



STATE OF NEW JERSEY

DEPARTMENT OF STATE

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PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

TAHESHA WAY
Secretary of State

Dear Friend,

Welcome to the annual report of the New Jersey-Israel Commission, where we celebrate the significant progress in fostering economic, scientific, educational, and cultural ties between our two regions. As Secretary of State, I am honored to present this comprehensive report, fulfilling our mandate to report findings, recommendations, and plans directly to the Governor. Under Governor Murphy's unwavering support and with a dedicated team, we have transformed the commission into a fully operational entity, resulting in historic levels of cooperation, achievements, visits, programs, and remarkable economic activity.

With a mission to strengthen the special relationship between New Jersey and Israel, the commission operates under the Department of State, enhancing prosperity and well-being through strategic collaborations. Our economic relations have flourished, with bilateral trade reaching \$1.72 billion annually, and record-breaking foreign direct investment of \$108 million in 2022 alone. Academic and scientific partnerships have played a pivotal role in advancing our innovation economy, connecting academic discoveries with economic opportunities. Additionally, we remain committed to nurturing cultural relations through engaging activities and programs that foster a deeper understanding of our shared values.

This report showcases the immense progress made by the New Jersey-Israel Commission and the transformative impact of our collaborations. By prioritizing business and trade, forging academic and scientific partnerships, and promoting cultural exchange, we are collectively building a stronger and more prosperous future for New Jersey. Thank you for your support and interest in our endeavors. I invite you to explore the comprehensive report, which highlights our achievements and outlines our plans for the future.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tahesha Way", written over the printed name and title.

Tahesha Way
Secretary of State

ANDREW H GROSS
EXECUTIVE DIRECTOR



KARIN ELKIS
&
MARK S. LEVENSON
CO-CHAIRS

**NEW JERSEY-ISRAEL COMMISSION
ANNUAL REPORT
2022-2023**

**NEW JERSEY DEPARTMENT OF STATE
JULY, 2023**

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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 2022 and 2023, stating plans, and issuing analysis.

- *Mission:* As defined through the Legislature, the mission of the New Jersey-Israel 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, scheduled meetings, or 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 an historic level of New Jersey-Israel cooperation taking place with a record achievements, visits, programs and economic activity.
- *Appointments:* In 2021 the Governor made a sweeping set of appointments to the Commission that increased diversity and additional appointments were announced in May of 2023.
- *Cooperation:* The Commission works closely with state agencies to bring insights, innovation, and partnership opportunities from Israel to New Jersey.
- *Partnership:* Israel remains a global economic engine and vital source of innovation that remains a strategic state partner with shared values.
- *Funding:* In 2022 the Commission received a budget for the second time, allowing it to pursue more staff, grants, programs, and activities within its mandate.
- *Economic relations:* Bilateral trade was valued at \$1.72B annually and has trended upward steadily alongside record foreign direct investment, worth \$108M in 2022. Israeli businesses, particularly in technology, continue to expand into New Jersey.
- *Academic relations:* 2022 saw an expansion of bilateral academic partnerships in core areas that also advance the Governor's economic goals for the state.
- *Scientific relations:* Academic partnerships, support for Israel-United States Binational Industrial Research and Development Foundation projects, and the incoming ARC Sheba Medical Center facility show strong scientific cooperation.
- *Cultural relations:* The Commission remains committed to cultural activities and programs to support film, community engagement, and music including through a major concert and hosting an Israeli soccer club over the past year.

FINDINGS

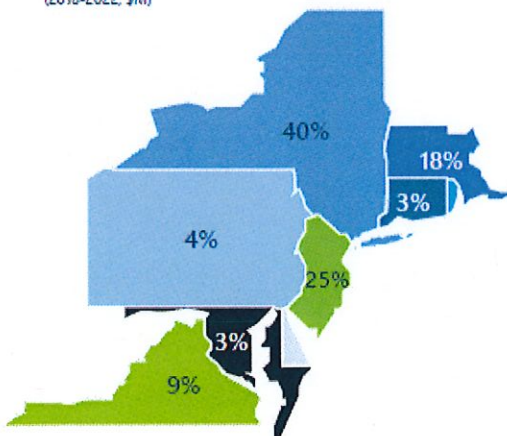
- A. While the Commission is tasked with several functions, its top priority remains business and trade. The Commission is aligned with the Governor's strategic vision of *A Stronger and Fairer Economy* and the need to generate added value across the state. By focusing on economic opportunity, jobs and innovation through partnership with Israel, the Commission fulfills its mandate by positively supporting New Jerseyans across the state and promoting economic growth.
- B. The Commission continues to fuse higher education partnerships with economic outcomes as a way of leveraging 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, have strong STEM focuses, and were further developed in 2022 into 2023 to connect academic discovery with economic opportunity. The recent maritime innovation partnership between the Port of Ashdod, New Jersey City University, and the Port Authority of New York and New Jersey represents another important project.
- C. Bilateral trade is showing strong and sustained growth. From 2021 to 2022 New Jersey-Israel trade volume increased by 11% from \$1.55B to \$1.72B.
- D. Foreign Direct Investment (FDI) from Israel is strong and has hit record amounts under the Murphy Administration. According to New Jersey Economic Development Authority (NJEDA) data, since the beginning of the Murphy Administration, investment from Israel to New Jersey multiplied five times to \$454M and created 1,425 jobs. New Jersey is attracting 25% of Israeli FDI in the Northeast, ranking second and demonstrating robust growth.



