MINUTES

A. Call to Order and Roll Call

Chair Lieutenant Governor Eleni Kounalakis called the meeting of the International Affairs and Trade Development Interagency Committee to order at 10:35am.

Members Present:

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<th>Member</th>
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<td>Chair Eleni Kounalakis</td>
<td>Lt. Governor of California</td>
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B. Approval of Minutes from May 30 Meeting

The Lieutenant Governor asked if there were any questions or comments from members of the public on the previous meeting’s minutes. As there was no comment, the minutes were approved.

C. Chair & Vice Chair’s Opening Remarks

Chair Eleni Kounalakis, Lieutenant Governor started the meeting by thanking those present. She stated that the Committee provides an opportunity to discuss the international work done by the various state agencies so that the public can have a deeper understanding of the specific international work the state conducts. She continued by noting that this meeting would focus on Mexico, one of California’s most important trading partners. She stated that our trade and investment relationship with Mexico is a key component of California’s position as the world’s 5th largest economy. She highlighted several statistics emphasizing the significance of the relationship, including that $82 million in California goods cross the border every day and that Mexico purchased 17 percent of all California exports in 2018.

The Lieutenant Governor announced that she will lead a delegation to Mexico City in October. She said that the delegation will focus on areas for collaboration with Mexico on key issues such as sustainability, renewable energy, health, labor, and immigration. The delegation will be made up of members of the legislature, business leaders, agency officials, and staff from the Governor and Lieutenant Governor’s offices. She said the timing of this delegation was particularly appropriate, as California is greatly impacted by federal policy related to Mexico. The U.S. relationship with Mexico has, under the Trump Administration, been a topic of great concern. However, California has long maintained a strong partnership and involvement with Mexico. Over the last 6 years, California has signed 8 Memoranda of Understanding with Federal, State, and local partners in Mexico on clean air, energy, the economy, emergency services, and tourism. In conjunction with this delegation, California will sign several new MOUs with Mexico. The Lieutenant Governor emphasized Mexico and California’s special relationship and noted that the state is committed to our cultural and economic partnership regardless of the federal
position. Mexico is a partner and a friend to California, and the October delegation aims to highlight what we can accomplish together.

Vice Chair Lenny Mendonca, Chief Economic and Business Advisor to Governor Newsom, seconded the Lieutenant Governor’s remarks about the importance of California’s relationship with Mexico. He stated that his aim is to focus efforts on enhancing this relationship and also articulated facts that emphasized the significance of the relationship. California is home to 11 million people of Mexican-American heritage. California has worked hard to integrate foreign-born populations into the state’s social fabric, expanding access to education, employment, and healthcare, and will continue to do so as we seek economic opportunity and pathways for growth in a California that is inclusive for all.

Secondly, Mr. Mendonca stated that as California and Mexico share a border, we want to ensure that goods can move freely. We are working to reduce wait times at the border. He stated that our goal is also to support California businesses that are expanding in Mexico. To that end, we plan on supporting export promotion activities with our U.S. Department of Commerce partners in Mexico. Furthermore, Mr. Mendonca said that we have recently completed our Mexico Trade and Investment Strategy and will be working with our partners to implement it.

Mr. Mendonca continued by noting that he aims to leverage California’s leading position in the green economy to support Mexico in its own renewable energy, sustainability, and resiliency efforts. He stated that by deepening our relationship with Mexico, world-leading California businesses in these industries can develop globally. To that end, he stated that the Governor’s Office of Business and Economic Development (GO-Biz) is thrilled to support the Lieutenant Governor’s delegation to Mexico. He expressed his hope that implementing MOUs on the economy, emergency services, smart agriculture, and renewable energy will continue to demonstrate California’s commitment to Mexico.

The Lieutenant Governor concluded the opening remarks by stating that she looked forward to hearing from all members of the Committee on their programs with Mexico.

D. Discussion of California-Mexico Relations and Current Initiatives

Director Kate Gordon of the Governor’s Office of Planning and Research opened by sharing OPR’s experience working across international boundaries on climate issues. OPR conducts long-range planning within the Governor’s Office. To that end, California is involved with multiple international MOUs. Director Gordon stated that it is important to have these international partnerships, as many impacts and solutions are both local and regional. She said that our international relationships are focused on trade, economic ties, and environmental collaboration.

