



Northern Virginia Regional Commission

RESOLUTION

Resolution No. P13-17

PATRON: G. Mark Gibb
Executive Director
DATE: April 25, 2013

AUTHORIZATION TO SUBMIT GRANT APPLICATION TO THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP TO ASSESS, QUANTIFY AND MAP FOREIGN DIRECT INVESTMENT WITH EUROPE

WHEREAS, today the U.S. and Europe remain each other's most important markets, with the Transatlantic economy generating close to \$5 trillion in total commercial sales a year and employing up to 15 million workers in "on-shored" jobs on both sides of the Atlantic; and

WHEREAS, the Transatlantic economy is the largest and wealthiest market in the world:

- 54 percent world GDP in terms of value and 40 percent in terms of purchasing power is found in the Transatlantic economy;
- The United States' and the European Union's financial markets account for well over two-thirds of global banking assets, three-quarters of global financial services, 77 percent of equity-linked derivatives, more than 70 percent of all private and public debt securities, almost 80 percent of all interest-rate derivatives, and almost 75 percent of all new international debt securities;
- Between 2000 and 2010, U.S. firms invested roughly \$1.3 trillion into Europe – over 60 percent of total U.S. Foreign Direct Investment (FDI) for the entire decade;
- FDI with Belgium, France, Germany, Switzerland, Ireland, the Netherlands and the United Kingdom are ranked higher than with China;
- U.S. foreign affiliate income earned in Europe rose to an estimated \$196 billion in 2010;
- There is more FDI from Germany to the U.S. than from the entire EU to China;
- U.S. asset base in Germany is double that of South America;
- Europe remains the most profitable region of the world for U.S. firms; and

WHEREAS, local, regional and state economic development efforts in Northern Virginia aspire for more business, trade and investment between Virginia and Europe; and

WHEREAS, the Northern Virginia region lacks adequate information about the specific place-based effects of trade and FDI between Europe and the region, and the Northern Virginia Regional Commission believes that regional economic development in Northern Virginia can be better served by improved understanding of the specific geographic effect of FDI in the region;

THEREFORE BE IT RESOLVED, that the Northern Virginia Regional Commission authorizes the Executive Director to apply for a grant from the Virginia Economic Development Partnerships for \$65,000 to assess the local and regional effects of foreign trade and foreign direct investment between the cities and counties of Northern Virginia and the 15 largest U.S. trading partners in the European Union;

BE IT FURTHER RESOLVED, that the Northern Virginia Regional Commission authorizes the Executive Director to enter into a contract with the Virginia Economic Development Partnerships should the proposal be accepted for funding.

CERTIFICATION

The undersigned certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Northern Virginia Regional Commission's Executive Committee on April 25, 2013.

G. Mark Gibb, Certifying Officer