

ECONOMIC COOPERATION MEMORANDUM OF UNDERSTANDING

BETWEEN

THE PROVINCE OF ONTARIO

AND

THE STATE OF NEW JERSEY

This Memorandum of Understanding (the “MOU”) is entered into between the State of New Jersey in the United States of America (hereinafter “New Jersey”) and the Province of Ontario in Canada (hereinafter “Ontario”) (collectively the “Parties”).

WHEREAS, the Parties, in recognition of the substantial state-province economic activity, which includes being one of each other’s largest trading partners and targets for foreign direct investment, have established an enduring and productive relationship based on mutual interests; and

WHEREAS, the Parties share the objective of deepening their already well-established economic development cooperation and trade relations to strengthen their businesses and create jobs in both New Jersey and Ontario; and

WHEREAS, the Parties traded \$7.25 billion USD worth of goods and contributed \$11.1 million in USD in foreign direct investments in 2023; and

WHEREAS, the Parties recognize:

- the overall importance of economic relationships within North America and between the Parties;
- the advantages derived from strengthening and broadening sectors of mutually beneficial trade and investment;
- the significance of working together to create a skilled and modern workforce to meet the needs of an innovative and digital economy;
- the value of close cooperation and consultations between the Parties on economic issues to ensure open lines of communication and sharing of best practices;
- the need for collaboration between Canadian provinces and U.S. states to reduce trade barriers within their purview; and
- the importance of working together and in concert with their respective federal governments in matters of economic significance.

THEREFORE, the Parties are signing this MOU in the spirit of promoting closer relationships and to further support and work cooperatively in accordance with existing laws and treaties applicable in their respective jurisdictions on issues as set forth below:

Section 1: Areas of Cooperation

In line with the principle of mutual benefit, the Parties share the intent to cooperate with respect to the areas below. These areas of cooperation may feature more specifically in the sectoral areas of cooperation outlined in Section 2 below.

a. Economic Development and Investment

This area of cooperation promotes business interactions between the Parties, including mutual exchange of appropriate business delegations and market information as well as other cooperative activities in recognition of the importance of two-way investment. This is intended to enhance the mutual trade and investment relationship between the Parties in various sectors, including the priority sectors identified in Section 2, and help to increase existing trade flows while enabling an expansion of the basket of products and services traded. The Parties will work to address changing technology and innovations to maximize opportunities for New Jersey and Ontario, and support trade and growth.

b. Workforce Development

This area of cooperation promotes workforce and skills development in in-demand areas, particularly in the skilled trades. This area of cooperation also supports the sharing of best practices to promote workforce diversity, and support greater participation by under-represented groups, such as women and Black, Indigenous, and People of Colour (BIPOC) communities in trade. The Parties will work together to identify opportunities for strategic partnerships and alliances between community organizations, private sector companies, and academic institutions, with the goal of helping increase the number and types of people and companies benefiting from trade and investment between Ontario and New Jersey.

c. Regulatory Cooperation

Respecting each Party's existing laws and regulations, this area of cooperation helps to facilitate the sharing of regulatory best practices. Cooperation in this area is intended to reduce the regulatory burden on companies and help them to do business more easily in the other jurisdiction's market. Where appropriate, this may include supporting regulators and professional bodies interested in pursuing recognition for credentials of professions and trades.

d. Academic Cooperation

This area of cooperation focuses on facilitating the creation of new exchange programs or the enhancement of existing programs to support and encourage appropriate institutional collaboration between the academic and research institutions of the Parties.

Section 2: Priority Sectors for Cooperation

In line with the principle of mutual benefit, the Parties intend to prioritize cooperation in the sectors listed below:

a. Life Sciences:

This area of cooperation works to advance company partnerships, opportunities, economic development missions, symposia, workshops, and other relevant cooperative events; market access, early-stage company investment, finance, and support; clinical research/regulatory affairs; and research partnerships.

b. Advanced Manufacturing and Materials:

This area of cooperation promotes collaborative projects, research, and information exchange regarding innovation in advanced manufacturing, including but not limited to technology to support the development and adoption of electric vehicles which use critical mineral battery components. Such cooperation aims to spur manufacturing growth by supporting the Parties' respective regional and federal initiatives to facilitate border-to-border movement of goods and people to secure domestic supply chains and to work to share best practices and world-class expertise found in both jurisdictions.

c. Information and Communications Technologies:

This area of cooperation encompasses the areas of information technology, cybersecurity, and artificial intelligence. Activities contemplated include technology collaboration, cooperative partnership participation and collaboration, and private sector and academic institution collaboration.

d. Energy:

This area of cooperation centers on developing private and public sector opportunities for collaboration in the energy and energy-infrastructure sectors, with an emphasis on clean power generation, including nuclear energy; electrification; and innovative energy storage solutions and technologies. This area will also explore avenues to bolster the supply chain and manufacturing opportunities for the green economy among the Parties.

e. Agriculture, Agribusiness, and Agri-Food Technology:

This area of cooperation facilitates appropriate engagement and information sharing in the fields of agriculture, agribusiness including food processing, agri-food technology, and related sciences. It will support, as appropriate, a productive long-term relationship utilizing relevant public and private entities, and agri-food business partnerships, to exchange best practices, share information on responding to emerging pests and diseases, and designate areas of growth within the sector.

f. Financial Services:

This area of cooperation facilitates appropriate engagement and information sharing in areas such as banking, insurance, and financial technology (FinTech) and focuses on efforts to promote innovative financial ecosystems.

g. Sports and Tourism

This area of cooperation aims to strengthen and grow the tourism industries in Ontario and New Jersey, particularly in connection with major tourist and sporting events. It is intended to foster information sharing and collaborative activities to support the development of the sports and tourism industries of the Parties.

Section 3: Forms of Cooperation

Under the framework of this MOU, forms of cooperation may include the following:

- a. Organizing regular economic development missions and public sector visits;
- b. Undertaking specific projects, including technology and infrastructure demonstration projects;
- c. Sharing appropriate information and best practices regarding policies and programs, as well as policy design and capacity building support;
- d. Promoting cooperative research, development, and deployment projects in fields such as the life sciences and other technology between research institutes and universities;
- e. Jointly organizing symposia, seminars, workshops, exhibitions, and training;
- f. Participating in other commitments and/or initiatives, including multilateral consortia;
- g. Facilitating discussions regarding cooperation and sharing of regulatory best practices;
- h. Promoting participation and support from municipalities, regions, research institutes, universities, and non-governmental organizations, as well as other organizations; and
- i. Any other mutually acceptable forms of cooperation that contribute to the goals of this MOU.

Section 4: Government Procurement

- a. Ontario affirms its obligations under the Revised World Trade Organization Agreement on Government Procurement (WTO GPA).
- b. New Jersey will actively work towards offering Ontario suppliers treatment no less favourable than that afforded to suppliers from other U.S. states, including state-level preferences.
- c. New Jersey and Ontario agree to maintain an open dialogue regarding current and future trade related initiatives and developments.
- d. The Parties agree to prioritize and advance opportunities in their government procurement processes within the Working Group framework (outlined below in Section 5).

Section 5: Implementation & Working Group

- a. The Parties will, on a regular basis, inform and consult with one another on matters of common interest that represent opportunities for mutual benefit and are consistent with this MOU. Towards that end the Parties agree to form a working group (“Working Group”). The purpose of the Working Group is to facilitate the exchange of mutually beneficial information in an effort to increase trade and foreign direct investment, develop and improve upon existing policies, and strengthen ties between New Jersey and Ontario. Additionally, the Working Group will engage the Parties’ procurement officials to explore and advance opportunities in their respective government procurement processes to align and advance desirable procurement practices as described above (see Section 4).
- b. To oversee and implement this MOU, New Jersey designates the Department of State as the coordinating authority for all state agency interactions related to this MOU, and Ontario designates the Ministry of Economic Development, Job Creation and Trade (MEDJCT) as the coordinating authority for all provincial agency interactions related to this MOU. The above designates will also be tasked with identifying participants for the Working Group.

Section 6: Performance Metrics

- a. The Parties agree to track the effectiveness of the MOU over the term of the MOU against key performance metrics, such as:
 - i. Total two-way trade in goods by dollar value between the Parties;
 - ii. Total dollar value of Ontario-New Jersey foreign direct investment; and
 - iii. Total number of Ontario-New Jersey foreign direct investment projects.
- b. The Parties agree that in addition to the greater economic cooperation between the Parties resulting from the MOU, the key performance metrics noted above may also be influenced by a number of external factors, including (but not limited to) global economic performance, commodity prices, and currency valuations.

Section 7: Final Provisions

- a. Notwithstanding any other provision in this MOU, Ontario and New Jersey agree that this MOU is not legally binding and does not create any legal, equitable, or financial rights, obligations, or liabilities for either of the Parties.
- b. This MOU constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, between the Parties with respect to the subject matter of this MOU.
- c. This MOU is in effect from and including the date it is signed by both Parties until a Party terminates this MOU by providing 45 days’ written notice of its withdrawal to the other Party.
- d. This MOU may be modified only by written agreement of both Parties.

This MOU is signed on the 8th day of September in the year 2024 in Toronto, Ontario.

Phil Murphy
Governor
State of New Jersey

Doug Ford
Premier
Province of Ontario