Director Gordon continued that under her predecessor, OPR founded the Under2 Coalition in which more than 220 governments at the subnational level agreed to achieve the goals of the
Paris Agreement. Mexico is a national endorser, with 17 subnational signatories. California is also active in the Pacific Coast Coalition, which focuses on ocean acidification in the Pacific. In addition, California is a founding member of the Western Climate Initiative between California and Quebec.

Director Gordon continued that California has multiple MOUs with Mexico and Mexican subnational entities aimed at enhancing collaboration on the environment. These include tangible goals around air quality, forest protection, and reducing climate impacts. In general, these MOUs have historically had less focus on climate resilience – something she hopes to change. OPR would like to pursue climate resilience in terms of oceans, wildfires, air quality, and specific regional challenges and opportunities.

In closing, Director Gordon stated that we are in an era of action and our goal is to find places where we have regionally shared problems and solutions.

Commissioner David Hochschild of the California Energy Commission started by thanking the Lieutenant Governor for bringing the group together and leading the delegation to Mexico. He then thanked all the state employees of Mexican-American heritage for their many contributions. He stated that the racist language from the current federal administration is unacceptable in the State of California, where we focus on inclusion and celebrate diversity. The single most important energy law (SB100) was passed with leadership in both houses from members of Mexican American heritage, and it is setting the standard for the entire country.

Commissioner Hochschild continued by stating that he has been to Mexico several times in recent years. He was there when the first MOU with the Mexican Secretariat of Energy (SENER) was signed in 2014. He was also actively engaged when California began moving away from incandescent light bulbs to LEDs, which saves $2 billion per year. The California Energy Commission is working closely with UC Davis to establish a cleantech lighting center in Mexico – specifically at the Universidad Autónoma de Guadalajara (UAG) – where we hope to support and encourage the development of similar standards. UC Davis will continue to collaborate on energy-efficiency projects in Mexico during the next several years.

Commissioner Hochschild then pointed out that Mexico has some of the lowest priced renewable energy in the world. He noted the California Energy Commission has had great dialogue with their Mexican counterparts about how to scale that, particularly with Jalisco and other Mexican states. He affirmed that Mexico and California can work together in the renewable energy space.

The Lieutenant Governor thanked Commissioner Hochschild for his comments. She stated that California’s culture is enriched, and our economy is spurred, by the tremendous contributions of our immigrant populations.
Secretary Karen Ross of the California Department of Food and Agriculture stated how lucky she is at CFDA for the diversity of the people she works with. Secretary Ross continued by thanking the Lieutenant Governor for her leadership on the Mexico delegation, which shows how much California values the relationship.

Mexico has recently gone through an administration change, and it often takes time to foster new connections with incoming federal officials. Secretary Ross said that Josh Eddy is currently updating the MOU with Mexico’s Secretariat of Agriculture (SADER). Canada, Mexico, and state Departments of Agriculture throughout the U.S. work together on issues specific to agriculture such as sanitation, pests, disease, and food safety. Secretary Ross stated that the updated MOU will include more intense collaboration on climate-smart agriculture.

Secretary Ross said that her department sees an opportunity to collaborate with Mexico on food safety best practices, plant health, and animal disease. Every year, more farms make the decision to invest and grow in Mexico when they have reached capacity in California. As we take our best practices to other countries, it helps all succeed.

CDFA is always interested in what can be done to speed up border crossing times because of the volume of trade and commerce. They are also interested in cooperation with Mexico on agricultural workforce development. One of the driving forces in this area has been the Mexican immigrant population. This is changing as the California workforce is aging. CDFA is collaborating with Mexico and starting 4H and other youth engagement initiatives that benefit employees and employers.

The Lieutenant Governor responded by saying that the delegation to Mexico would be enhanced by CDFA’s participation. She was impressed with CDFA’s work to bring a delegation of 300 representatives from the Middle East and South Korea to visit key regions of California. The Lieutenant Governor commended CDFA for its great work.

