

November 10, 2025

DELIVERED VIA ONLINE FORM

Species at Risk Branch

40 St Clair Ave West
Toronto, ON M4V 1M2

To Whom it May Concern,

RE: Proposed Special Economic Zones Criteria (ERO #025-1077)

Please accept the following submission on behalf of AEL Advocacy in response to the proposed Special Economic Zones criteria (ERO #025-1077).¹

AEL Advocacy strongly opposes this proposal and reiterates our call for the immediate repeal of the *Special Economic Zones Act, 2025* ("SEZ Act") and Bill 5.² As we have previously highlighted in our submissions on Bill 5, the SEZ Act represents a fundamental erosion of Ontario's environmental, social, and democratic safeguards.³ The Draft Policy Intent for SEZ Criteria and Guiding Questions and the SEZ Draft Regulation (Designation Criteria) are vague, subjective, and discretionary, effectively granting Cabinet a blank cheque to exempt politically or economically favoured proponents from critical environmental, planning, and legal protections.

By allowing broad ministerial discretion to designate SEZs, approve projects, and confer "trusted proponent" status, the framework undermines the rule of law, public accountability, Indigenous rights, and environmental protection. Accordingly, AEL Advocacy urges the Ministry to withdraw this proposal in its entirety, repeal the SEZ Act, and halt all implementation of the SEZ framework.

¹ <https://ero.ontario.ca/notice/025-1077>

² See our submissions on the *Special Economic Zones Act, 2025* (ERO #025-0391): https://www.aeladvocacy.ca/files/ugd/c883e8_16e68380fa7d47a8b606319283bf4709.pdf; Written Submission of AEL Advocacy to the Standing Committee on the Interior Regarding Bill 5, *Protect Ontario by Unleashing Our Economy Act, 2025*: https://www.aeladvocacy.ca/files/ugd/c883e8_84cc3c1280d94521b278c41fc9f08a0f.pdf.

³ See our submissions on the *Special Economic Zones Act, 2025* (ERO #025-0391): https://www.aeladvocacy.ca/files/ugd/c883e8_16e68380fa7d47a8b606319283bf4709.pdf; Written Submission of AEL Advocacy to the Standing Committee on the Interior Regarding Bill 5, *Protect Ontario by Unleashing Our Economy Act, 2025*: https://www.aeladvocacy.ca/files/ugd/c883e8_84cc3c1280d94521b278c41fc9f08a0f.pdf.

Animal Environmental Legal Advocacy

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A. About AEL Advocacy

Animal Environmental Legal Advocacy (“AEL Advocacy”) is an intersectional animal and environmental law charity dedicated to advancing justice for animals, people, and the planet. Our lawyers understand the important interconnection between human, animal, and environmental well-being, and we leverage our legal and political expertise to support individuals, communities, and organizations working to protect animals and the environments where they live.

B. General Comments

AEL Advocacy strongly opposes the exemption of any entities from environmental, animal protection, labour and other provincial laws and standards, whether via SEZs or any other mechanism. These standards have been developed over decades and reflect the values and priorities of Ontarians.⁴

Experience with SEZs globally demonstrates that short-term economic gains for developers or corporations often come at the expense of long-term public well-being, resulting in environmental degradation, land dispossession, unsafe working conditions, and harm to wildlife.⁵

The SEZ Act also creates structural conditions conducive to corruption, which have been well-documented in other jurisdictions. Research by the World Wildlife Fund identifies several factors present in Ontario's proposed SEZ framework that increase corruption risk:

- Opacity in government procedures and inadequate oversight
- Unclear and overlapping jurisdictions
- Lax regulations and possible exemption from law enforcement
- Barriers to accessing information
- Social and political pressure not to enforce controls⁶

International case studies reveal how SEZs can become “[...] an additional layer of opaqueness, complexity, and inadequate controls in which illegal economies [such

⁴ <https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/1>

⁵ <https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/1>;

https://files.worldwildlife.org/wwfcmprod/files/Publication/file/6pqhxs9zpy_Corruption_in_FTZ_SEZ_as_an_enabler_for_IWT.pdf

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https://files.worldwildlife.org/wwfcmprod/files/Publication/file/6pqhxs9zpy_Corruption_in_FTZ_SEZ_as_an_enabler_for_IWT.pdf

<https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/2>

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as the illegal wildlife trade] can flourish.”⁷ Section 7 of the SEZ Act compounds these risks by granting sweeping legal immunity, shielding government officials and trusted proponents from “virtually all civil actions, damages, or remedies, even in cases of negligence or bad faith.” While judicial review is technically permitted, “all other legal remedies, including injunctive and equitable remedies, are explicitly barred.” This provision represents a dangerous erosion of accountability that insulates bad actors from the consequences of their decisions.⁸

A particularly alarming aspect of the SEZ framework is that the designation criteria are established by regulation rather than statutory provision. In practice, this allows the Lieutenant Governor in Council to unilaterally modify or remove any criterion without approval from elected Members of Provincial Parliament. Any constraints the draft criteria appear to impose can therefore be overturned at any time through a closed-door Cabinet decision, without legislative debate, public input, or independent scrutiny. This concentration of power undermines democratic oversight, public confidence, and protections for animals, ecosystems, and local communities.

