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**NEW JERSEY-ISRAEL COMMISSION  
ANNUAL REVIEW  
2021-2022**

**NEW JERSEY DEPARTMENT OF STATE**

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## OVERVIEW

*Under the statutes which chartered the New Jersey-Israel Commission, it is authorized by the Legislature to report its findings, recommendations and plans directly to the Governor. This report seeks to fulfill that objective by reviewing activity from 2021, stating plans, and issuing analysis.*

- *Mission:* As defined through the Legislature, the mission of the Commission is to foster economic, scientific, educational and cultural ties with the State of Israel, one of New Jersey's most important trading partners. The Commission, under Department of State, seeks to better the state through its special relationship with Israel. This Commission is the largest in the state with 85 Members consisting of eight Legislators and 77 Public Members all by appointment of the Governor.
- *Capabilities:* Prior to 2019 under the previous administration, the Commission did not maintain an Executive Director, schedule regular meetings, or conduct day to day operations. Under Governor Murphy, and with support from Secretary of State Tahesha Way, the Commission is fully operational.
- *Productivity:* Following the increased support and operational status of the Commission, there is a historic level of New Jersey-Israel cooperation taking place with a record number of achievements, engagements, and programs.
- *Appointments:* In 2021 the Governor made a sweeping set of appointments to the Commission that brought together a highly experienced, diverse, and dynamic group that is dedicated to the Commission's core mission.
- *Cooperation:* The Commission works closely with state agencies to bring insights, innovation, and partnership opportunities from Israel to New Jersey.
- *Partnership:* Israel today is a vital economic global engine and a source of innovation worldwide that remains a key strategic partner with shared values.
- *Funding:* In 2021 the Commission received a budget for the first time, allowing it more flexibility and the ability to pursue more opportunities within its mandate.
- *Economic relations:* Bilateral trade was valued over the past year at approximately \$1.33B annually but increased significantly in 2021 to \$1.55B. Israeli businesses, particularly in technology, continue to evaluate expansion into New Jersey.
- *Academic relations:* 2021 saw a record number of academic partnerships in core areas that also advance the Governor's economic goals for the state, including most prominently, Rutgers University, Tel Aviv University, New Jersey Institute of Technology and Ben-Gurion University.
- *Scientific relations:* Recent academic partnerships, the visit of the Israeli Minister of Agriculture, and an announcement by Israel's Sheba Medical Center of its plans to open a facility in Jersey City evidence a year of powerful scientific exchange.
- *Cultural relations:* The Commission remains committed to cultural activities and completed programs as well as providing support to film, diverse community engagement, and music.

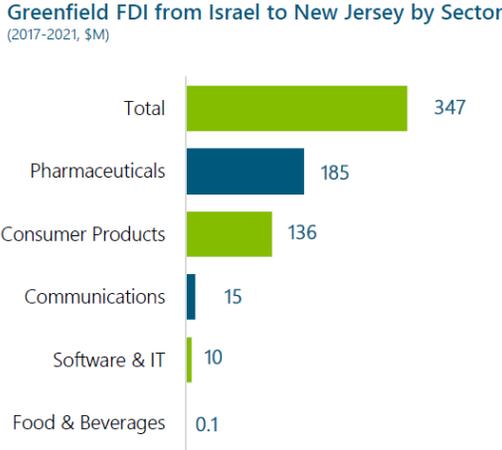
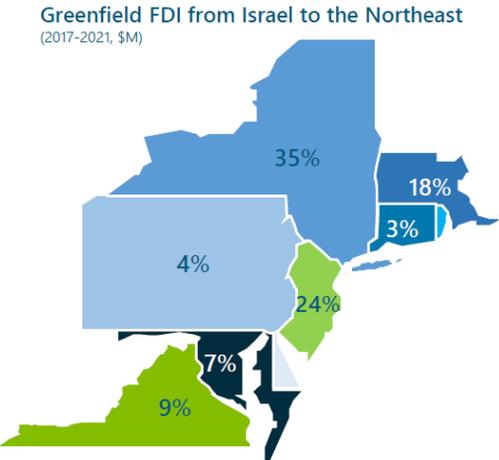
# FINDINGS