Deputy Secretary for Climate and Energy Amanda Hansen of the California Natural Resources Agency (CNRA) noted that Wade Crowfoot, Secretary, was unable to be at the Committee meeting because he was in Merced. She stated that California and Mexico have many areas of shared interest including forests, wildfires, clean energy, and biodiversity. These topics were discussed at a recent meeting attended by Secretary Crowfoot regarding interagency collaboration on the Tijuana River. On July 18th Secretary Crowfoot participated in a tour of the Tijuana River and met with partners in San Diego. The Tijuana River has been a significant area of focus for CNRA in collaboration with CalEPA as state and local government work together to improve water quality of the New and Tijuana Rivers.

The Lieutenant Governor responded by thanking Deputy Secretary Hansen for her attendance. The Lieutenant Governor also visited the Tijuana River recently. At the next Committee meeting, she requested a deeper discussion on the status of the issue. Successfully addressing
the shared challenges of the Tijuana border region will necessitate increased engagement with both the Federal government and Mexican partners.

Chief Deputy Director Grace Koch of the California Governor’s Office of Emergency Services relayed a message from Director Mark Ghilarducci thanking the Lieutenant Governor for her leadership on the delegation. Individual and collective support in bringing together solutions is commendable. She noted that CalOES is working on an MOU with Mexico regarding civil protection, emergency management, and disaster preparedness. The aim of the MOU is to share opportunities and best practices. The MOU is currently in the review process.

CalOES is also developing an MOU with the State of Yucatan for sharing emergency management best practices. CalOES also has foundational partnerships with Mexican consulates around the state.

Ms. Koch said that disasters strike everyone and we don’t often know where or when they will be. Therefore, to be prepared, we must attempt to reach all of those who could be impacted before the disaster. California is fortified for numerous disasters and has protocols for reaching Spanish-speaking Californians with preparedness information, support, and resources. CalOES’s aim is to expand its partnership with Mexico with other measures, including drills for active shooters and early warning systems.

In response to a San Diego county initiative that originated in the 1990s, CalOES engages with multiple city and country representatives including City of Tijuana Emergency Services. Their goal is to ensure that both sides of the border have situational awareness on all hazards including health related epidemics. The last meeting was held on July 18th.

Secretary David Kim of the California State Transportation Agency noted that Secretary Ross and Director Mendonca talked about reducing wait times at the border. He reported that just a few weeks ago, CalSTA broke ground on State Route 11 (SR11). The project will come online in 3 years and will greatly expand the capacity of goods movement across the border, including border crossing times for people. Furthermore, technology will be used to relay border wait times, travel information, and air quality impacts. Secretary Kim credited Mario Orso of CalTrans as a driving force behind SR11 as well as the partnership between CalTrans and San Diego.

CalSTA has coordinated with officials from Baja and the Mexican government, including the Governor-Elect of Baja California, to ensure investments are made on both sides of the border and noted that Mexican counterparts have shown great interest in working with CalSTA.

The Lieutenant Governor asked whether Secretary Kim could share the ribbon cutting date, to which he replied that the new Port of Entry should be online in 2022 and the final segment of SR11 is now under way. Other border crossings include San Ysidro, Otay Mesa, and Otay Mesa East. Adding a fourth crossing in the San Diego region will positively impact crossing times.
The Lieutenant Governor then asked what estimates are being used for current crossing times. Secretary Kim responded that the average wait northbound is 2-3 hours, but it can be upwards of 7 hours during peak times.

The Lieutenant Governor asked whether there are any other measures underway to increase capacity, to which Mario Orso of CalTrans stated that 8 more gates will be added to the San Ysidro port of entry at the end of the year.

Chief Executive Officer Caroline Beteta of Visit California started by saying that Mexico is the #1 international market for California tourism each year. California welcomes nearly 1 million visitors from Mexico by air alone. These visitors spend a total of $3.5 billion. Ms. Beteta stated that she looks forward to supporting the Mexico delegation in October. Visit California rolled out the “All Dreams Welcome” campaign in order to combat negative sentiment towards Mexico at the Federal-level.

Visit California’s advertising agency spent months looking at California’s brand identity and settled on “Dream Big.” To that end, Visit California is launching a three-year program that will look at the evolution of “Dream Big.” Ms. Beteta noted that several years ago, the California brand was associated with being “laid back,” “fun,” and “lively.” California has since migrated to a more serious disposition that gives depth to who we are. The state is now seen as open, accepting, progressive, diverse, and free. Visit California promotes tourism as a destination. Dream Big sits on top of who we are as a culture.