C. Specific Comments

I. Lack of Clear and Objective Criteria

The criteria set out in the SEZ Draft Regulation (Designation Criteria) are overly vague and subjective, providing no meaningful constraint on ministerial discretion.

Criteria for Designating “Special Economic Zones”

The designation of an area as a Special Economic Zone relies heavily on the “opinion of” the Minister or Lieutenant Governor in Council, allowing decisions to be based on subjective political judgment rather than objective, evidence-based assessment. For example:

1. An area may be designated as an SEZ if activities are considered “economically significant or strategically important,” in the opinion of the Lieutenant Governor in Council.

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https://files.worldwildlife.org/wwfcmprod/files/Publication/file/6pqhxs9zpy_Corruption_in_FTZ_SEZ_as_an_enabler_for_IWT.pdf

⁸ https://www.aeladvocacy.ca/files/ugd/c883e8_16e68380fa7d47a8b606319283bf4709.pdf
<https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/2>

2. The size of the zone is determined solely by what the Lieutenant Governor in Council deems “necessary.”

This excessive reliance on subjective opinion invites arbitrary decision-making and undermines public confidence, while placing critical habitats and wildlife at risk.

Criteria for Designating “Trusted Proponents”

Ministerial discretion is further concentrated in the designation of “trusted proponents.” Under the proposed Regulation, the Minister may approve proponents based on:

- Subjective assessments of their compliance history;
- Assurances regarding future conduct; and
- Plans for engagement with Indigenous communities.

There is no independent verification or accountability mechanism to ensure these claims are accurate or upheld. This framework creates serious risks of favouritism, conflicts of interest, and erosion of public trust.

Criteria for Designating “Designated Projects”

Similarly, the criteria for designating a “designated project” impose no obligation to assess or mitigate serious environmental or animal welfare harms, protect biodiversity, or uphold existing legal protections. The regulation merely requires the Minister to be “of the opinion” that potential health and environmental impacts have been identified and that risk mitigation strategies have been proposed. There is no requirement to prevent serious harm or to demonstrate the effectiveness of these strategies.⁹ Ministerial opinion also determines a project’s economic and community benefits, likelihood of success, and Indigenous engagement, again without objective metrics or independent oversight.

Recommendations

To protect Ontario’s environment, wildlife, and communities, the criteria for designating SEZs must be clear, transparent, and evidence-based, rather than contingent on ministerial discretion. Specifically, the SEZ Draft Regulation should be revised to:

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<https://www.facebook.com/ecojjustice/posts/last-week-the-government-released-draft-regulations-that-outline-how-zones-proje/1223086673187954/>
<https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/2>

- Establish objective metrics for evaluating trusted proponents, including compliance history and safeguards against conflicts of interest;
- Require demonstrable evidence that designated projects will not harm animals, ecosystem health, water quality, or Ontario's climate commitments; and
- Implement a transparent, evidence-based decision-making process that is not subject solely to the subjective opinion of the Minister or Lieutenant Governor in Council.¹⁰

Without these reforms, the current criteria effectively grant unchecked executive authority, placing Ontario's wildlife, environment, and communities at significant risk.

II. Exclusion of Free, Prior, and Informed Consent

AEL Advocacy is deeply concerned by the government's explicit decision to exclude references to Free, Prior, and Informed Consent ("FPIC") and the United Nations Declaration of the Rights of Indigenous Peoples ("UNDRIP") from the SEZ Draft Regulation. As noted in the posting:

*[...] feedback from Indigenous communities emphasized the importance of explicitly including references to Indigenous Peoples' rights, including Aboriginal and Treaty rights, as well as references to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and Free, Prior, and Informed Consent (FPIC) in the Regulations... **these references have not been included** [emphasis added]*

FPIC is a binding principle under UNDRIP, ratified by Canada in 2021. Its omission contravenes domestic and international commitments and undermines reconciliation efforts, denying Indigenous communities meaningful participation and consent in decisions affecting their lands and rights.

D. Conclusion

The SEZ framework, as currently drafted, represents a grave threat to Ontario's environment, wildlife, and communities. By concentrating discretionary power in Cabinet and the Minister, providing broad exemptions from environmental and animal protection laws, and omitting meaningful oversight, the SEZ Act and SEZ

¹⁰

<https://catalog.ontarionature.org/joint-ltr-special-economic-zones-act-ero-025-1077/page/2>

Draft Regulation prioritize short-term economic or political gains over long-term ecological integrity, animal welfare, and public accountability.

Of particular concern is the potential for SEZs to facilitate the expansion of industrial animal agriculture or other high-impact industries, which could exacerbate habitat loss, water contamination, and the exploitation of farmed and wild animals. Combined with weakened oversight, the absence of enforceable safeguards, and exclusion of FPIC and UNDRIP, this framework risks irreversible harm to animals, ecosystems, and the communities that rely on them.

For these reasons, AEL Advocacy urges the Government of Ontario to withdraw the SEZ criteria proposal, repeal the SEZ Act, and halt all implementation of the SEZ framework. Any development within the province must be subject to transparent, evidence-based oversight that protects animals, biodiversity, Indigenous rights, and the public interest.

We thank the Ministry for the opportunity to provide these comments and would welcome further engagement to discuss strategies to strengthen protections for Ontario's animals and the environments they call home.

Sincerely,

ANIMAL ENVIRONMENTAL LEGAL ADVOCACY



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