

Co-Chair's Letter

This summer brought intense heat to the Great Lakes States. Record high temperatures and low rainfall created historic drought conditions throughout much



Illinois Governor
Pat Quinn

of the region. Illinois, Indiana and Wisconsin were hit hardest, and drought affected each of the eight States.

In addition to possessing the world's greatest freshwater resource, our region also produces nearly one-third of U.S. agricultural sales.

Prolonged drought can create water shortages that devastate yields and harm our regional

economy. Drought also puts additional stress on municipal water supplies, rivers and streams, and wildlife.

Trying times such as these underscore the need to protect our waters and ensure that they are used sustainably. For our shared waters, this necessarily involves regional collaboration in order to support our people, communities, economy and environment.

Through the Great Lakes Compact, the Governors have innovated to protect our Great Lakes and ensure that they remain at healthy levels. The Compact fosters forward-looking policy that is adaptive. Requirements for water conservation and efficiency, periodic analysis of cumulative impacts, and science are central to the Compact's design.

Although we cannot predict drought with any certainty, we can create policies that anticipate these events and help to mitigate negative consequences. The Governors will continue to protect our region's waters through proactive leadership and policy.

— Pat Quinn

Co-Chair, Council of Great Lakes Governors
Governor, State of Illinois



The World's Largest Crawler Crane at the Port of Indiana-Burns Harbor
Photo courtesy of Ports of Indiana

Governors Urge Congress to Support Great Lakes Harbors

On July 30, the Council of Great Lakes Governors called on Congress to take further steps to adequately fund dredging of the region's harbors and ports. In a letter to Congressional leaders, Council Co-chairs Indiana Governor Mitch Daniels and Illinois Governor Pat Quinn encouraged full expenditure of all funds annually deposited into the Harbor Maintenance Trust Fund.

As stated in the letter, "The majority of Great Lakes shipping carries goods and raw materials between States, and is integral to domestic manufacturing. Inadequate dredging of Great Lakes harbors forces ships to carry lighter cargo loads which increases the cost per ton to move cargo. This financial burden hinders job creation and economic growth." A copy of the letter can be found at www.cglg.org.

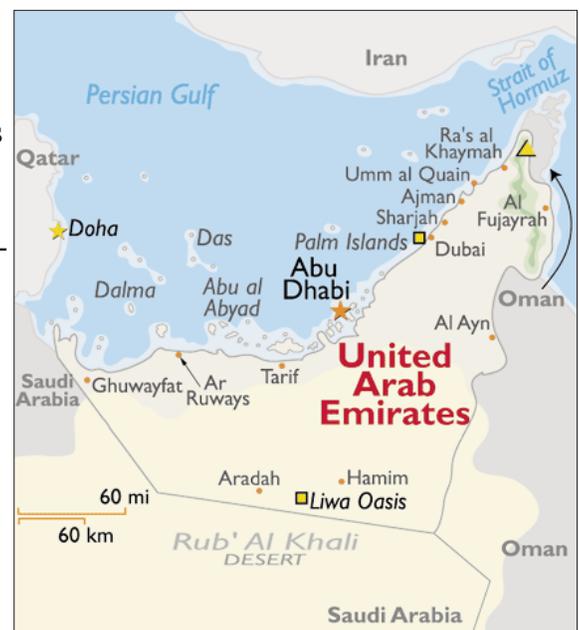
On a related note, David Naftzger, Peter Johnson and Michael Piskur of the Council staff toured the Port of Indiana-Burns Harbor in Portage, Indiana on August 7. The group met with port Director Anthony Kuk and discussed operations and policy issues facing the port.

Council to Lead Trade Mission to Middle East

The Council of Great Lakes Governors continues to create international trade opportunities for companies in the Great Lakes region. Following successful trade missions to South East Asia in March and South America in April, the Council will lead its first multi-sector trade mission to the Middle East in September. The Council trade mission to the United Arab Emirates (Dubai and Abu Dhabi) and Qatar presents excellent opportunities in two countries experiencing tremendous growth in multiple industry sectors, particularly in construction & infrastructure, healthcare, education, defense & security, clean energy and transportation. Anne Jafery of Channels will coordinate the mission program for participating companies. “Now is the time for Great Lakes State companies to explore commercial prospects in the United Arab Emirates (UAE) and Qatar,” says Jafery. “With development raging in virtually every industry sector, it is difficult not to capitalize on the vast opportunities in the region.”

Dubai is recognized as the commercial hub of the Middle East and the UAE has been one of the United States’ largest trade partners in the region for many years. In 2011, US exports to the UAE totaled approximately US\$16 billion. Strategically located at the heart of a rapidly growing region, the UAE enables foreign businesses to operate with ease based on its pro-business policies, laws and support. The UAE boasts:

- No restrictions on profit transfer or repatriation of capital
- Very low, or non-existent, import duties
- No corporate or income taxes
- A stable currency pegged to the US Dollar
- Pro-active and flexible licensing and registration of international companies
- Mature and expanding infrastructure to support trade demands



Moreover, the UAE is currently home to over 750 US companies and 30,000 American expatriates who have found the business climate and lifestyle to be welcoming and positive.

