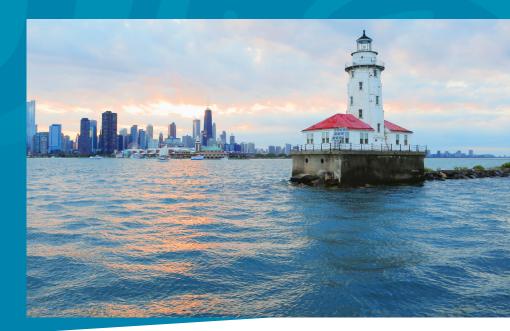


ANNUAL REPORT

2022-2023



01. Introduction



The Great Lakes St. Lawrence Governors & Premiers (GSGP) have been working diligently over the last two years to reaffirm our commitment to bolstering the region's prosperity and safeguarding our valuable freshwater resources. Despite various challenges, GSGP maintained its unwavering dedication to our mission and the people we serve, adapting to evolving circumstances and seeking innovative approaches to sustain our collective progress.

With fewer in-person meetings and conferences, our commitment to public communication became even more important, and we took strides to promote the visibility of our organization through public events, more direct and frequent contact with our stakeholders, and earned media opportunities. We also increased our presence on LinkedIn by increasing our posting frequency and engagements, more than doubling our connections this past year.

The following pages highlight some of these efforts, our initiatives, and the progress we have made together, including:

- The Great Lakes-St. Lawrence River Maritime Initiative, which is beginning its 10th year;
- The Great Lakes Impact Investment Platform, which now features more than 50 projects and was recently awarded a \$150,000 grant from the US Forest Service;
- The 100% Great Lakes Fish Project, earning solid media coverage and expanding to other fish in the Great Lakes;
- Setting record-breaking tourism numbers in the region, creating a four-port cruise customs solution, and welcoming two
 new cruise ships to the Great Lakes;
- The Governors' and Premiers' Aquatic Invasive Species Task Force that is working to build partnerships and prevent the spread of more than 21 invasive species;
- The International Trade Team, which completed more than 750 projects and led six trade missions in 2022-23; and
- Our Water Management Team that has had several notable achievements.

Last but certainly not least, this year, we also welcomed Pennsylvania Governor Josh Shapiro to the GSGP Board. I thank him and my fellow Governors and Premiers, including our vice chair, Ohio Governor Mike DeWine, for their leadership in our shared efforts and goals.

As we celebrate the 40th anniversary of the GSGP, we thank all those who have play a role in our successes and look forward to highlighting the progress we've made in our states and provinces and as a region during the last four decades.



Sincerely,
Tony Evers
Governor of Wisconsin, GSGP Chair

02. **Great Lakes** St. Lawrence River Maritime Initiative



As the Regional Maritime Initiative begins its 10th year, GSGP continues to build a broad set of partnerships, both regionally and internationally, to implement the regional maritime strategy's goals of doubling maritime trade, shrinking the environmental impact of the region's transportation network and supporting the region's industrial core.

Growing environmental concerns and global supply chain snarls of 2022 pushed shipping into national conversations. Bolstered by renewed public interest and new, fastdeveloping technologies, GSGP's work to support maritime infrastructure, green shipping and smart shipping has never been timelier, or more important.

A celebration of regional infrastructure modernization, the Soo Locks upgrade project received full funding after years of persistent advocacy by GSGP and regional partners. This linchpin of the regional maritime system is scheduled for completion in 2030 and will be a cornerstone of the region's future.

Recognizing the urgency of "greening" and modernizing the region's maritime system, GSGP partnered with the International Council on Clean Transportation and the American Bureau of Shipping on a U.S. Maritime Administration-funded project to develop a decarbonization strategy for Great Lakes St. Lawrence shipping. As alternative fuels are an important part of the regional decarbonization effort, GSGP worked with Innovation Maritime to research how marine biofuel could be leveraged to help achieve regional emissions reduction goals.

