

STATE OF CALIFORNIA * OFFICE OF GOVERNOR GAVIN NEWSOM

Gavin Newsom

Governor

Dee Dee Myers

Senior Advisor and Director

Emily Desai Deputy Director

Governor's Office of Business and Economic Development 1325 J Street, 18th Floor Sacramento, CA 95814 **International Affairs and Trade Development Interagency Committee**

Committee Meeting

Tuesday, December 14, 2021 2:00 pm – 4:00 pm

Virtual Meeting

MINUTES¹

MEMBERS:

Eleni Kounalakis, Chair Lieutenant Governor State of California

Dee Dee Myers, Vice Chair Senior Advisor and Director Governor's Office of Business and Economic Development

David Hochschild, CEC Chair, California Energy Commission

Karen Ross, Secretary, California Department of Food and Agriculture

Wade Crowfoot, Secretary California Natural Resources Agency

Mark Ghilarducci, Director Governor's Office of Emergency Services

Jared Blumenfeld, Secretary California Environmental Protec tion Agency

David Kim, Secretary, California State Transportation Agency

Caroline Beteta, CEO Visit California

Samuel Assefa, Director Governor's Office of Planning and Research

Liane Randolph, Chair California Air Resources Board

A. Call to Order and Roll Call

<u>Chair Eleni Kounalakis, Lieutenant Governor,</u> called the meeting to order at 2:00 PM. She stated that the Interagency Committee was established by <u>Executive Order N-08-19</u> to inform the public of recent international activity undertaken by state agencies.

Emily Desai, Deputy Director for International Affairs and Trade at the Governor's Office of Business and Economic Development (GO-Biz), called roll:

¹ For a more complete record of the December 14, 2021 International Affairs and Trade Development Interagency Committee meeting, please access the full recording here.



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Member	Agency	Present or Representative
Chair Eleni Kounalakis	Lt. Governor of California	Present
Vice Chair Dee Dee Myers	GO-Biz	Present
David Hochschild	CEC	Present
Karen Ross	CDFA	Present
Wade Crowfoot	CNRA	Not present
Mark Ghilarducci	OES	Represented by Helen Lopez
Jared Blumenfeld	CalEPA	Present
David Kim	CalSTA	Present
Caroline Beteta	Visit CA	Present
Samuel Assefa	OPR	Not present
Liane Randolph	CARB	Present

The June 22, 2021 interagency meeting minutes were approved.

B. Chair & Vice Chair's Opening Remarks

<u>Lieutenant Governor Eleni Kounalakis</u> provided an update on her international affairs-related activities since the June interagency meeting, including the California delegation that she led to the COP26 Climate Conference in November. At COP26 she signed a series of multilateral agreements on behalf of the state related to zero-emissions vehicles, forest protection, methane production, and biodiversity conservation. The Lieutenant Governor emphasized the essential role played by Mexico as a trade partner for the state, with reference to ongoing efforts surrounding the <u>Otay Mesa East Port of Entry</u> border crossing and the revitalized <u>Commission of the Californias</u>. She also noted the importance of Japan as a source of foreign direct investment in California and expressed her hope that the California trade delegation to Japan scheduled for March would further cement this relationship, even if it must be postponed due to travel restrictions.

Dee Dee Myers, Director of the Governor's Office of Business and Economic Development (GO-Biz) gave an overview of the current supply chain issues and discussed Executive Order N-19-21, which led to the establishment of an interagency supply chain task force to identify solutions to the problem. She also highlighted the state's engagement with federal partners, including California's recent partnership with the US Department of Transportation to bolster supply chain efficiency and resilience. There has been a substantial decline in storage container buildup in the past few weeks due to these ongoing efforts. The Vice Chair also recognized the work of the GO-Biz International Affairs and Trade team, which has continued to showcase California as a top-tier destination for foreign direct investment by providing consultation services to foreign businesses and publishing success stories from businesses who have invested in California. The team has also continued its export development efforts by hosting 10 virtual trade missions to a variety of countries, with more planned for 2022, including Smart Energy Week Japan and a virtual trade mission to India.

C. Updates from Committee Members on International Engagement and Priorities



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David Kim, Secretary at the California State Transportation Agency (CalSTA) discussed ongoing efforts to fund the Otay Mesa East Port of Entry project, due to be completed in 2024. Much of the project has been funded by the state, but CalSTA has requested additional federal funding via the Transportation Infrastructure Finance and Innovation Act (TIFIA). CalSTA has also requested that Otay Mesa be included on the priority list of key ports of entry, which is called for in the Biden-Harris Action Plan for America's Ports and Waterways. Secretary Kim spoke about the current supply chain challenges, highlighting the actions taken by CalTrans and the DMV following the issuance of Executive Order N-19-21, which have contributed to a decrease in storage container buildup at the Ports of Los Angeles and Long Beach. He also mentioned California's new strategic partnership with the US Department of Transportation, the Emerging Projects Agreement, which will allow supply-chain related projects to be dealt with in a more holistic manner in the future. He concluded by summarizing his November meeting with the Vice Minister of Infrastructure and Water Management for the Netherlands, in which they discussed the global declaration on zero-emissions freight signed at COP26, the Transport Decarbonization Alliance, and the connection between transportation and land use.

