



Industry Policy Needs in the Great Lakes Region (November 2010)

Industry seeks policies that strive for ecological sustainability and economic progress through utilization of the Great Lakes Region's water enriched assets in ways that support the global competitiveness of companies operating in the Basin. Such policies must address the following basic needs:

- the ability to retain existing, and attract new industrial activity - and the jobs this activity provides - in the Region through a competitive business climate and value-added environmental practices;
- the ability to preferentially attract capital to support world class manufacturing facilities and other industrial activity that creates good jobs while delivering the products and services of the future;
- assured access to – and responsible use of - water and other natural resources;
- a predictable, efficient and level regulatory playing field that allows basin facilities to compete with companies in other parts of the country and other parts of the world; and,
- a healthy and attractive environment that will attract talented people to live and work in the Basin.

CGLI works with governments and engages with other Great Lakes Region stakeholders to encourage and enable policies that can respond to these needs while incorporating the principles of sustainable development.

Current Policy Issues in the Great Lakes Region that can impact the competitiveness and attractiveness of the region to existing and new Great Lakes industry include:

1. **Revision of the Great Lakes Water Quality Agreement (GLWQA)** – The GLWQA, first signed in 1972 by Canada and the U.S., has exerted great influence on environmental policy in the Basin. The Region is governed, in part, through policies that apply only to Great Lakes Region. Amendments or changes to this agreement occur infrequently. Consequently, the revisions to the Agreement currently being explored will set the tone for Regional environmental policy for decades to come. Done skillfully, a revised Agreement can provide a vision, goals, and objectives for Great Lakes protection that will lead to sustainable utilization of the Region's resources while assuring ecosystem protection, and a competitive advantage for industries operating in the Basin. To do so, a revised GLWQA must address the broad spectrum of stressors now

confronting the lakes and their ecosystems. When dealing with chemical management, the document must be in concert with the robust international and the national chemical management programs now in place in both countries and not establish new chemical lists or other specific environmental targets for the Region. **The need:** *A revised GLWQA that serves as a guidance document for the Region with a vision and goals and objectives to support that vision. The Agreement should incorporate the full range of sustainable development principles for a healthy ecosystem, a robust economy, and support societal needs within the Basin. Industry needs continued and full access to stakeholder participation opportunities in the GLWQA revision process.*

2. **Addressing Chemicals of Emerging Concern (CECs)**-- Evaluating chemicals in use, or proposed for use, is a valid and important pursuit, but should start from the basis of expectation by all society sectors in the basin, not industry alone, to manage the life cycle of the chemicals that enhance and support our modern way of life. Comprehensive national assessment programs are currently underway in both the U.S. and Canada. The output from these extensive evaluations will guide management actions needed in the Region. **The need:** *Governments should rely on National programs to assess chemicals of concern. Management actions at the National level, prompted by assessment outcomes, will be of benefit to the Great Lakes Region. Only in the case of documented, unique impact on the Basin should additional Regional actions be pursued. All actions must be founded on robust, risk-based, peer reviewed scientific information. Utilizing national programs can help keep Great Lakes industry competitive. Industry will need to help demonstrate this protection to governments and other Great Lakes stakeholders by taking active roles in Regional policy discussions.*
3. **Cleaning Up Areas of Concern (AOCs)** –Legacy sediment problems in the Region can hinder economic development. Full funding for the Great Lakes Legacy Act has multi-stakeholder support and is needed to expedite clean up of these Areas of Concern. **The need:** *Impediments to the use of Legacy Act funding in AOCs that include industry Potentially Responsible Party (PRP) shares need to be avoided. Provisions that enable industry to form partnerships with other parties eligible for Legacy Act funding are essential for advancing AOC restoration actions. Economic development does not occur in an area where only one industry is involved in a multi-site clean-up*
4. **Assuring Access to Great Lakes Water** – Industry needs assured access to sustainable water supplies. The Great Lakes – St. Lawrence River Basin Water Resources Compact/Agreement, now in effect, has retained the State and Provincial authority to manage water withdrawals and limit diversion of water outside of the Basin. It also provides a standard of review for use by the States