A co-founder and active member of the regional Smart Ships Coalition, GSGP continues to support the integration of advanced technologies into the maritime sector. From more efficient vessel navigation to improved search and rescue and hazardous spill cleanup, GSGP continues to work with partners at home and abroad to better understand where smart shipping technologies offer the greatest environmental and safety benefits to the region.

As a collection of States and Provinces, partnerships have long defined GSGP's work. Emblematic of these partnerships were the "Capitol Days" meetings in Washington D.C., held in conjunction with the Regional Maritime Entity, Congressional staff, state and provincial D.C. Directors and the region's carriers and ports. GSGP also continues to support its long-time partnership with the Port of Antwerp-Bruges, with whom GSGP and the Great Lakes St. Lawrence Seaway Development Corporation partnered on an event in Dusseldorf, Germany to attract new shippers to use the region's maritime transportation network.

The year was marked by the realization of strategic partnerships and an unwavering commitment to advancing efficient, green and sustainable shipping practices in the region. Future endeavors will continue to bolster the resiliency of the maritime industry and foster economic growth in the Great Lakes St. Lawrence region.



David Naftzger, GSGP's Executive Director, advocates for the organization's initiatives to drive sustainable development in the



03. Great Lakes Impact Investment

GSGP launched the Great Lakes Impact Investment Platform in 2020 in collaboration with a multidisciplinary project team to promote environmentally sustainable growth in the Great Lakes States and Provinces. The Platform features more than 50 projects that are seeking to provide both a financial return to investors and environmental improvement for our region. Participating projects are expected to collectively reduce 5 million tons of carbon, save nearly 13 million gallons of water and protect more than 35,000 acres of forest and farmland. This captures the total environmental performance of these projects.

Tree planting presents a major opportunity to drive new benefits for the region's people and environment. GSGP is working with the states and provinces, companies, NGOs and others to create new structures to maximize these benefits. This project will be enhanced as a result of a \$150,000 grant recently awarded to GSGP by the US Forest Service.

By leveraging partnerships, we continue to make strides towards our economic and environmental goals.

Platform Performance





04. 100% Great Lakes Fish

Launched in 2022, GSGP's Great Lakes Fish initiative is making remarkable progress. The initiative aims to waste less of each fish commercially caught in the Great Lakes toward the goal of productively using 100% of the fish.

Our ambitious goal is to transform the current norm where only about 40% of each fish (the filet) is consumed, with the rest often utilized for low-value uses or wasted. Taking inspiration from Iceland's successful 100% fish model, we are pioneering a similar approach in our region, aiming to dramatically enhance the value of every catch, create jobs, and stimulate rural economies.





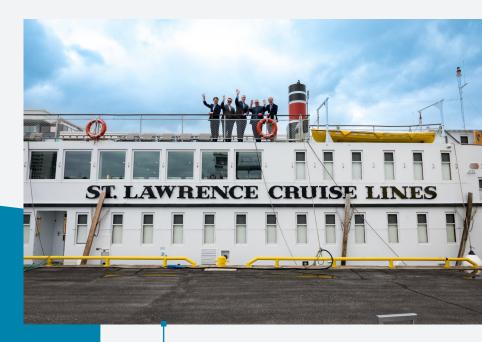
GSGP unveils the 100% Great Lakes Fish initiative with a media event featuring a unique 'head to tail' tasting menu by Chef Doug Hewitt at Chartreuse Kitchen & Cocktails in 2022.

Showcasing unique fish leather products made from Great Lakes Whitefish.

In 2022-2023, the initiative completed the first comprehensive biotechnical analysis of commercially caught Lake Whitefish. This study unveiled potential high-value uses for fish skin, scales and heads which could significantly amplify the economic impact of our Lake Whitefish fishery.

Bolstered by these promising results, the next phase is already underway, extending our research to Yellow Perch, Walleye, Lake Trout and White Sucker. The initiative is also developing a template for a fish product research and development center in our region that could help drive future work.