- A. While the Commission is tasked with several functions, it has kept its top priority focused on business and trade. This helps to align with the Governor’s strategic vision of “A Stronger and Fairer Economy” while increasing the added value of the Commission across the State at large. By focusing on economic opportunity, jobs and innovation through partnership with Israel, the Commission can fulfill its mandate in a broad way that touches all New Jerseyans across the spectrum.
- B. It has been effective to seek correlation between higher education partnerships with economic outcomes as a way of using Israeli innovation and academia to further the state’s innovation economy. The two main academic partnerships of 2021, Ben Gurion University-New Jersey Institute of Technology and Rutgers University-Tel Aviv University, both have a strong STEM focuses and tap into New Jersey’s competitive advantage as a research and technology focused state. In these cases, partnering around cyber security and life sciences research has a dual impact of supporting the New Jersey economy while building new academic opportunities for local students and researchers.
- C. Bilateral trade, which is affected by numerous factors, has grown steadily in recent years with a strong component of food products and technology driving business, including the life science industry. From 2021 to 2022, New Jersey-Israel trade volume increased by 16.2% from \$1.33B to \$1.55B.
- D. Foreign Direct Investment (FDI) from Israel remains strong. According to New Jersey Economic Development Authority (NJEDA) data, since the beginning of the Murphy Administration, investment from Israel to New Jersey has multiplied four times and created 1,120 jobs. New Jersey ranks second in the Northeast by attracting 24% of Israeli FDI in the region, demonstrating that the state is performing extremely well considering that first place is held by New York which has a significantly larger population and economy.



### Israeli Greenfield Investment to New Jersey

- \$443.4M**  
Israeli greenfield FDI to NJ since 2003
- 1,614**  
Jobs created in NJ by Israeli greenfield FDI since 2003
- 15**  
Israeli greenfield projects in NJ since 2003 by 15 companies
- #11**  
Israel is the 11<sup>th</sup> source country of greenfield FDI to NJ in the last 5 yrs.
- #2**  
NJ ranks 2<sup>nd</sup> in the Northeast for share of Israeli greenfield FDI in the last 5 yrs.



- E. New Jersey-Israel relations are able to positively impact diverse industries and aspects of life in New Jersey, including varied sectors like telecommunications, agriculture, culture and religion, respectively.
- F. The State's continued partnership with Israel is deepening significant channels within Israel to their technology and innovation sectors which are enhancing New Jersey's own standing in these arenas. The interest of organizations like Israel Aerospace Industries, ARC / Sheba Medical Center, Port of Ashdod, and smaller Israeli tech companies validate this and stand to create jobs and benefits to New Jersey's economy in the future, including in the creation or expansion of cutting edge industries.
- G. New Jersey is performing extremely well in capitalizing on Israel relations compared to other U.S. states. The strong amount of Israel sourced FDI and the amount of business attraction meetings being set in cooperation with Choose New Jersey confirm this. New Jersey, being the only state with a fully operational Israel focused office, has an edge on economic competitors who are behind or using only private organizations to oversee this type of bilateral partnership. Additionally, new and upgraded academic agreements between New Jersey and Israeli universities are leading in the region and contributing to the economy.
- H. Since the reestablishment of the Commission's operations in 2019, the Commission has held regular meetings and divided into committees, per mandate, that are now fully operational. While most Commission Members have shown interest in participation, there is still a significant number that do not. Commission Members have largely spoken to their desire to strike a balance between being overly tasked with Commission business versus lacking inclusion. Therefore, the Commission has been responsive and remained nimble in its procedures to account for these views.
- I. The large and growing Israeli community (defined as Israel-born or their children) in New Jersey has been instrumental as a natural bridge for the Commission's work and the State's bilateral Israel relations. This community stands apart from others in the State, including the historic Jewish community, as it also includes Christians, Muslims and potentially other religious groups that reside in Israel. New Jersey has the fourth largest Israeli community in the U.S., which is expanding and naturally attracting Israeli innovation and boosting the State's reputation in Israel. The strong familial ties of Israelis in New Jersey are playing out positively for the State and attracting talent, intellectual property, and innovation from a group that wishes to settle into a welcoming environment, particularly in the New York metropolitan area. Additionally, Israeli organizations are increasing in size and scope and playing dual role as cultural and business incubators while interacting more with the local non-Israeli Jewish communities.
- J. The Jewish community (including non-Israelis) continues to play a strong and active role in New Jersey-Israel relations and remains largely supportive of the mission, particularly as the Commission's mission is non-partisan and focused on areas largely outside of political or religious discourse. However, many other communities remain deeply connected to Israel in New Jersey for a myriad of reasons including personal belief, business, and identity.

