

Minutes
Advisory Committee on International Trade
Virginia Economic Development Partnership
August 4, 2020
Electronic Meeting via Teams Meeting Platform
Richmond, VA 23219

Call to Order

The meeting was called to order at 10:03 a.m. by Mike Ligon, Chairman of the VEDP Advisory Committee on International Trade.

Members Present: Bob Feeser
 Nick Jiannas
 Mike Ligon
 Stuart Malawer
 Ned Masee
 John Milliken
 Secretary Bettina Ring
 David White
 James Xu

Members Absent: Tag Greason

Staff Present: Stephanie Agee
 Lindsay Barker
 Lindsey Bertozzi
 James Canup
 Jason El Koubi
 Carolyn Elliott
 Sandi McNinch
 Christy Morton
 Mary Wood

Guests Present: Sarah Clegg, Amanda Kalyan, Charles Kennington, Kim McKay

Welcome

Chairman Ligon welcomed everyone to the second electronic meeting of VEDP's Advisory Committee on International Trade. He said that due to the Governor's declared state of emergency in March regarding the potential spread of COVID-19, it is unsafe for the Committee to assemble in a single location. Chairman Ligon explained that the Committee is permitted by the Virginia Freedom of Information Act, as amended by the State Budget, to meet by electronic means without a quorum of the members being physically assembled at one location. He said that today we can be in a second state of emergency due to Tropical Storm Isaias.

Chairman Ligon noted that the Committee members were gathered in a Teams environment that was open to the public. Everything on the public Teams environment would be recorded and the recording would be posted on the VEDP website. The agenda suggests that the Committee will enter into a closed meeting for a portion of the meeting. When the Committee is

ready to enter into a closed meeting, the Committee members and VEDP support staff necessary to support the closed meeting will leave the public Teams environment and gather in a separate Teams environment. When the closed meeting is concluded, the Committee members will rejoin the public Teams environment and the public portions of the meeting will continue. Should anyone from the public get disconnected from the public Teams environment and be unable to re-engage, he or she should call (804) 393-0290 and speak to Lindsey Bertozzi. Chairman Ligon said that they will do their best to re-engage and will halt the public portion of the meeting until the connection can be re-established.

The Chairman then shared a reminder of a few things that will be different than the in-person meetings:

- Everything on the public Teams environment will be recorded and the recording will be posted on VEDP's website.
- All votes will be taken by roll call.
- Use the mute function, unless you are speaking—and remember to unmute at the appropriate time.
- During the public comment period, any member of the public wishing to make a comment may simply unmute and speak at that time or use the Chat function and ask to be given an opportunity to speak.
- Likewise, during the meeting, Committee members may simply unmute themselves to speak or use the Chat function.

Public Comments

Chairman Ligon solicited for public comments. There were none.

Review and Approval of June 2, 2020 Minutes

After review of the June 2, 2020 minutes, Chairman Ligon asked for a motion to approve the minutes. A motion was made by Ned Masee to approve the minutes. The motion was seconded by Bob Feeser. Sandi McNinch, VEDP General Counsel, conducted a roll call for approval of the minutes. The Committee unanimously approved the minutes via the roll call.

Yeas: Bob Feeser
 Nick Jiannas
 Mike Ligon
 Ned Masee
 John Milliken
 Secretary Bettina Ring
 David White
 James Xu

Nays: None

Abstained: None

Absent: Tag Greason
 Stuart Malawer (absent for vote)

Closed Meeting – VEDP International Trade Plan Discussion

Chairman Ligon requested that the Committee move into a closed meeting for discussion about the International Trade Plan. A motion was made by Ned Masee to move into a closed meeting and was seconded by David White. Sandi McNinch, General Counsel, voiced the following motion for adoption by the Committee to enter into a closed meeting. The following motion was unanimously adopted by the Committee via roll call vote conducted by Sandi McNinch.

I MOVE THAT THE ADVISORY COMMITTEE ON INTERNATIONAL TRADE OF THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(50) TO ENGAGE IN A DISCUSSION OR CONSIDERATION OF THOSE PORTIONS OF VEDP'S STRATEGIC PLAN, MARKETING PLAN OR OPERATIONAL PLAN, THAT MAY RELATE TO TARGET COMPANIES, SPECIFIC ALLOCATION OF RESOURCES AND STAFF FOR MARKETING ACTIVITIES, AND SPECIFIC MARKETING ACTIVITIES THAT WOULD REVEAL TO THE COMMONWEALTH'S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH, THEREBY ADVERSELY AFFECTING THE FINANCIAL INTEREST OF THE COMMONWEALTH.