Ms. Beteta noted that the reason she mentioned the interesting findings from the brand research is because Mexico is a Tier 1 market and understanding the California brand provides nuance to our positioning. Mexico is multicultural. On August 7th Ms. Beteta was asked to testify by Senator Ben Hueso on developing a binational identity through cross-border tourism.

On a tactical level, Ms. Beteta said that she will continue the brand campaign and focus on families. There are 2.7 million people using the new Tijuana airport gateway Cross Border Xpress (CBX), which represents a phenomenal opportunity. Visit California is in the process of opening a California Welcome Center there. She commended Secretary Ross of CDFA for sponsoring the Food and Wine Festival. She also mentioned the role of CBX, digital media, targeted travel trade, media influencers, the California Star Program, and their importance to Mexican travelers.

The Lieutenant Governor responded by saying that Visit California is doing great work. She said that she was glad Ms. Beteta could share impressions on changing sentiments of California and that she appreciated the mottos of Dream Big and All Dreams Are Welcome. California continues to send this message to Mexican citizens and residents.
Secretary Jared Blumenfeld of the California Environmental Protection Agency stated that he was glad to focus on Mexico. He said that CalEPA coordinates with the California Air Resources Board and CalRecycle. They have long and deep connections with Federal environmental protection agencies. They have done an internal reorganization and now Yana Garcia, Deputy Secretary for Environmental Justice, Tribal Affairs and Border Relations is leading all work on the California-Mexico border. Ashley Conrad-Saydah is leading international work.

Secretary Blumenfeld said that air quality knows no boundaries. In Imperial County, without a collaborative effort, it would not be possible to achieve U.S. air quality standards. To that end, CalEPA has spent a lot of time providing monitoring equipment and training on using such equipment.

CalEPA has also worked on vehicle emissions and how best to work with Mexican vehicles coming into the U.S., including older vehicles coming into California. CalEPA has investigated smog check programs in Mexico and border crossing programs that deal with monitoring air quality.

CalEPA has existing MOUs with Mexico including some active, some expired, some to renew, and some to re-think. There is a long history of working together on air quality that they hope to continue. In terms of water and wastewater, CalEPA has spent a long time looking at the Tijuana River and the New River in the Mexicali-Calexico district, which is one of the dirtiest. They have appointed Elizabeth King to coordinate all agencies in California on the Tijuana River and bring together all information into one document.

CalEPA is looking at all opportunities in this space in both the public and private sectors. Secretary Blumenfeld went on to thank Director Mendonca for coming to the first California Border Relations Council meeting. This meeting included a presentation about border control and skin afflictions from poor water at the border.

CalEPA continues to actively engage with Mexico and sees this relationship has a very high priority. Mexico is where California has the deepest relationships. Secretary Blumenfeld said that he looks forward to continuing to provide further updates.

The Lieutenant Governor added that she had toured the Tijuana River a few months ago and noted that there is no other challenge quite like it. This issue is not of our making and it is difficult to resolve when we cannot control the origins. She stated that CalEPA’s leadership on the issue is encouraging, as the local community feels that it is not getting the attention it deserves.

The Lieutenant Governor stated that briefings around Mexico had been covered, and she asked Commissioners to bring forward recent travel/engagement in other regions.
Caroline Beteta of Visit California said that Governor Newsom is looking at a long-term vision on how to help support and increase ties to El Salvador given the economic challenges they face, with the aim of creating opportunity so people don’t feel compelled to caravan. This is a smart and strategic decision. Salvadorans are one of the biggest expat communities in the Los Angeles area. For many Salvadorans, economic opportunity that generates $500 per month would keep them at home. The newly elected President of El Salvador is focused on using tourism as an economic catalyst. El Salvador is a top 5 world surfing destination. Other countries can learn best practices from Visit California’s governance, position, brand management, and destination development.