- K. Israel adds tremendous value to New Jersey, particularly from an economic perspective, but also from a cultural one. As long as the two states remain closely partnered, their growth and opportunities should be symbiotic.
- L. The relative size, population and topography of New Jersey and Israel allows them to partner easily and creates relevancy when comparing government programs, policies, development, and community outreach.
- M. The Israeli private sector continues to take notice of New Jersey, from technology companies and consumer product manufacturers, to the tourism sector. Although New York remains a strong draw for the Israeli technology ecosystem, New Jersey is a highly desirable place for Israelis to live.
- N. The Israeli Consulate in New York maintains an extremely strong level of support for New Jersey and has prioritized this relationship in the context of the five states it liaises with. Bilateral meetings and high level contact are at historic highs including the sharing of valuable information and insights. Overall the Israeli government and Israeli Ministry of Foreign Affairs have identified New Jersey as a high priority relationship.
- O. In recent years, there has been a notable increase in the amount of Israeli companies showing interest in New Jersey and an influx of technology entering the state. This has been complemented by the several new bilateral academic agreements signed. One area of particular growth has been in aerospace, where Israeli companies are open to exploring opportunities in South Jersey around the Atlantic City Airport with its designation for aviation testing.
- P. As New Jersey continues to grow its relationship with Israel, its perception by Israelis may change. New Jersey is acquiring a stronger reputation as a destination to work, in addition to live. The Israeli-American community has been a positive advocate for the state and is naturally supporting the brand.
- Q. The placement of the Commission within Department of State allows operational strengths including interface with personnel focused on tourism, the arts, export promotion, and outreach to diverse communities.



*Announcement of Sheba Medical Center entering SciTech Scity at Liberty Science Center*

## ACHIEVEMENTS

- Projects: Over the course of 2021 the Commission assisted with several significant projects including helping to facilitate two major academic agreements with economic impact on the state. The Commission supported the Choose New Jersey economic development delegation to Israel and established first contact ahead of the announcement by Sheba Medical Center to expand into New Jersey. The state also saw the arrival of Israel's largest aerospace company, Israel Aerospace Industries, which conducted a demonstration at Atlantic City Airport.



*Signing of NJIT-BGU MOU*

- Programs: The Commission conducted several programs projecting thought leadership, diversity and inclusion, cultural engagements, and community outreach.
- Appointments: During the Governor's appointments process, the Commission actively supported the Governor's efforts by providing a vision and showing how the Commission's goals could be met by active, diverse, and experienced members.
- Activity: Following the Commission's appointments process, it has held meetings with regularity and, per its mandate, divided into committees which also meet to address the Commission's core areas: business, science, education and culture.
- Bilateral Relations: Throughout 2021, bilateral relations reached a high point between New Jersey and Israel through government to government meetings, increased trade, and the signing of high level agreements between state supported institutions – all of which were facilitated through the Commission.



*Signing of Rutgers – Tel Aviv University MOU*



*Signing of Port of Ashdod – NJCU MOU*

## 2021 COMPLETED MAJOR PROJECTS AND ACHIEVEMENTS

<b>Major Projects</b>	<b>Description</b>
<b>Choose New Jersey Business Delegation</b>	Coordinated a business delegation to Israel with Choose New Jersey to meet dozens of companies interested in expanding to NJ, in addition to the signing of major academic partnerships and hosting business attraction events.
<b>Rutgers University – Tel Aviv University MOU</b>	Helped facilitate a historic partnership between Rutgers University and Tel Aviv University that will implement a funded research grant program between the universities and NJEDA and establish a Tel Aviv University research office at Rutgers.
<b>New Jersey Institute of Technology – Ben Gurion University MOU</b>	Facilitated an agreement between NJIT and BGU, the top cyber security university in the world, which will create new degree programs in NJ around cyber security and environmental engineering while establishing a new “Institute for Future Technologies.”
<b>New Jersey City University – Port of Ashdod MOU</b>	Envisioned and connected NJCU and Israel’s largest maritime port, Port of Ashdod, to establish a joint agreement bringing Israeli startup and logistics companies to NJ.
<b>ARC Sheba at Liberty Science Center</b>	Made initial connections and will support the opening of a futuristic medical research facility that will be part of the new Liberty Science Center campus in Jersey City.
<b>Increased Trade Relations</b>	The Commission noted an increase in bilateral trade from \$1.33B in 2020 to \$1.55B in 2021 and is recruiting more companies to the state, particularly with Choose NJ, which increases trade and FDI.
<b>Governor’s Appointments</b>	Assisted the Governor’s Office with appointment process that resulted in 85 direct appointments.
<b>Israel Aerospace Industries at Atlantic City Airport</b>	Organized and executed a pilot program and demonstration by Israel’s largest aerospace company to test anti-COVID related aircraft technologies at Atlantic City Airport.