Helen Lopez, Assistant Director at the Governor's Office of Emergency Services (CalOES) discussed the collaboration between CalOES and its equivalent in the state of Baja California, through which California has provided PPE to highly impacted areas in its sister state, offered humanitarian assistance to migrants in the California-Mexico border area, and shared best practices regarding emergency management. She also spotlighted CalOES's Listos California program, which has made strides in advancing disaster preparedness in vulnerable communities throughout the state, particularly among farmworkers and other agricultural laborers. CalOES has had a variety of recent international engagements, including an emergency roundtable discussion led by the Portuguese consulate, an earthquake preparedness webinar in partnership with the Japanese consulate, a meeting with German representatives to explore cybersecurity practices, and talk of a potential working group with Catalonia, Spain that would allow for greater collaboration on emergency preparedness between the two regions.

Caroline Beteta, Chief Executive Officer at Visit California stressed the importance of international traveler spending to California's economy, which has risen significantly since the United States reopened its air and land borders to fully vaccinated travelers from an approved list of countries. She explained that while Visit California awaits further recovery in international sectors it is focusing on its domestic promotional program, in addition to utilizing its priority markets tool to identify and target the top international markets for immediate travel recovery. She also mentioned the important role played by the World Travel and Tourism Council and the Travel and Tourism Advisory Board at COP26 and called for a shift to more sustainable travel as pandemic recovery continues.

Lieutenant Governor Eleni Kounalakis asked CEO Beteta about pre-pandemic spending by international travelers and how that corresponded to the number of visitors. CEO Beteta stated that international travelers account for 6% of total visitation but 18% of travel spending, noting that the number of visitors is difficult to estimate given the variety of forms of international border crossings.



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D. Outcomes from California's Participation at the COP26 Climate Event in Glasgow, Scotland and Additional Updates

<u>David Hochschild, Chair at the California Energy Commission (CEC)</u> stated that some of the top priorities of the CEC are decarbonization in Lithium Valley, expansion of transportation electrification infrastructure, and building offshore wind infrastructure. He spoke of his opportunities to learn about offshore wind while in Scotland for COP26, and expressed his optimism about the future of the offshore wind project that will be located off of California's Central Coast. Regarding the CEC's international engagements, Chair Hochschild mentioned his meetings at COP26 with multiple international delegations, including those from Israel and Germany. He also noted the success of the annual <u>California-Germany Bilateral Energy Conference</u>, which was held virtually, and meetings with Baja California, which showed promising alignment on climate and renewable energy goals.

Karen Ross, Secretary at the California Department of Food and Agriculture (CDFA) emphasized the importance of international trade to California's agricultural sector and addressed the ongoing supply chain issues, adding that they have compounded the existing disruptions to agricultural trade resulting from the previous Trump Administration tariffs, the COVID-19 pandemic, and the current state of drought in California. She highlighted the success of virtual trade and buying events facilitated by CDFA and other state partners, including 40 global virtual trade events which resulted in an estimated \$23 million in new sales. Secretary Ross then spoke of CDFA's recent international activities, which included an in-person delegation to a trade show in Guadalajara, Mexico, multiple international webinars focused on climate smart agriculture, and meetings with the Dutch Embassy of Washington, DC. She also mentioned that CDFA will be leading a California delegation to the Winter Fancy Food Show in Las Vegas in January 2022. At COP26, Secretary Ross attended events focused on methane emission reductions, healthy soil, and biodiversity, among other areas of interest. She also met with agricultural ministers from Ireland and Scotland.

Jared Blumenfeld, Secretary at the California Environmental Protection Agency (CalEPA) applauded the representation of California civil society, academics, NGOs, businesses, and governments at COP26. He stated that California is a leader in methane emissions, recycling, and the oil and gas sector, and noted that there was a great deal of bilateral engagement with sovereign countries at the event. He called particular attention to the crucial agreement reached by the United States and China to cooperate on addressing climate issues, despite tensions between the two countries. Secretary Blumenfeld then spoke of CalEPA's role in the interagency process to identify and refine the state's 2022 climate priorities, California's leadership in the Under 2 Coalition, and his meetings with the new governor of Baja California and her staff. Secretary Blumenfeld announced that Bidtah N. Becker would be joining CalEPA as the Deputy Secretary for Environmental Justice, Tribal Affairs, and Border Relations. He highlighted new funding for the US EPA from the US-Mexico-Canada Agreement, as well as funding for cross-border water quality issues that was allocated by SB 170.



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Lianne Randolph, Chair at the California Air Resources Board (CARB) discussed the agency's air quality work, which has involved engagement with international partners in Mexico, India, South Korea, China, and Sweden. There has also been a heavy focus by CARB on zero-emissions transportation, with engagement between California and Canadian officials that included a meeting with the Consulate General of Canada in San Francisco to discuss future goals and avenues for partnership. There is also ongoing dialogue with Quebec, New Zealand, and Panama regarding the implementation of a climate pricing structure. The Chair also discussed a partnership between the Confederation of Indian Industries (CII) and CARB on matters related to clean air collaboration. At COP26, much of Chair Randolph's participation was related to transportation; California participated in a declaration signed by over 100 stakeholders to achieve 100% zero-emission vehicle sales by 2035. Chair Randolph met with federal partners to discuss strengthening the resilience of global energy supply chains and connected with the UK Transport Minister and representatives from New Zealand to discuss implementation strategies for California's transition to zero-emissions vehicles. She lauded the progress made by the Global Methane Pledge, to which the United States was a key signatory.

E. Public Comment

No public comment.

F. Closing Comments from the Chair

<u>Lieutenant Governor Eleni Kounalakis</u> thanked the committee members for their contributions to the meeting. She concluded the meeting by highlighting her recent opportunity to witness the presentation of the 2021 Nobel Prizes to the four awardees from California research institutions, noting that three of them were foreign-born.

G. Adjournment

The meeting was adjourned at 3:27 PM.