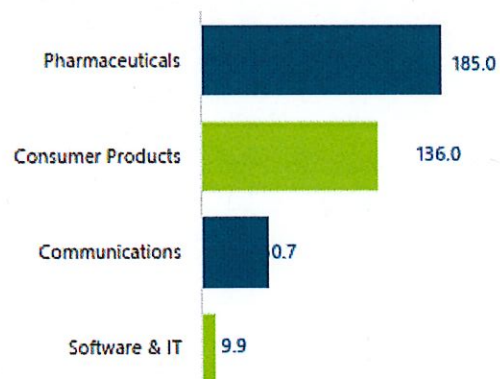
Israeli Greenfield Investment to New Jersey

\$551M Israeli greenfield FDI to NJ since 2003	1,919 Jobs created in NJ by Israeli greenfield FDI since 2003	18 Israeli greenfield projects in NJ since 2003 by 18 companies	#14 Israel is the 14 th source country of greenfield FDI to NJ in the last 5 yrs.	#2 NJ ranks 2 nd in the Northeast for share of Israeli greenfield FDI in the last 5 yrs.
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Greenfield FDI from Israel to the Northeast
(2018-2022, \$M)



Greenfield FDI from Israel to New Jersey by Sector
(2018-2022, \$M)



- E. The State's partnership with Israel is deepening significant channels within Israel to their technology and innovation sectors and bringing even more investment from Israel. Key Israeli technology companies including OwnBackup, Kornit Digital, Bluevine, eToro, DriveNets, and others are global beacons of Israeli innovation with offices in New Jersey. Along with Israeli banks and venture capitalists in the state, the local Israeli technology ecosystem is advancing rapidly.
- F. 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 increased 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.
- G. The 2023 launch of Choose New Jersey's fourth overseas business attraction office in Israel, with the support of a 2022 – 2023 Commission grant, represents a major new frontier in supporting economic growth from Israel.
- 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. Commission leadership works with its members to address their views and encourage participation.
- I. In May of 2023, Governor Murphy made a round of appointments to the Commission advancing its mission and adding qualified and experienced individuals to its membership.
- J. The large and growing Israeli community (defined as Israel-born or their children) in New Jersey is an essential and 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 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 adding talent, intellectual property, and innovation from a community seeking a welcoming environment in the New York metro area.
- K. Israeli organizations are increasing in size and scope and playing a key role encouraging business incubation and cultural contributions. This community is increasingly interacting with New Jersey's already longstanding Jewish community.
- L. 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 outside of political or religious discourse. Many New Jersey communities remain connected to Israel for several reasons.
- M. Israel adds tremendous value to New Jersey, particularly from an economic perspective, but also from a cultural one. This relationship is symbiotic.

- N. 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.
- O. The Israeli private sector continues to take notice of New Jersey, from technology companies, consumer product manufacturers, to the tourism sector. The state has become increasingly competitive to New York which retains 40% of Israeli FDI in the Northeast.
- P. The Israeli Consulate in New York maintains an extremely strong level of support for New Jersey and has prioritized this relationship. The Israeli government and Israeli Ministry of Foreign Affairs have identified New Jersey as a high priority relationship and provided countless opportunities for exchanges, partnerships and high level meetings.
- Q. 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 especially in areas like fintech, aerospace, foodtech, cyber security, and other forms of high tech.
- R. As New Jersey continues to grow its relationship with Israel, its perception by Israelis positively changes. New Jersey is acquiring a stronger reputation as a destination to work, in addition to live. This is being complemented with positive media about New Jersey within Israel.
- S. 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.