The visit to El Salvador included 18 meetings over 3 days and the delegation met with the President’s entire cabinet. This visit included site surveys of infrastructure for resort development and meetings with the tourism industry. The delegation developed a report of action items. In December, a delegation from El Salvador will be coming to California for a site survey. This speaks to the commitment of Governor Newsom to address the root causes of mass immigration to California.

The Lieutenant Governor noted that if we can understand what is happening in countries of origin we can support countries that are attempting to develop alternatives to the economic and security issues they face. For California to take the time to address these issues sends an important message and begins a process that can have positive outcomes.

Commissioner Hochschild stated that he appreciated the comments about the ascendance of state diplomacy. He described a mission to China in which he visited five cities in ten days and attended dawn to dusk meetings with local, state, and national leaders. In these meetings it was communicated how committed California is to getting to 100% clean energy. Climate goals are a top priority for California. California has a lot of leverage, which is why we use 55% clean energy on the grid. This is achieved because of state leadership. Commissioner Hochschild described visiting the Tesla factory in China as well as BYD, another electric vehicle manufacturer.

China currently has many electric taxis and buses – the scale of their investment has been incredible. Beijing is taking air quality seriously and copying our standards. This is a tribute to the California Air Resources Board’s incredible work.

Secretary Ross stated that she participated in a small delegation to South Africa focused on climate smart agriculture in Mediterranean climates. They looked at high value specialty crops including fruits, vegetables, and tree nuts. She noted some things that stood out:

- Tremendous progress has been made in the wine sector
- Land reform is still a huge issue
They met with the Mayor of Cape Town to discuss agriculture and visited a reservoir that supplies water to Cape Town. It was at 18% capacity previously and was at 101% when they visited. Water is critically short in certain areas of South Africa.

Cape Town faces significant food insecurity, crime, and refugee issues. Provincial and local government did not feel they had the support they needed to address the issues.

They discussed how to extend a limited water supply, with insight to the realization that if usage rates continued, they would run out. They examined how to change social behavior to extend the supply as long as possible. The urgency of the drought led to a dramatic reduction in water use. The delegation focused on how to capture the lessons learned and view conservation as a way of life. Water availability is a driving issue.

Secretary Ross then noted that agriculture is viewed as part of sustainability in South Africa. The work done in the agriculture sector was related to jobs, partnerships with universities, and the World Wildlife Fund (WWF). Another big focus was teaching women to farm so that they could feed their families and have leftover production to take to market. This helps families move out of shantytowns where children get trapped in cycles of crime and poverty.

The delegation emphasized how different our agricultural systems are and how much we can learn from each other. California is key to sharing these lessons because of the diversity of our landscape. She noted that the Foreign Agricultural Service (FAS) is terrific. She stated that she admires those who represent the U.S. every day in good times and bad, and that we are lucky to have them.

The Lieutenant Governor reported on her recent visit to Armenia where she visited the American University in Armenia. This was established by the University of California in cooperation with the Federal Government. She stated that California looks forward to welcoming Armenia’s new Prime Minister. The Los Angeles Region is home to the largest concentrated community of Armenians outside of Armenia.

The Lieutenant Governor closed by saying that she would like to give the public opportunity for comment. Each speaker would be allotted three minutes.

Al Washington of the Africa-USA Chamber of Commerce stated that he was there to make the Committee aware of his organization’s annual conference on trade with Africa, which will be held in Sacramento, and he invited the Lieutenant Governor to the conference. He elaborated that this conference is important because every industry is needed on the African continent. His aim is to facilitate bilateral trade between the U.S. and Africa. He said that he is specifically interested in California because the organization was founded here. His organization’s goal is to expand and improve the trade relationship with Africa, and he is interested in how the Governor’s Office can get involved. To that end, he thanked Bud Colligan for his staff’s participation in the conference, as well as the Export Import Bank. He said that he needs to make the public aware of the Committee’s work because the African continent does not know that these offices exist.
Mr. Washington continued that California should be more aggressive in promoting foreign direct investment (FDI) from Africa because some of the richest people in the world live there. He said that California should encourage them to invest here and similarly California should invest more in Africa. As an example, he mentioned Sheba Farms Project in Irvine, which represents Ethiopia. He added that his conference will include representatives from the Pan-African community, including Democratic Republic of the Congo, Nigeria, Uganda, Ethiopia, and Brazil.

