

STATE OF CALIFORNIA • OFFICE OF GOVERNOR GAVIN NEWSOM

Gavin Newsom

**Dee Dee Myers** Senior Advisor and Director

> Emily Desai Deputy Director

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

**Committee Meeting** 

Thursday, July 27, 2023 12:00-2:00 PM

CalEPA Headquarters Building – Byron Sher Auditorium 1001 I St. Sacramento, California 95814

Virtual Access Provided via Webcast on CalEPA Website

# **MINUTES<sup>1</sup>**

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**, 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

**Yana Garcia**, Secretary, California Environmental Protection Agency

**Toks Omishakin**, 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

<sup>&</sup>lt;sup>1</sup> For a more complete record of the July 27, 2023 International Affairs and Trade Development Interagency Committee meeting, please access the full recording on the <u>Publications</u> page of the GO-Biz website.



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# A. Call to Order and Roll Call

<u>Chair Eleni Kounalakis, Lieutenant Governor</u>, called the meeting to order at 12:36 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.

Maria Onorato, Foreign Direct Investment Program Manager at the Governor's Office of Business and Economic Development (GO-Biz), called roll:

Member	Agency	Present or Representative
Chair Eleni Kounalakis	Lt. Governor of California	Present
Vice Chair Dee Dee Myers	GO-Biz	Emily Desai
David Hochschild	CEC	Patricia Monahan
Karen Ross	CDFA	Present
Wade Crowfoot	CNRA	Amanda Hansen
Nancy Ward	OES	Lisa Mangat
Yana Garcia	CalEPA	Shereen D'Souza
Toks Omishakin	CalSTA	Not Present
Caroline Beteta	Visit CA	Ryan Becker
Samuel Assefa	OPR	Present
Liane Randolph	CARB	Present

The <u>December 6, 2022 interagency meeting minutes</u> were approved.

# B. Chair & Vice Chair's Opening Remarks

<u>Lieutenant Governor Eleni Kounalakis</u> summarized her recent engagement with foreign dignitaries, including heads of state, ambassadors, and governors from multiple countries. She also noted the significance of the European Union's new Diplomatic Mission in San Francisco, the first of its kind to be located outside of a national capital.

<u>Emily Desai, Deputy Director of International Affairs and Trade for the California Governor's Office of</u> <u>Business and Economic Development (GO-Biz)</u> reviewed recent foreign direct investment (FDI) attraction efforts, particularly those related to the annual SelectUSA Investment Summit and its various spinoff events. She highlighted the importance of FDI to California's economy, particularly as the number one state for jobs supported by FDI. She also provided an update on California's Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES), which recently submitted its application to the U.S. Department of Energy with the hope of becoming a regional hydrogen hub. Emily concluded by reviewing recent successes by small businesses that have received funding through the State Trade Expansion Program (STEP) for export activities.



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### C. Outcomes from California's Clean Energy and Climate Delegation to Japan

<u>Lieutenant Governor Eleni Kounalakis</u> provided an overview of the Japan Trade Mission that took place in March 2023, with an emphasis on the size and diversity of the delegation, which was focused on clean energy, tourism, and agriculture. She listed her various government and bilateral engagements that took place during the mission, including meetings with the Mayor of Tokyo and the Vice Governor of Osaka, as well as multiple Memorandum of Understanding (MOU) signings. She also noted the large-scale attendance and impact of the two events that were organized and hosted by the California delegation: the California-Japan Climate Summit and the California-Japan Trade and Investment Forum.

<u>Emily Desai, Deputy Director of International Affairs and Trade for the California Governor's Office of</u> <u>Business and Economic Development (GO-Biz)</u> detailed the positive outcomes for the small businesses that participated in the trade mission, which total \$1.4 billion in anticipated sales. She reiterated the importance of California's new Japan Trade Desk established in partnership with Keidanren, Japan's top business federation. She also remarked upon the high-profile private sector agreements that took place during the mission, including a deal between Tokyo Gas and Principle Power, a California small business.

<u>Karen Ross, Secretary of the California Department of Food and Agriculture (CDFA)</u> began by acknowledging the important partnership between CDFA, California Grown, and Visit California in planning and executing the Japan Trade Mission. She explained that CDFA's broader goals for the mission were to establish new opportunities *and* reconnect with longtime trade partners, which they were able to accomplish by holding discussions with Japanese counterparts on climate-smart agriculture, hosting public events like a Taste of California luncheon, and visiting multiple supermarkets to better understand the local marketing strategy.

