

COMPASS

A report from
THE GREAT LAKES ST. LAWRENCE
GOVERNORS & PREMIERS



CHAIR'S LETTER

Thank you for your continued perseverance as we work to overcome COVID-19. We must maintain our focus and resolve. At the same time, it is critical that we advance our agenda to grow the regional economy and protect the environment.

In recent years, we have created a new model for managing and using water. We are successfully implementing the Great Lakes Compact and Agreement to ensure that the region's water supply is secure. And we are improving water quality by de-listing Areas of Concern, combating invasive species, and tackling newer challenges like PFAS.

"The Working Great Lakes" represents a new way to encourage sustainable uses of water that do not degrade and, in some cases, improve it. The Great Lakes Impact Investment Platform has been a huge success in this regard. The Platform showcases more than three dozen sustainability projects totaling \$4.3 billion. Collectively, these projects have saved 14 million kilowatts of energy, reduced nearly 2 million tons of carbon, and saved about 45,000 gallons of water, among other benefits.

We're also growing maritime transportation - the greenest way to move bulk cargo - and working to make shipping in our region even greener. We recently commissioned the first-ever emissions inventory of regional shipping and can now benchmark performance and track progress on our green shipping initiatives. We also look forward to welcoming small cruise ships back to the Great Lakes this spring and are developing a sustainability strategy to attain the highest environmental standards as regional cruising grows. Partnerships are at the heart of our work and, together, we are making great progress.



Tony Evers

Chair, Great Lakes St. Lawrence Governors & Premiers
Governor, State of Wisconsin

GOVERNORS CALL ON CONGRESS TO FULLY FUND BRANDON ROAD PROJECT

In a recent letter to the U.S. Congress, the Governors of the eight Great Lakes States called for full federal funding for the remaining design, construction, operation, and maintenance costs of the Brandon Road Lock and Dam project. Brandon Road is critically



important to stopping the movement of invasive carp into the Great Lakes. The letter to the Chairs and Ranking Members of the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure called for the funds to be included in the 2022 Water Resources Reform and Development Act. A [copy of the full letter](#) can be found here. ✨

GREAT LAKES IMPACT INVESTMENT PLATFORM CREATES NEW PARTNERSHIPS

The Platform and the Conservation Finance Network have launched a new partnership to grow the number of deals that aim to generate environmental improvements and financial returns for investors. The partnership will create a “playbook” to help developers prepare their projects for investment and for investors to bring their approaches to bear to increase the number of deals, increase the standardization of investor requirements, and expand the resulting environmental impact. This playbook will include lessons learned from projects that have already successfully attracted investment and specific ways that the Platform and the [Conservation Finance Network](#) can identify unrealized opportunities and increase deal flow.

THE CONSERVATION
FINANCE NETWORK

Globally, sustainable investment now tops \$35 trillion – up 50% since 2016—representing a huge opportunity for our region. However, project developers are often not aware of or able to effectively connect with investors’ requirements for impact and financial returns. At the same time, investors are often not aware of local conditions and incentive programs that can help bring projects to market. By reducing or eliminating these barriers, the Platform’s partnership with CFN aims to help unlock the capital required to drive more investment in environmental improvements.



Separately, the Platform has created a new partnership with the BLX Group to help encourage more issuances of “labeled” bonds such as green and climate bonds. [Recent analysis by University of Michigan professor and Platform team member Peter Adriaens](#) shows evidence of a green

bond “greenium” in the region. The new partnership will seek opportunities to showcase these findings and highlight the other unique benefits of labeled bonds.

[BLX](#) is a Registered Observer of the International Capital Market Association’s Green and Social Bond Principles, a Climate Bonds Initiative Approved Verifier, and a Delivery Partner for the Platform. [Nancy Kummer, Chief Business Development Officer and Managing Director for BLX](#), recently joined the Platform team as an Advisor.

Michigan Saves recently added its portfolio to the Platform. [Michigan Saves](#) is the nation’s first nonprofit green bank dedicated to making energy improvements easy and affordable. Its mission is to stimulate and support investment in energy efficiency and renewable energy systems and measures in Michigan homes, businesses, and public buildings.



Michigan Saves™

This green bank model is made possible by partnerships with the State of Michigan, private-sector lenders and energy providers. Michigan Saves’ \$350 million portfolio includes programs for residential, commercial, and municipal customers, and supports energy efficiency, geothermal, and solar photovoltaic projects.

