
Memorandum

PDS-C 21-2024

Subject: Lithium-ion Battery Separator Plant, City of Port Colborne (Project Eagle)

Date: July 25, 2024

To: Regional Council

From: Michelle Sergi, Commissioner, Growth Strategy and Economic Development

On May 14, 2024, the Government of Canada, Province of Ontario, Niagara Region, City of Port Colborne, and private sector partners came together to welcome Asahi Kasei to Canada and announce a \$1.56 billion investment in the lithium-ion battery supply chain in Ontario.

The announcement marks a significant milestone in Niagara region's economic development as Asahi Kasei's new wet-process separator manufacturing facility will undoubtedly shape Niagara's local economy for years to come as the largest investment in Niagara to date. Once reaching its full potential, this transformative project will help Niagara continue to grow better together as a modern and prosperous community.

Asahi Kasei is a renowned Japanese conglomerate with a diverse portfolio. Its new manufacturing facility will contribute to the Electric Vehicle supply chain sector and significantly contribute to the long-term economic and employment growth in Niagara.

Key Project Details:

- **Investment Scale:** The new state-of-the-art manufacturing facility will cost an estimated \$1.56 billion (Phase 1 @ 700,000sq/ft). Once complete, the project will result in a multibillion-dollar investment in the province and in Canada.
- **Location:** The new facility will be located along Highway 140, south of Highway 58A (formerly known as the Nyon Lands), in Port Colborne.

- **Company Profile:** Asahi Kasei, is a renowned Japanese conglomerate, and was established in 1922. It is a multinational company that aims to establish itself as North America's premier wet-process separator manufacturer.

- **Strategic Focus:** By 2027, Asahi Kasei aims to be fully operational, serving clients across various North American locations, including North Carolina, Kansas, Tennessee and Georgia.

Background:

The opportunity with Asahi Kasei emerged from an initial investment enquiry from Invest Ontario to Niagara Economic Development (NED) on July 10, 2023. Responding to this substantial opportunity, Niagara Economic Development assembled a strategic Team Niagara Task Force to harness the potential of this investment.

The Team (including the City of Port Colborne, St. Lawrence Seaway Management Corporation, Invest Ontario, Invest Canada and the private sector) responded to this significant investment opportunity within the electric mobility sector.

This new opportunity is poised to revolutionize the Lithium-Ion Battery supply chain sector and foster significant economic growth in Port Colborne and the broader Niagara Region. This foreign direct investment contributes to the implementation of Niagara's 10 Year Economic Development Strategy by growing the emerging Electric Mobility sector and supports Council's Strategic Priorities by creating employment opportunities which will contribute to reinvestments and diversification in our local economy powering a Prosperous region.

The project is a testament to the importance of collaboration between the Region, municipality, provincial and federal governments along with multiple private sector partners working together towards a successful outcome.

Respectfully submitted and signed by

Michelle Sergi, MCIP, RPP

Commissioner, Growth Strategy and Economic Development