Yeas: Bob Feeser
 Nick Jiannas
 Mike Ligon
 Ned Masee
 John Milliken
 Secretary Bettina Ring
 David White
 James Xu

Nays: None

Abstained: None

Absent: Tag Greason
 Stuart Malawer (absent for vote)

Back in Open Meeting, Certification of Closed Meeting followed by Roll Call Vote

Following the closed session, Sandi McNinch voiced the following resolution for adoption by the Committee:

WHEREAS, THE ADVISORY COMMITTEE ON INTERNATIONAL TRADE OF THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY HAS CONVENEED A CLOSED MEETING ON THIS DATE PURSUANT TO AN AFFIRMATIVE RECORDED VOTE AND IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT; AND

WHEREAS, THE ACT REQUIRES A CERTIFICATION BY THIS COMMITTEE THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT;

NOW, THEREFORE, BE IT RESOLVED, THAT THE COMMITTEE CERTIFIES THAT, TO THE BEST OF EACH MEMBER'S KNOWLEDGE, (I) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER THE ACT WERE DISCUSSED IN THE CLOSED MEETING TO WHICH THIS CERTIFICATION RESOLUTION APPLIES, AND (II) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING BY THE COMMITTEE.

The Committee approved the foregoing resolution unanimously by roll call vote, conducted by Sandi McNinch, bringing the Committee out of the closed meeting.

Yeas: Bob Feeser
 Nick Jiannas
 Mike Ligon
 Stuart Malawer
 Ned Masee
 John Milliken
 Secretary Bettina Ring
 David White
 James Xu

Nays: None

Abstained: None

Absent: Tag Greason

General Assembly Update

Christy Morton, VEDP VP of External Affairs, shared contact information with the Committee for the various legislators in the different regions of Virginia. She suggested that during the pandemic, it is a good time to reach out and develop relationships with legislators in their regions. VEDP is providing contact information for legislators in their regions, GO Virginia, money committees, etc. The ACIT members represent only three regions of Virginia. Ms. Morton said that talking points have been developed and will be sent out later to each committee member for discussion topics with their region legislators. These talking points will include trade, economic development in Virginia and how trade plays a part of that development. She said that if any of the Committee members would like to see something additional included, to please let her know.

Update on VEDP International Trade Programs and Activities

Stephanie Agee updated the Committee on the adaptive measures that the International Trade team has taken to service their clients. While in-person meetings are preferred by clients, due to COVID-19, international travel is not feasible with only a few countries allowing U.S. travelers to enter with a visa or quarantine upon landing. The answer to how VEDP International Trade can continue to serve its clients while in-person meetings and international travel are not happening is via virtual meetings. Ms. Agee gave examples of virtual meetings vs. in-person travel. One of International Trade's clients was skeptical of a virtual meeting but with the expertise of Trade's international in-country partner, successful meetings were scheduled and took place with a

successful sale for the U.S. client. This company and others are pursuing further virtual meetings to expand their international trade business, illustrating that international business can be done without travel. The International Trade team is working with their in-country partners and clients to alter trade missions scheduled for the remainder of 2020 to either a virtual platform or reschedule for a time when in-person meetings are possible. David White stated that he understands how virtual can be successful and opens opportunities for trade. He cited an example that he had with a German company and how conversations got started virtually to lay the groundwork for a relationship until international travel is possible.

Ms. Agee gave an update on the VALET program, sharing that the six-month cycle for graduating companies that have completed the two-year program and bringing onboard new companies has not changed with the COVID-19 pandemic. The incoming July 2020 class is ready to get started with a virtual orientation scheduled for September 9-10, 2020. Ms. Agee shared a list of companies for the July 2020 graduating class as well as the incoming class. One of the VALET program co-managers resigned in May 2020 and a replacement has been hired. Richard Miller will join the International Trade team as a VALET Program Manager on August 24, 2020, bringing much experience in the international trade arena with him. International Trade is still down in two other positions and, hopefully, these can be filled in the not too distant future.

Stephanie Agee shared that International Trade conducted interviews with over 20 trade clients and shared their comments with the Committee. This survey was to get companies' perspective on the impact of the pandemic to their businesses. The clients shared that they are looking forward to resuming international travel. John Milliken, as a follow-up item, suggested that it would be interesting for International Trade to get more details for the VALET companies and the types of businesses that they are in, such as manufacturing, products, service, etc., and how their businesses have changed over the last five years. Ms. Agee said that she will get that information for the Committee and share it at the next ACIT meeting.

Presentation and Update on the U.S./U.K. Free Trade Agreement

Stephanie Agee introduced guest speaker, Amanda Kalyan, Senior Trade Policy Advisor with the British Embassy in Washington, D.C. Ms. Kalyan works with U.K. policy development and to oversee a successful passage of the U.S./U.K. Free Trade Agreement. Ms. Kalyan then introduced Sarah Clegg, also with the British Embassy, to elaborate on negotiations of the US-UK Free Trade Agreement (FTA). Ms. Clegg explained that the launch of negotiations for the FTA had been delayed due to the Brexit controversy, the elections, and then the COVID-19 pandemic. The negotiations started on May 5, 2020 and for the first time ever, the trade negotiations were conducted virtually. The negotiations are being conducted in a six-week cadence of rounds. The first round centered around objectives for the FTA. The second round concerned laying text and provisions regarding small and medium-sized enterprises. Round three centered around converging text. Ms. Clegg said that there is no projected deadline to end the negotiations as they want to make sure that the FTA is future-based. They do not want to compromise ambition for pace. She acknowledged that the Trade Promotion Authority for the U.S. President expires in July 2021.