Qatar’s economy continues to expand at an incredible pace. The growth rate has averaged 15 percent in recent years and reached nearly 19 percent in 2011. Qatar’s per capita gross domestic product is among the highest in the world. The Qatari government is working to diversify its economy beyond natural resources. Sustained economic growth is creating opportunities for public-private partnerships in infrastructure, transportation, power generation, property development, financial services, healthcare and education.



Save the date: The Council of Great Lakes Governors is leading a multi-sector trade mission to **Australia May 5-13, 2013 with an optional add-on to Indonesia and Singapore May 11-17, 2013.**

More information is available at <http://www.cglg.org/projects/trade/TradeMissions.asp>

Council Opens India Trade Office

The Council of Great Lakes Governors launched its India trade office in July. Located in New Delhi, the India Trade Office will promote exports from companies in the Great Lakes region to the growing Indian market. The Indian economy boasts a stable annual growth rate, rising foreign exchange reserves and booming capital markets. India's economy is the eleventh largest in the world at approximately \$1.85 trillion.

The India Trade Office will be operated under contract by the Exhibitions India Group, which will work with the member State of Wisconsin's companies to help them find customers and business opportunities in India. The Exhibitions India Group is a New Delhi based trade promotion organization that has operated for 25 years.

Engineering, healthcare and food processing are among the sectors that are leading India's rapid economic growth. For instance, the Indian healthcare market, including health insurance and medical equipment is currently valued at \$65 billion and is expected to reach \$100 billion by 2015.

"We are excited to be working with CGLG for the State of Wisconsin and looking forward to providing our services to the other States as well. India is an exciting and dynamic space with some major opportunities in sectors such as capital goods and engineering, healthcare, food processing and aviation," said Prem Behl, Managing Director of the CGLG India Trade Office.



The India Trade Office Team: Sunil Kathuria, Arpita Prem, Prem Behl, Gitanjali Lal, Vikram Kohli

Council Seeks Companies to Participate in South Africa Trade Mission

The Council of Great Lakes Governors is recruiting small to medium sized companies for a March 6-15, 2013 trade mission to South Africa. Mission participants will visit Johannesburg, Durban and Cape Town.

The Council's Southern Africa Trade Office will provide each participant with targeted market research and a customized appointment schedule with qualified agents, distributors or end-users. Participants will also benefit from logistical support, a country briefing, networking events and an optional weekend safari to Hluhluwe Game Reserve.



Elephant Sighting, Hluhluwe Game Park

"South Africa is an impressive market, which usually surprises American business travelers on the upside," says Richard Zurba, Director of the Council's Southern Africa Trade Office. "We are looking forward to hosting visitors from our Great Lake States, enjoying strong business connections and a weekend safari to one of Africa's best nature reserves."

South Africa constitutes over one third of the economy of Africa. Gauteng province, centred around Johannesburg makes up 10% of Africa's economy and is the logistics and manufacturing centre of southern Africa.

South Africa's economy is currently growing at approximately 3% - regionally in the surrounding countries it is much higher. By many measurements, South Africa is a well-managed developing market, with prospects across many industries. Although still facing challenges, the country has optimism for the future with a strongly growing middle class, diversified economy, and a boundless resource base.

American firms can benefit from the industrial positioning of South Africa as well as its geographical focus in one of the world's fastest growing emerging market regions.

STEP grant funding is available in many States to cover a portion (or all) of the mission participation fees and travel costs. For more information on the trade mission, please contact Zoë Munro at zmunro@cglg.org or visit our comprehensive mission website by clicking **HERE**.

GREAT LAKES USA

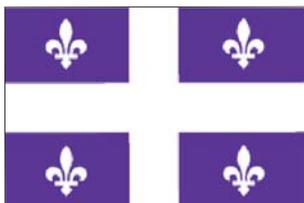


Great Lakes USA congratulates the Grand Hotel on Mackinac Island, Michigan on their 125th anniversary. The Grand Hotel is a premier destination for travelers worldwide.

Québec to Hold General Election

Québec will hold a general election on Wednesday, September 4, 2012. Toward that end, Lieutenant Governor Pierre Duchesne dissolved the National Assembly on August 1 at the request of Premier Jean Charest.

Separately, Council staff visited Québec City for the Great Lakes & St. Lawrence Cities Initiative Annual Conference from June 26-28. The trip included a tour of the National Assembly of Québec.



The Council's Michael Piskur, Peter Johnson and David Naftzger tour the National Assembly of Québec

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