<u>Liane Randolph, Chair of the California Air Resources Board (CARB)</u> noted that CARB has met with six delegations from Japan since March to discuss cap and trade, carbon pricing, and California's Low-Carbon Fuel Standard, among other efforts. She found that the site visits to Daikin and Toyota were particularly valuable and that the trade mission was helpful in creating a framework for engagement with other foreign partners in the future.

Patricia Monahan, Commissioner at the California Energy Commission (CEC) said the two areas that generated the most exciting engagement during the Japan Trade Mission were zero-emission vehicles and offshore wind development. She announced that the CEC is hoping to host a Japan-California offshore wind symposium, possibly alongside the upcoming Asia-Pacific Economic Cooperation (APEC) CEO Summit scheduled to take place in San Francisco in November 2023. She also mentioned that the CEC is exploring a potential Memorandum of Understanding (MOU) with their Japanese counterparts related to offshore wind development.

<u>Ryan Becker, Vice President of Communications at Visit California</u> underlined Japan's importance as a source of tourism spending in California, despite the comparatively slow recovery of Asian tourism



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markets compared to those in Europe. During the Japan Trade Mission, the tourism delegation led by Visit California met with over 100 trade executives and 50 journalists, in addition to signing Memoranda of Understanding (MOUs) with Japan's two largest tour operators.

<u>Lieutenant Governor Eleni Kounalakis</u> concluded the discussion by emphasizing the difficulty of planning and executing successful trade missions at this scale, explaining that this makes it crucial to be very deliberate in the locations and partners that are selected for these missions.

# D. Updates from Committee Members on International Engagement & Priorities

<u>Lieutenant Governor Eleni Kounalakis</u> said that, as Honorary Chair of the APEC Summit Planning Committee, she has been busy supporting the organizers of the event with their planning and fundraising efforts. She sees it as a valuable opportunity to showcase the Bay Area, and California more broadly, as an attractive business environment.

<u>Karen Ross, Secretary of the California Department of Food and Agriculture (CDFA)</u> told the committee that CDFA has hosted three inbound delegations from the Middle East, South Africa, and Southeast Asia, in addition to sending its own outbound delegation to Denmark and the Netherlands. These will be followed by an additional four inbound delegations in the coming months, as well as an outbound delegation to New Zealand in October, which will focus on climatesmart agriculture. She also provided a readout of the Salinas Biological Summit held in June, which had representatives from ten foreign countries present. Other initiatives include CDFA's ongoing partnership with Western Growers and a recent series of community college seminars focused on ag-tech.

<u>Shereen D'Souza, Deputy Secretary for Climate and Intergovernmental Relations at the California</u> <u>Environmental Protection Agency (CalEPA)</u> listed recent and upcoming Memoranda of Understanding (MOUs) that CalEPA is signing. She clarified that while Secretary Garcia will not be attending COP 28 in Dubai, CalEPA is helping to organize the delegation, and the Secretary will be attending New York Climate Week and the APEC Summit in San Francisco. She noted that transboundary pollution negatively impacts water quality, which has been particularly visible lately due to beach closures in Southern California. She also disclosed that the ongoing development of an MOU between the United Kingdom and California features climate as a central element.

<u>Amanda Hansen, Deputy Secretary of Climate Change at the California Natural Resources Agency</u> (<u>CNRA</u>) relayed that Secretary Crowfoot traveled to London and met with climate officials, and that he will be attending COP 28 in November 2023. She also highlighted CAL FIRE's partnership with its counterparts in British Columbia and Portugal, in addition to a planned conversation with Chinese partners in August that will focus on nature-based solutions.

<u>Patricia Monahan, Commissioner at the California Energy Commission (CEC)</u> announced that the CEC is working on a smart charging Memorandum of Understanding (MOU) with the Netherlands. She also gave a summary of the 36<sup>th</sup> Electric Vehicle Symposium and Exposition (EVS36), which was held



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in Sacramento in June and featured its largest ever audience. The CEC is also exploring a Memorandum of Understanding (MOU) with Norway related to offshore wind, following Chair Hochschild's recent visit, and working to organize a mission to Denmark focused on energy efficiency. Vice Chair Siva Gunda plans to participate in the upcoming Fourth Clean Energy Ministerial, which will be held in Goa, India.