Looking ahead, the 100% Great Lakes Fish initiative will continue to help unlock the full potential of our fisheries, driving social, economic and environmental benefits for our region.



05. Tourism

As global tourism continues to rebound from the COVID-19 pandemic, Cruise the Great Lakes (CTGL) and Great Lakes USA (GLUSA) see tourism as a powerful tool for economic development. Administered by GSGP, these two regional partnerships continue to establish the Great Lakes as a world-class hub for cruise and international tourism.

Cruise the Great Lakes celebrated many milestones this year. In the midst of two back-to-back years of record-breaking passenger growth and the establishment of a four-port cruise customs solution with our regional partners, CTGL welcomed two new cruise ships to its shores. Understanding the ecological and social responsibility that comes with a growing cruise tourism economy, CTGL continued to support responsible tourism through its 'Sustainability Pledge,' a way for CVBs, ports, and cruise lines to cruise responsibly.

Great Lakes USA, a cornerstone of GSGP's international tourism marketing strategy, was relaunched this year. This partnership continued to promote the region to targeted international overseas tourism markets, reinforcing the region's appeal to global visitors.

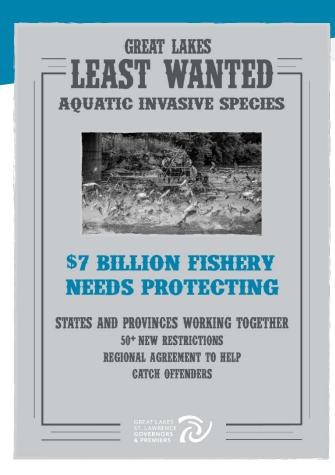
Building upon past achievements, GSGP has a clear vision for the future of regional tourism. Through CTGL and GLUSA, we continue to position the Great Lakes as a premier global destination for tourists seeking a diverse mix of natural beauty, world-class cities, unique attractions, and exciting activities. With robust plans for the future and our continued efforts in sustainable and responsible tourism, the region's Governors and Premiers look forward to welcoming more visitors to this beautiful region in the years to come.

GSGP's John Schmidt and David Naftzger unite with leaders from Ontario and the cruise industry in Kingston, Ontario, in 2023 for a press event celebrating record levels of cruise passengers visiting the Great Lakes.



David Naftzger promotes the Cruise the Great Lakes initiative in 2022.

O6. Governors' and Premiers' Aquatic Invasive Species Task Force



GSGP continues to spearhead action to protect our region from aquatic invasive species (AIS). The collaborative actions of our AIS Task Force have fortified defenses and increased the region's ability to address this ongoing challenge.

The Task Force works to stop the spread of the 21 "Least Wanted" AIS identified by the Governors and Premiers. Since 2013, the States and Provinces have taken more than 60 separate actions against high-risk species, including invasive carp. The Governors and Premiers continue to advocate for full federal funding for the new Brandon Road Lock and Dam System, which would provide even greater protections against AIS.

GSGP leads impactful partnerships to create innovative approaches in the fight against aquatic invaders. This includes pioneering work to develop an outcomes-based financing model for phragmites eradication, management, and control, in collaboration with the Invasive Species Centre of Ontario, Quantified Ventures and Nature Conservancy Canada.

Finally, GSGP partnered with the Great Lakes Commission to develop a map that tracks efforts to reduce the risk of AIS moving between the Great Lakes and Mississippi River watersheds. This new tool shows progress to close the 19 pathways identified by the US Army Corps of Engineers.



<u>07.</u> International Trade

The Governors' and Premiers' international trade initiative continues to assist Great Lakes region companies to grow their international sales.

During the past year, GSGP's 16 trade offices, covering 135 markets, completed over 750 projects for Great Lakes region companies including market research, partner searches and scheduling business to business meetings. From 2017-2022 the trade office network achieved \$1.13 US billion in facilitated sales.

