the legislation. These results could also be communicated via posting on the public registry recommended above.

In closing, the effort required to collect sufficient and rigorous data/information in support of criteria for all three designations (SEZ, Project and Proponent) combined with required efforts to draft, review, consult and revise regulations and associated exemptions and modifications, is significant and necessary. Creating legislative shortcuts to make determinations devoid of the best available evidence and input from rightsholders and stakeholders, as the current draft regulations do, presents significant risks to the environment, communities, and the economy and requires immediate attention before any zone, project, or proponent is designated under this legislation.

To be clear, WWF-Canada is concerned that the *Special Economic Zones Act, 2025* and omnibus *Bill 5* and its policies and regulations have the potential to set Ontario back decades with respect to both environmental protection and Indigenous consultation. These Acts should be reconsidered to ensure that robust environmental and social safeguards are in place before any development moves forward.

We invite further conversation on these issues and/or the substance of the above comments.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Saunders", written in a cursive style.

Karen Saunders
Vice President, Wildlife & Industry
WWF-Canada