<u>Liane Randolph, Chair of the California Air Resources Board (CARB)</u> noted California's longstanding relationship with Mexico and explained that the Advanced Clean Fleets implementation team is largely focused on the border region; there will also be CARB staff present at the Mexico Carbon Forum. Other international engagements have included a visit to Brussels to discuss charging infrastructure, participation in a high-level dialogue between the U.S. and China, and best practice-sharing with international partners during the 36<sup>th</sup> Electric Vehicle Symposium and Exposition (EVS36) that was held in Sacramento in June.

Lisa Mangat, Chief Deputy Director at the California Governor's Office of Emergency Servies (Cal OES) stated that Cal OES has welcomed 14 delegations this year, many of them building on existing Memoranda of Understanding (MOUs) with foreign partners. Cal OES continues to strengthen its cybersecurity partnership with Germany and is planning for a potential in-person meeting this fall. She also highlighted the role that Cal OES played in coordinating the deployment of Los Angeles Fire Department members to Turkey following their devastating earthquakes. During the severe winter storms in California, Cal OES also provided daily reports to California's foreign consulates in order to keep them safe and informed. She concluded by mentioning Cal OES's important role in the upcoming APEC Summit, noting that the State Threat Assessment Center (STAC) has received 99 vetting requests for inbound foreign delegations so far this year, and anticipates many more.

<u>Ryan Becker, Vice President of Communications at Visit California</u> reviewed Visit California's recent CEO mission to Europe, which involved meeting with top tour operators in key markets such as the United Kingdom and France. This will be followed by a trade manager sales mission to China in August. Not only did California have the largest delegation to IPW 2023, the largest travel trade convention in the U.S., but the 2024 edition will be hosted in Los Angeles. Airlift from many markets has recovered to pre-pandemic levels, but inbound travel from China remains low. The strength of the U.S. dollar is a barrier for foreign travelers, who name the cost of travel as their top concern when selecting a location. Long visa wait times also pose serious challenges for foreign travelers.

<u>Samuel Assefa, Director of the Governor's Office of Planning and Research (OPR)</u> began by explaining that OPR frequently engages with international partners to exchange ideas; this exchange is sometimes formalized in Memoranda of Understanding (MOUs) on specific areas of collaboration. OPR hosted a delegation from Singapore to discuss regulatory issues around labor- and climaterelated economic development opportunities. The Strategic Growth Council (SGC), which sits within OPR, also recently hosted the Malaysian Energy Agency and an Australian climate delegation. On military matters, OPR engages with the Governor's Military Council and the U.S. Department of Defense to review land use conflicts related to foreign investment in property located near military



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outposts. In upcoming events, OPR will be organizing a smart mobility mission to the Netherlands in the fall.

# E. Closing Comments from the Vice Chair

Emily Desai, Deputy Director of International Affairs and Trade at the California Governor's Office of Business and Economic Development (GO-Biz) announced the newly established Immigrant Integration portfolio within the GO-Biz International Affairs and Trade Unit and stressed its important role in generating economic mobility and opportunity for California's immigrant populations; she noted that the request for proposal (RFP) for its one-time Local Immigrant Integration and Inclusion Grant closes on July 28, 2023. She also told the committee that California is in the process of renewing its agreements as part of the China Trade and Investment Network (CTIN).

# F. Closing Comments from the Chair

<u>Lieutenant Governor Eleni Kounalakis</u> recognized the valuable contributions of Ambassador Liliana Ferrer since her appointment as Consul General of Mexico in Sacramento in 2017. She thanked the Ambassador for her continued partnership in maintaining the crucial relationship between California and Mexico.

#### G. Public Comment

Jimmy Kishimori, Consul General of Japan in San Francisco thanked the interagency committee for its efforts in coordinating California's international affairs, including the Japan Trade Mission, which he had the opportunity to join. He emphasized the important relationship between California and Japan, particularly in relation to climate. He concluded by relaying his appreciation to the organizers of the trade mission on behalf of the Japanese government.

<u>Ambassador Liliana Ferrer, Consul General of Mexico in Sacramento</u> said that her time as Consul General in Sacramento has served as a great learning experience in diplomacy and thanked the committee members for their wonderful partnership and friendship.

#### H. Adjournment

The meeting was adjourned at 2:01 PM.