and Provinces for approval of new and increased water withdrawals. Minimum conservation objectives are defined for new and existing users. Implementation of these provisions by the State and Provincial jurisdictions can impact economic development. There are pressures to utilize Compact/Agreement governance bodies as a new layer of Basin governance that would exercise additional regulatory powers over the Region. To do so would counteract benefits that are associated with Compact Agreement provisions that encourage sustainable availability of the Region's water resources. **The need:** *The State/Provincial based implementation processes need to be efficient, non-burdensome and friendly towards sustainable development in the Region. It is essential to have industry input into the process as States/Provinces adopt and implement rules for water withdrawal approvals. Permitting and other water resource management decision making authority regarding water use and withdrawals must remain with the States and Provinces and not be delegated to a Regional authority. Many Regional industries would be unable to operate without assurance of sustainable water supplies.*

5. **Reaffirming Water Discharge Permitting Processes** – A consistent, established water discharge permit approval and renewal process is necessary for industry to operate, expand or locate in the Great Lakes Region. The process needs to be timely, transparent and predictable. Federal and State/Provincial laws and regulations provide standards for permitting wastewater discharges that, when properly executed, both protect the ecosystem and allow for resource utilization by industry. **The need:** *The water permitting process in the Great Lakes States must be reliable and predictable for industry operating or considering operations in the Great Lakes Basin. States/Provinces must work to keep permits up-to-date, provide efficient processes for issuing new and renewed permits, and defend those actions in accordance with appropriate laws and regulations when decisions have been made. Industry cannot produce products and jobs in an uncertain environment.*

6. **Managing the Great Lakes (Ecosystem) Restoration Initiative (GLRI)** – Industry is supportive of and has played a key role in bringing U.S. Federal investment into the Region to advance restoration of the Great Lakes environment. A strong investment in ecosystem and infrastructure needs can support economic development along with ecosystem restoration. The Brookings Institution has determined that Great Lakes restoration dollars can provide a minimum of a two-to-one return in economic gains for the Region. Specific needs for the restoration effort were determined through the Great Lakes Regional Collaboration Strategy development process completed in 2005. The CGLI continues to work with other stakeholders to ensure that restoration projects incorporate elements consistent with the Strategy and that provide positive economic impacts. **The need:** *As the U.S. Federal GLRI program*

grants are distributed, responsiveness to the needs identified in the Strategy and economic impacts of these projects - particularly job creation - should be a primary consideration when funding decisions are made.

7. **Applying the New National Ocean Policy (NOP) to the Great Lakes** – There are concerns about how the new U.S. policy regarding coastal zone spatial planning and water resource management will be integrated with the well-established programs in the Great Lakes Region. It is also unclear if new regulations will be developed or how the new National Ocean Council will implement the Ocean Policy Task Force directives. Great Lakes stakeholders, including industry, need to be a part of the new implementation process. **The need:** *Sustainable economic development needs and objectives, including those identified in the Great Lakes Regional Collaboration Strategy, should be a consideration as the National Ocean Council implements that National Ocean Policy. In addition, any new policy directives should not duplicate existing Great Lakes programs and action plans which have carefully developed by multi-stakeholders and represent the needs of a freshwater system. Personnel with Great Lakes experience should serve on implementation teams and Great Lakes stakeholders should be part of the process. The validity of current permits and permitting processes in the Great Lakes should be recognized. Layers of permitting authority add to industry costs and decrease competitiveness.*

8. **Maintaining Science and Risk-based Decision Making in Basin Policy** – The Region is blessed to be the home of numerous world class scientific and research organizations. These robust resources are available to inform policy and guide actions for sustainable economic development in the Basin. Continued support is needed for key ecosystem assessment and management programs such as the State of the Lakes Ecosystem Conference (SOLEC) and the programs that generate the data needed to support SOLEC indicator assessments. The information generated by the assessment programs needs to be made widely available to all stakeholders within and outside of the Region. **The need:** *Support needs to continue for scientifically-based organizations and assessment programs such as SOLEC. Data management and distribution systems, such as those maintained and being developed by the Great Lakes Observing System (GLOS), must be supported and utilized. Decisions for action in the Basin need to be informed by this integrated scientific assessment and information delivery system.*

CGLI seeks opportunities to represent industry in multi-stakeholder based Great Lakes Region specific public policy discussions on these critical issues. Working together we can achieve the enhanced sustainable Great Lakes Region that we all seek.