

**Minutes
Advisory Committee on International Trade
Virginia Economic Development Partnership
April 8, 2025**

**9th Floor, Board Room
901 E. Cary Street
Richmond, Virginia 23219**

Call to Order

The meeting was called to order at 10:19 a.m. by Mike Ligon, Chairman of the VEDP Advisory Committee on International Trade.

Members Present:

Hobey Bauhan
Michael Coleman
John Huddle (Virtual)
Mike Ligon, Chair
Will Sessoms
David White (Virtual)

Members Absent:

Bob Feeser
Tag Greason
Anne Marie Lacourse
Secretary Lohr

Staff Present:

Stephanie Agee
Lindsey Bertozzi
Jamie Canup
Kevin Farrelly
Stephen Hartka
Eric Jehu
Julie Richmond
Monica Sadie
John Sauls
Mary Wood

Guests Present:

David Olave, Associate and Trade Policy Advisor, Sandler, Travis & Rosenberg, P.A. (Virtual)

Public Present:

Brad Kutner, Radio IQ wvtf Music npr; Charles Paullin, CP; Cameron Thompson, Channel 6; Jamal Williams, abc8WRIC; Gregory S. Schneider, The Washington Post

Welcome and Chairman's Remarks

Chairman Mike Ligon welcomed everyone to the meeting at 10:19 a.m. He thanked the VEDP staff and Advisory Committee for all of their efforts, as well as the representatives from several media outlets who were in attendance. He commented that it was good to have them at the meeting and encouraged them to inform the public of the importance of international trade.

Chairman Ligon reviewed the agenda, including an important and timely update on tariffs from David Olave, a trade policy expert from Sandler, Travis & Rosenberg based in Washington, DC. He mentioned that it was important to have a neutral party reporting out on the facts around what is happening with tariffs and their potential impacts.

Public Comments

Chairman Ligon solicited for public comments. There were none.

Review and Approval of February 4, 2025, Meeting Minutes

Due to a lack of in-person committee attendees for a quorum, review and approval of meeting minutes from the February 4, 2025 ACIT meeting was postponed to June.

Trade Policy and Tariffs Presentation and Discussion

David Olave, Associate and Trade Policy Advisor for Sandler, Travis & Rosenberg, P.A. provided a detailed presentation on the recent announcement of new tariffs on imports into the U.S. He first stated that his presentation was meant to facilitate dialogue and should not be taken as legal advice. He explained that the situation is very fluid, as proposed tariffs continue to change frequently. He remarked that President Trump is taking a more aggressive approach with tariffs, especially targeting China with the recent announcement. The Administration believes in an America-First approach and is pursuing that approach via tariffs on imports. One of the administration's stated goals is to promote investment in manufacturing and production in the U.S. to benefit American workers.

Mr. Olave further described the dynamics between the administration and Congress, noting that in recent years Congress had ceded much of their oversight of trade policy to the Presidency and that the Senate was currently trying to gain some of that control back. Mr. Olave stated that the law that the Trump administration is basing the recently announced tariffs on is the International Emergency Economic Powers Act (IEEPA), which the administration believes allows the President to unilaterally implement tariffs due to emergency conditions. He then described the tariffs announced in February and in April, and how the April tariffs were calculated for each impacted country.

In considering potential changes to the tariffs announced so far, Mr. Olave said he believes the reciprocal tariffs announced on April 2 will remain in place for the near future, with no countries exempted. China is being particularly singled out, with tariffs on Chinese imports as of April 8th approaching almost 100%. The Administration has also threatened additional actions targeting the Chinese ship-building industry in an effort to bolster the industry in the U.S. and this could result in additional fees on products transported by Chinese-built ships and in Chinese-built containers.

Mr. Olave noted that some U.S. trading partners were starting to announce their responses to U.S. tariffs, including China and the EU, and others may follow soon despite President Trump's warning that retaliation will lead to higher U.S. tariffs. He mentioned that President Trump has also indicated he is open to negotiating with trading partners and that we should expect to see more bilateral, rather than multilateral, trade deals in the future.