Stuart Malawer questioned if there had been discussion about dispute resolutions. Ms. Clegg said, yes, but not at the stage where they have reached resolution on that topic.

Stephanie Agee asked if there were any specific issues regarding the FTA negotiations that kept Ms. Clegg up at night. She replied that there are areas where the U.K. has real ambition

but knows these may be difficult for U.S. negotiators, such as business mobility, government procurement and agriculture.

Mike Ligon, working in the agricultural space, asked if Ms. Clegg could elaborate on where the agricultural sensitive areas lie. She replied that agriculture was a sensitive issue with the U.K. and U.S., and they are working to find areas where they can work together on tariffs. As the British farmers leave the EU, this will change the way economic subsidies work. The U.K. government has a keen eye on the environment and climate change and will work in a way that supports farmers to use innovative technologies. There are different standards in the U.K. vs. the U.S.

Sarah Clegg then turned the meeting over to Amanda Kalyan. Ms. Kalyan discussed U.K. relationships and coordination with Virginia. She attended the Virginia Conference on World Trade last year when the Virginia Governor announced the International Trade Plan. She also attended VDACS meetings and a Virginia Chamber of Commerce meeting with Barry DuVal during her trip to Virginia last year. She noted that the U.K. and Virginia enjoy an exporting relationship and that the U.K. is Virginia's second largest export destination, with \$2.6 billion of exports going to the U.K. each year. The exports include aero-space products, resins and synthetic fibers and wood products. Ms. Kalyan discussed a Maryland initiative on cyber security and life sciences with East Midlands in the U.K. They started a partnership with exchange of best practices and information sharing based on a series of MOUs. Maryland has now opened an office in London to oversee the MOUs and to look for other opportunities. The Washington, D.C. Government Economic Development office reached out to her office and they did a sector analysis and set up a virtual roundtable around areas of opportunity. Regarding agreements, Stuart Malawer shared that states can sign agreements with foreign governments in foreign provinces. Ms. Kalyan said that there are partnerships and MOUs but that trade agreements cannot be negotiated between a U.S. state and a foreign country. Mr. Malawer then asked if, before the U.K. left the EU, was the foreign ministry more or less active in dealing with individual states in the U.S. Ms. Kalyan replied that there had been some complacency in this area with business not being fully cultivated. She noted that the U.K. has not had an independent trade policy for 70-plus years, while the country was a member of the EU. She asked the Committee members to let her know if they would like for her to set-up any meetings.

Questions and Answers

Bob Feeser said that this was an informative meeting and he enjoyed the U.K./U.S. trade work and how it applies at the state level.

Secretary Bettina Ring said that having been involved with the International Trade Plan, she was aware that there had been a lot of information sharing going back and forth with the U.K. and U.S.

David White said this was a constructive meeting with the U.K. representatives and their discussions. He suggested that the cancellation of the Atlantic Coast Pipeline project might be a topic for a future meeting, regarding industries that rely on natural gas and how the loss of the pipeline could affect businesses, including their expansion and the ability to attract new businesses to Virginia. Some of the companies affected might also be involved in international trade. Chairman Ligon said that they would put this on the agenda for the next meeting.

Stuart Malawer commented that it would be good to look for a means to get the Governor more involved in trade and that contact with the Virginia Congressional delegation should be pursued more actively.

Chairman's Update

Mike Ligon offered a recap of the meeting and encouragement to the Committee to stay engaged. Despite the legislative decision on the ITP budget, the Committee forges ahead. The Committee needs to seek ways to support VEDP and show the legislature the importance of international trade, not only during normal times but during the pandemic. There are a lot of opportunities for international trade. The ACIT is a resource to VEDP and the Commonwealth and needs to reach out to exporting companies, informing them of the services and export assistance tools available. The ACIT needs to communicate regarding funding and building interest in the trade plan, engaging with Virginia's congressional representatives.

John Milliken requested that Don Beyer be added to the list of important contacts within the Virginia Congressional delegation, as he is involved with any trade policy issues. Mike Ligon shared that he is involved with some economic development ideas in Africa and that Senator Kaine is on an important subcommittee that could be impactful in this area. He would like to engage on this and any other opportunities between the Commonwealth and some of these other countries.

Stuart Malawer commented that contact with congressional delegations is important. He suggested a virtual meeting with Senators Warner and Kaine be scheduled. Chairman Ligon concurred with Mr. Malawer as well as Stephanie Agee. Ms. Agee said that she would work with Christy Morton, VEDP's External Affairs VP, to set up virtual meetings with the appropriate congressional delegations.

Adjournment

With no other comments, Chairman Ligon moved that the meeting be adjourned. David White made the motion that the ACIT meeting be adjourned. Ned Masseur seconded the motion.

James Canup (Jamie), Assistant General Counsel, conducted a roll call to adjourn the meeting. By unanimous roll call, the meeting adjourned at 12:09 p.m.

Yeas: Bob Feeser
 Nick Jiannas
 Mike Ligon
 Stuart Malawer
 Ned Masseur
 John Milliken
 Secretary Bettina Ring
 David White
 James Xu

Nays: None

Abstained: None

Absent: Tag Greason