Mr. Washington mentioned problems that his organization has had given the current administration’s attitude: it is difficult to get visas to come to the United States. His organization had provided invitations but cannot guarantee that guests will make it. These guests include representatives from the Democratic Republic of the Congo, which wants to work with California on agriculture and banking, as well as the African Union Ambassador to the U.S., who will make the keynote address. Mr. Washington closed by saying that he hopes to see the State of California at the conference.

Yvette Edidin of the California-Israel Global Innovation Partnership stated that her organization was based in the Milken Institute. She said that their work includes business, engineering, and research on water and agtech between California and Israel.

California is a clear global leader – Governor Brown signed an MOU with Israel focused on bringing more innovative technology to market. California and Israel partner on drought prevention. California’s water situation is still unsustainable, whereas Israel is reversing desertification and recycling 86% of water (compared to California, which recycles 10%). She said that properly monitoring water supply should be a priority for California.

Energy, water and biomedical are all areas contemplated under the original MOU. The Milken Innovation Center has secured funding to support the MOU. Ms. Edidin acknowledged UC Berkeley for their leadership and support for the UC side of this MOU. She stated that some had participated in delegations around these issues, however government funding was critical, as there is much to do. The Legislative Jewish Caucus attempted to allocate just $2 million from the CEC to help support the MOU with the promise that Israel would match it. However, the proposal stalled. She expressed her hope that the Committee would focus attention on progress that California and Israel can achieve together.

Secretary Ross commented that California and Israel have had an ongoing conversation and that CDFA had hosted a number of businesses. She commended the amazing work of the Desert Research Institute in Israel.

Secretary Hochschild also had the opportunity to go to Israel, and he expressed his feeling that we can learn from Israel about water conservation.
Zion Tadde of the Queen of Sheba Restaurant stated that California and Africa have similarities regarding weather and agriculture. She said that she believes there is opportunity for Africa to connect with California on agricultural issues. She said that Africa can partner with California to solve problems in that sphere and that she would like to see a future where California and Africa work together.

Consul General of Mexico Liliana Ferrer thanked the Lieutenant Governor for leading the delegation to Mexico and for her work with Bud Colligan. She stated that in her 25-year career it has been particularly interesting to be posted in California in these political times. She said that she was thankful for solidarity and support from California on the migrant issue.

Mary-Ann Warmerdam of the Rural County Representatives of California stated that her organization represents 37 counties. She asserted that international engagement effects rural counties and local governments, and she thanked the Committee for their work on international relationships. She stated that rural counties’ economies are dependent on health, agriculture, and tourism, and therefore climate issues and forest resiliency are key. In that context, rural counties are dependent on healthy international relationships. They are currently working on a project to improve forest health and looking to South Korea and Japan. She said that her organization is excited to be part of the solution and help other countries meet climate goals.

Xochitl Castaneda of the University of California stated that she was there representing Stefano Bertozzi, who oversees the UC Mexico program, UC Nexus, and Casa de California. She said that the University of California has been honored to work with Panorea Avdis and Bud Colligan on preparation for the upcoming visit to Mexico, and that they are looking forward to the event. She elaborated that during the Mexico mission, the University of California is leading a conference on the environment and resiliency in Mexico and California. The event would include meeting with UC alumni in Mexico, which has the largest UC alumni community in the world. She stated how lucky we all are to be neighbors and support and expand collaboration between the two countries.

The Lieutenant Governor thanked Ms. Castaneda for coming. She said that the focus of the delegation is on the economy and the environment. She asserted that our intent is to work towards the establishment of a more presence in Mexico. She said that the delegation will be participating in the UC conference on resiliency as well as high level meetings on sustainability.

E. **Agenda Items for Future Meetings**

The Lieutenant Governor thanked everyone for the focus they brought around collaboration with Mexico, and for their reports on other activity. She said that she believes the approach the Committee has taken to briefing the public about international work is helpful. To the general public, she encouraged them to continue to bring stories, concerns, and challenges that can be worked through in this forum.
The Lieutenant Governor stated that if there is no further comment, the next meeting date is November 12th from 10:30AM to 12:30PM.

F. **Adjournment**

The Lieutenant Governor adjourned the meeting at 12:10pm.