Mr. Olave explained that trade policy today and in recent years is being implemented much differently than 25-40 years ago. Previously free trade was broadly viewed as positive while today there is a more skeptical view of the benefits of trade and more protectionist policies are being implemented, as well as policies that respond to unfair trading practices by other countries.

To mitigate the impact of new tariffs on imported goods, Mr. Olave said companies should understand how their imports are classified, look for more beneficial classification categories, paying close attention to origin, product valuation, and options for products to qualify for duty free status. In terms of new opportunities for exporters, Mr. Olave discussed the potential for new trade deals and the potential to fix some of the unfair trading practices that disadvantage U.S. exporters.

The Chairman thanked Mr. Olave for his presentation. He noted that Virginia's International Trade Plan focuses on both imports and exports and that both are important to Virginia's economy. He stated that he believes in the connection between strong international trade and national defense and that tariffs may impact this balance.

Stephanie Agee thanked Mr. Olave for his presentation and analysis. She noted the importance of services exports in Virginia and asked what the potential is for the European Union to retaliate against U.S. tariffs on imported products with restrictions targeted at U.S. services exports, particularly those of major technology firms. Mr. Olave commented that President Trump's primary focus when thinking about trade is on goods rather than services. He said he did not know if the EU would react with restrictions that could impact U.S. technology and service companies.

Closed Session

Chairman Ligon requested that the Committee move into a closed meeting at 11:09 a.m. A motion was made by Will Sessoms and seconded by Hobey Bauhan. Jamie Canup, Assistant General Counsel, voiced the following motion for adoption by the Committee to enter into a closed meeting. The following motion was unanimously adopted by all the Committee members present.

I MOVE THAT THE ADVISORY COMMITTEE ON INTERNATIONAL TRADE OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING TO DISCUSS SPECIFIC STRATEGIES PURSUANT TO SUBDIVISION A 50 OF §2.2-3711 OF THE CODE OF VIRGINIA, WHICH ALLOWS FOR THE DISCUSSION OF ACTIVITIES RELATED TO THE STRATEGIC PLAN THAT WOULD REVEAL TO COMMONWEALTH'S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH.

Upon the return to the open meeting, the Committee members considered the following

certification:

DO YOU CERTIFY, THAT TO THE BEST OF YOUR KNOWLEDGE, (i) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM THE OPEN MEETING REQUIREMENTS OF FOIA WERE DISCUSSED IN THE CLOSED MEETING, AND (ii) ONLY SUCH MATTERS AS WERE IDENTIFIED IN THE MOTION TO GO INTO THE CLOSED MEETING WERE HEARD, DISCUSSED, OR CONSIDERED DURING THE CLOSED MEETING?

The Committee approved the foregoing certification by roll call vote, bringing the Committee out of the closed meeting at 12:17 p.m.

Yeas: Chairman Mike Ligon, Hobey Bauhan, Michael Coleman, John Huddle, and David White

Nays: None

2024 Virginia Export and Import Data

Stephanie Agee reviewed 2024 Virginia exports and imports data. She noted the top three exported products were coal briquettes, soybeans, and integrated circuits. She commented that Virginia's top export destination was Canada, and its top source of imports was China. Total Virginia exports were down by 3% in 2024.

Ms. Agee presented Virginia import statistics, noting the top three categories were mechanical appliances, electrical machinery, and aircraft. She said that total imports into Virginia were up by 20%, which was consistent with the rest of the country and likely due to importers aiming to get ahead of tariffs.

Adjournment

Chairman Ligon said that he would continue discussions with committee members on upcoming trade-related events via email. He asked the Committee for suggestions for the agenda for the June meeting and encouraged all to continue to discuss their concerns about tariffs with Virginia's Congressional delegation. He said he would talk further with David White and other members regarding a potential communication to the VEDP Board.

John Huddle voiced his appreciation for the work of the VEDP International Trade team.

David White remarked how useful the information provided during the meeting was.

There being no further business, the meeting adjourned at 12:24 p.m.