In 2022-2023, GSGP led successful trade missions to Japan, South Korea, Costa Rica, the Dominican Republic, South Africa, and Kenya. Twenty companies from industry sectors including agricultural products, all-terrain vehicles, automation, aviation, IT services, logistics and education services participated, reflecting our region's diverse economic strengths.

GSGP proudly brings together eight vibrant companies from Michigan, Pennsylvania, and New York to forge new alliances and stimulate trade between our states and South Africa during a Trade Mission to Johannesburg in February 2023

16 Trade Offices
135+ Markets





\$1.13 Billion
Facilitated Export Sales
2017-2022

750 Projects
Completed Per Year





Led 37 Trade Missions to 28 Foreign Markets since 2004

08. Water Management

GSGP continued its integral role in the governance and stewardship of the Great Lakes—St. Lawrence River Basin, marking several notable milestones in water management in 2022-2023.

As Secretariat to the Governors' and Premiers' Regional Body and the Governors' Compact Council, GSGP ensured the steady implementation of the Great Lakes—St. Lawrence River Basin Sustainable Water Resources Agreement and the Great Lakes Compact.

A key achievement was the completion of the 2016-2020 comprehensive Cumulative Impact Assessment, which incorporated climate change impacts for the first time. This work, along with the continued coordination of regional science strategy, emphasized our dedication to underpinning our actions with rigorous research and data.

GSGP continued to assist States and Provinces in meeting Agreement/Compact deadlines, including the development and submission of annual water use data and program assessments for water conservation and efficiency. Our management of States' and Provinces' baselines for water withdrawals, diversions, and consumptive uses, coupled with our consistent coordination between the Regional Body and Compact Council, ensured harmonized actions in line with our collective sustainability goals.

As we move forward, GSGP remains committed to the sustainable use and management of our shared water resources, upholding the region's economic and environmental well-being.



GSGP's Peter Johnson speaks to a meeting of the International Association for Great Lakes Research, advancing the unified Science Strategy of the States and Provinces for sustainable Great Lakes stewardship in May 2023



Press Highlights

Opinion: Developing a 100-percent Great Lakes fishery

Traverse City Record Eagle (Michigan) November 18, 2022

Dinner or outings on the water might be the only time many people think about fish in the Great Lakes. Yet, the fishery is an important part of Great Lakes history, tribal culture and our regional economy — but it is struggling with a number of challenges.

To help support this industry and generate innovative ideas and new investment, the Conference of Great Lakes St. Lawrence Governors & Premiers (GSGP) recently launched the 100% whitefish initiative. This initiative will help make the most of the commercial fishery to maximize economic impact and sustainability.

Great Lakes cruise experts are in Buffalo discussing the economic impact of a possible new port

VIDEO Interviewing David Naftzger

WKBW (New York) & Yahoo News May 2, 2023

Duluth port prepares for cruise ships to arrive

Duluth News Tribune (MN) May 10, 2022

> David Naftzger, executive director of the Great Lakes/ St. Lawrence Governors & Premiers, said having a fixed location for a U.S. Customs and Border Protection facility was "instrumental" in attracting cruise ship companies Viking Cruises and American Queen Voyages to add Duluth to their networks.

> "This effectively opens Lake Superior to cruising that crosses that U.S.-Canadian border," Naftzger said. "Ports like Thunder Bay will benefit, ports like Duluth will benefit, and we will see it grow over time to other places."

The Great Lakes have been named top global tourism destinations by Conde Nast Traveler Magazine and Travel + Leisure Magazine in recent years. Naftzger said because of this, he expects to see more international visitors to the Great Lakes in the coming years.

Green Shipping Strategy for the GLSL System

Green Marine Magazine by Julie Gedeon May 28, 2022

"The Green Marine report presented to our region's Governors and Premiers last fall has helped to inform their five-year action plan and green shipping strategy for the region's maritime system," says John Schmidt, the GSGP's Maritime Initiative's new Project Manager. "The report kicked off our priorities and has been instrumental to advancing our maritime goals at the same time as the GSGP added a new full-time maritime program manager to spearhead this important work."