*The 2021 Choose New Jersey business delegation in Israel, in cooperation with the New Jersey-Israel Commission*

<b><i>Major Programs and Bilateral Engagements</i></b>	<b><i>Description</i></b>
<b>Rutgers Jewish Film Festival</b>	Sponsored a film on the story of the Ethiopian Jews evacuated to Israel.
<b>LGBTQ Outreach Program with A Wider Bridge</b>	Event with US, NJ, and Israeli LGBTQ organizations to connect these groups and advocate for these communities.
<b>Rutgers University Real Estate Center – Tel Aviv University Alrov Center Program Series</b>	Conducted two programs that brought together thought leaders and over 150 attendees to explore policies around housing planning and affordability in NJ and Israel.
<b>New Jersey – Israel Legislative Meeting</b>	Meeting between NJ and Israeli legislators to discuss policies around COVID response.
<b>JBIZ Expo</b>	Supported an expo by the Orthodox Jewish business community around Lakewood and provided a panel on available grants.
<b>New Jersey – Israel Business Pitch Deck</b>	With Choose New Jersey, created a business pitch deck to promote the state within Israel.
<b>Rutgers University – Tel Aviv University Joint Symposia Series</b>	Helped facilitate the joint research symposia series between Rutgers and TAU faculty.
<b>Visit of Israeli Minister of Agriculture</b>	Coordinated the visit of Israeli Agriculture Minister Oded Forer to AeroFarms in Newark with NJ Agriculture Secretary Fisher.
<b>Bilateral Meeting with Israel Envoy for Sustainability</b>	Facilitated a meeting between Israel’s visiting special envoy for climate and sustainability with NJDEP Commissioner LaTourette.
<b>Bilateral Meeting with Israel Communications Director General</b>	Organized a meeting between Israel’s Director General of the Ministry of Communications and NJBPU Commissioner Bob Gordon.
<b>Bilateral Meeting with Israel National Cyber Directorate Director General</b>	Organized a meeting between Israel’s Director General of the National Cyber Directorate and NJOSHP Acting Director Laurie Doran.
<b>Visit of Shenkar College President</b>	Created a roundtable meeting with Choose NJ, NJOSHE, and the Commission for the President of Shenkar College, Israel’s primary design and industrial engineering college.
<b>Visit of Israel Federation of Local Authorities</b>	Developed a day of meetings for the head of the association of mayors in Israel with NJEDA, Choose NJ, NJ Office of Innovation, and Middlesex County.

## PLANS AND GOALS

- A. Expand tourism relations through new programs, advertising opportunities, and events to promote the travel and tourism sector between New Jersey and Israel.
- B. Ongoing recruitment of Israeli companies to New Jersey with the cooperation of Choose New Jersey and the New Jersey Economic Development Authority, with a special emphasis on technology and innovation.
- C. Support follow up opportunities from the New Jersey City University - Port of Ashdod agreement signed during the 2021 Choose New Jersey mission to Israel.
- D. Enhance the Ben Gurion University – New Jersey Institute of Technology BGU-Institute of Future Technologies following its 2021 establishment.
- E. Create Israel technology showcases to highlight the impact of the Israeli technology ecosystem in New Jersey.
- F. Build civil society programs especially to highlight diversity and inclusion.
- G. Initiating cultural programs around music designed to connect audiences in New Jersey and Israel while strengthening local community relations.
- H. Support diplomacy through sports opportunities that build upon diversity, inclusion and peacebuilding.
- I. Deepen the Tel Hai College – Rutgers University partnership on food innovation.
- J. Explore the potential of a Commission-focused delegation to Israel.
- K. Host future delegations of Israeli officials to encourage bilateral relations, thought leadership, and creative thinking between counterparts.
- L. Strengthen relations around non-law enforcement emergency response, specifically for search and rescue, mental health support, and crisis preparedness.
- M. Pivot New Jersey-Israel higher education relations towards community and vocational colleges to expand the reach of Israeli innovation across the state.
- N. Establish new pilots or programs connecting to future Israeli technologies.
- O. Cooperate with the Cannabis Regulatory Commission to connect Israeli scientific leadership in cannabis research with New Jersey's cannabis industry.
- P. Create reporting tools to assist outreach and responding to Israeli companies.
- Q. Create additional value across agencies by sharing Israeli insights, especially on innovation, and in other priority areas in which Israel has notable advances.