The Platform now showcases 42 projects representing US\$4.4 billion in project value. The Platform was created and is managed by GS GP in collaboration with The Nature Conservancy, the Center for Smart Infrastructure Finance and the School for Environment and Sustainability at the University of Michigan, and ECT. For more information, please visit the [Great Lakes Impact Investment Platform](#) website. ✨



MARITIME

GSGP & AXIA INSTITUTE LAUNCH SOO LOCKS PROJECT

GSGP and Michigan State's Axia Institute will collaborate to assess how new technologies and digital infrastructure can maximize the value of the new Soo Lock. The US Army Corps of Engineers is constructing the new lock and is responsible for ongoing operations and maintenance. With an estimated cost of nearly \$1.5 billion, the new Soo Lock is a major investment in critical national infrastructure and presents a once-in-a-generation opportunity to maximize the value of that investment with significant environmental and economic benefits for the region.

Construction of the new lock is expected to be completed by 2030. This timeframe allows for the development of

new technologies including digital infrastructure that can ensure that the new Soo Lock will be able to reduce waiting and transit delays for ships, thereby reducing the resulting fuel use, emissions and operating costs for the benefit of the region and the national economies of the US and Canada. The planned work builds on the Axia Institute's previous analysis exploring the use of data sharing to improve commercial navigation throughout the Great Lakes St. Lawrence maritime system.

[More information about the Axia Institute is available here.](#) ✨

FIRST REGIONAL MARITIME EMISSIONS INVENTORY COMPLETED

GSGP recently partnered with the [International Council on Clean Transportation \(ICCT\)](#) to complete the first [inventory of energy use and emissions](#) for shipping on the Great Lakes and St. Lawrence River. This inventory benchmarks system performance for 2019 and will help track progress toward climate-related goals. While shipping is the most fuel-efficient method of moving bulk goods, opportunities exist to reduce emissions and fuel use in order to increase the overall environmental sustainability of the region's transportation network.

GSGP and ICCT will partner to inventory regional maritime energy use and emissions on an ongoing basis. [More information on GSGP's Maritime Initiative is available here.](#) ✨

INTERNATIONAL TRADE

GSGP TO LEAD TRADE MISSION TO ISRAEL IN MAY

GSGP is leading a [trade mission to Tel Aviv, Israel from May 15-19, 2022](#). Companies from the Great Lakes St. Lawrence region will receive customized, B2B meetings with potential distributors, buyers and joint venture partners. Participants will also benefit from market sector briefings, networking events and logistical support. State export assistance grants are available that may offset from 50-75% of trade mission costs.

Israel has a thriving innovation ecosystem and is a global leader in startups. Key sectors include agriculture, design and construction,

energy, environmental technologies, information technology, and safety and security. Science and technology are significant drivers of the Israeli economy.

Top U.S. and Canadian exports to Israel include precious or semi-precious stones, vehicles and related parts, aircraft and related parts, electrical and industrial machinery, and medical devices.

[More information on the GSGP International Trade Program can be found here.](#) ✨

WATER MANAGEMENT

REGIONAL BODY AND COMPACT COUNCIL FOCUS ON SCIENCE

The Governors and Premiers continue to encourage improvements to the science and data that supports water management in our region. The Regional Body and Compact Council hosted webinars on consumptive use and water budget programs being implemented by the US Geological Survey, as well as ongoing activities of the Great Lakes Indian Fish and Wildlife Commission. Recordings of both webinars are available on the [Regional Body](#) and [Compact Council](#) websites.

In December, the Regional Body and Compact Council selected new leadership. Governor Wolf of Pennsylvania will serve as chair of the Compact Council and Regional Body, while Governor Evers of Wisconsin will serve as Vice Chair of both organizations. The Chair and Vice-Chair will serve one-year terms ending in December 2022. ✨

GREAT LAKES
ST. LAWRENCE
GOVERNORS
& PREMIERS



MEMBERS

Tony Evers,
Chair, Governor of
Wisconsin

Mike DeWine,
Vice Chair, Governor
of Ohio

Doug Ford,
Premier of Ontario

Kathy Hochul,
Governor of New York

Eric Holcomb,
Governor of Indiana

François Legault,
Premier of Québec

JB Pritzker,
Governor of Illinois

Tim Walz,
Governor of Minnesota

Gretchen Whitmer,
Governor of Michigan

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