Mission to expand trade: working to build Great Lakes and European Commerce

Marine Highway by Tom Ewing January-March 2023

Schmidt was asked how the MOU will help with those efforts. He said that many international shippers aren't familiar with the Great Lakes - St. Lawrence Seaway System and what it can offer, "so they don't use the system at all." The MOU and teamwork with Antwerp will expand awareness. He said that one job for the Seaway is "better communication about its advantages so that shippers and our regional economy can benefit." He said new investments are helping to improve efficiency, safety and environmental performance. Now "it's time to put ourselves in front of current and prospective shippers," he commented.

100% Whitefish: New initiative to maximize revenue from Great Lakes ressource

UpMatters / WJMN (Michigan) by Matt Jaworowski November 9, 2022

John Schmidt, the program manager leading the initiative, said the idea comes from Iceland. "A few years ago, some members of our team were out in Iceland for a different project. They met with some individuals from the Iceland Ocean Cluster and saw what they were doing around cod, and it all snowballed from there."

"We are always looking for ways to be creative around the use of natural resources" Schmidt said. "(In Iceland) they went from generating \$12 per fish to now generation \$3,500 per fish by turning this into a variety of different products."



Report: Carbon Capture and Storage Could Net \$700B+ for Great Lakes Region

DBuisiness by Tim Keenan December 1, 2022

> The Great Lakes St. Lawrence region produces approximately 1.5 gigatons of carbon emissions annually, which means that 100 percent of the region's emissions can be stored locally, and there is additional storage potential that could create new regional revenues and positive environmental benefits through global carbon markets.

"The global market for carbon storage and offsets is growing quickly," says David Naftzger, executive director of the Conference of Great Lakes St. Lawrence Governors and Premiers. "This report explains the scale of this opportunity for our region — equating to hundreds of billions of dollars. We look forward to using the findings of this report to benefit our region and our people."

Great Lakes region could be a world leader in carbon offset market, research shows

MLive (Michigan) by Sheri McWhirter January 14, 2023

> That enormous potential carbon storage capacity – as much as 52 gigatons – is enough to store 100% of the region's emissions for years to come, with room to create billions in regional revenues from the global voluntary carbon offset market, researchers calculated. "The University of Michigan created sort of a really nice criteria for what would make a quality offset. So, if there's going to be offsets in the region, what can be done to ensure that they're going to last and make those promises that they're intended to," said Mike Piskur, program manager for the Great Lakes and St. Lawrence Governors and Premiers intergovernmental organization, which requested this study.

A carbon offset is meant to take carbon-dioxide out of the atmosphere to compensate for greenhouse gas emissions made elsewhere. Carbon emissions lead to global warming through the greenhouse effect, which drives the worsening climate crises. Offsets can either involve reforestation or dedicated forestland capturing carbon-dioxide through the natural process of photosynthesis, or it can be done through engineered carbon-capture techniques.

Great Lakes platform helps connect green investors with regional projects

Energy News Network by Kari Lydersen January 31, 2022

> The investment platform is helping to do both, promoting investment opportunities that benefit the environment, including renewable energy, clean water, and ecological restoration. The platform features 40 projects representing nearly \$4.5 billion in investments, including household energy efficiency retrofits, coal mine reclamation, and utilityscale solar development.

"Global capital markets are hungry" for chances to invest in green projects, said Dave Naftzger, the conference's executive director. But financial institutions, philanthropic entities and others have long looked to the coasts for such opportunities.

Great Lakes states offer untapped potential that can pay off for investors as well as regular citizens and the environment, Naftzger said. And even with increasing federal action, including incentives and programs under the new U.S. infrastructure law, a swift and equitable clean energy transition will still depend on private investment and publicprivate collaborations.

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Thank you

A special thanks to our partners and project funders for helping us achieve these successes and helping us to do even more in the future to help the region and its waters.