Opening of the new U.S. headquarters of Bluevine, an Israeli financial services company in Jersey City

ACHIEVEMENTS

- Projects: Over the course of 2022 the Commission assisted with several significant projects including launching a tourism video on EL AL Airlines, hosting Israeli soccer team Maccabi F.C., and promoting bilateral academic programs. The Commission supported Choose New Jersey's Israel Center opening through a grant program and facilitated several announcements of new companies in the state.



*Launch of the Choose New Jersey Israel Center
with Peres Center Chairman Chemi Peres*

- Programs: The Commission conducted several programs projecting thought leadership, diversity and inclusion, cultural engagements, and community outreach including a groundbreaking concert for Black History Month and donating over three tons of food for Turkish earthquake relief.
- Appointments: During the Governor's appointments process the Commission actively supported the Governor's efforts by providing a vision and developing how the Commission's goals could be met by active, diverse, and experienced members.
- Activity: The Commission holds meetings regularly, per its mandate, and divided into committees which also meet to address the Commission's core areas: business, science, education and culture.
- Bilateral Relations: Throughout 2022 into 2023 bilateral relations maintained a high point between New Jersey and Israel especially around increased economic relations and programs facilitated by the Commission.



*Symphony of Brotherhood Black History Month
Concert Performed by Miri Ben-Ari*



*Signing of the Ashdod – Newark
Sister Port Agreement*

2022 - 2023 COMPLETED MAJOR PROJECTS AND ACHIEVEMENTS

<i>Major Projects</i>	<i>Description</i>
Choose New Jersey Business Delegation	Coordinated a business delegation to Israel with Choose New Jersey to meet business leaders interested in New Jersey, including from the Palestinian Authority, in addition to supporting academic and other partnerships.
Israel Business Development Grant and Choose New Jersey Israel Center	Launched the first-ever Commission grant to promote Israeli business attraction in New Jersey, leading to the opening of a new Choose New Jersey office in Israel.
EL AL Airlines Promotional Video	Produced and launched a New Jersey promotional video, featuring Secretary of State Tahesha Way, available on all EL AL 787 aircraft.
Visiting Tournament of Maccabi F.C.	Organized and facilitated a visiting tournament of the youth division of a major Israeli soccer team with public friendly matches against Major League Soccer development teams.
ARC Sheba at Liberty Science Center	Assisted in 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.
Increased Economic Relations	The Commission noted an increase in 2022 bilateral trade to \$1.72B with record amounts of investment from Israel, totaling \$450M during the Murphy Administration.
Governor's Appointments	Coordinated with Governor's Office during processing of 10 direct appointments.
Eastern Mediterranean Forum II	Hosted a major gathering of Jewish, Israeli, and Hellenic leaders and diplomats to promote NJ-Israel-Greece-Cyprus relations.
Symphony of Brotherhood Concert	Produced the first ever Black History Month event in Commission history as a major concert in Newark in partnership with the Church of God in Christ.



Meeting with the Palestinian American Chamber of Commerce in Jerusalem with Choose New Jersey and the U.S. Office of Palestinian Affairs

Major Programs and Bilateral Engagements	Description
Rutgers Jewish Film Festival	Sponsored a film on the story of the Ethiopian Jews evacuated to Israel.
ARC Sheba Medical Center Meeting	Supported a high level meeting with state hospital leadership, Choose New Jersey, NJEDA, and NJDOH Commissioner Persichilli to discuss the future of an incoming Israeli medical technology facility in Jersey City.
Sister City Agreements	Assisted with the implementation of two sister city agreements: Jersey City-Beit Shemesh and East Brunswick-Yavne.
Israel Defense Forces Attaché Visit	In honor of Israel's 75th anniversary, a visit was facilitated for the IDF Military Attaché to the US with the NJ National Guard and NJDMAVA to showcase NJ aerospace leadership, cooperation military capabilities, and shared challenges.
Visit of Israeli Minister of Tourism to Newark	Supported an official visit to Newark by the Israeli Minister of Tourism, Yoel Razvozov, to discuss bilateral tourism relations with Secretary of State Way.
Celebrate Israel Parade Float	Participated in the largest Israel related parade in the world with New Jersey branding.
Newark – Ashdod Sister Port Agreement	Facilitated this sister port agreement with the Port Authority after connecting New Jersey City University and the Port of Ashdod, to establish a joint agreement bringing Israeli startups and logistics companies to NJ.
Visit of BIRD Foundation Director General	Supported a visit by the new head of the BIRD Foundation, a US-Israel federally funded program to support bilateral research partnerships, which is a vehicle to support local businesses.
Donation of Humanitarian Aid to Türkiye	Commission Members donated over three tons of food aid to support Turkish humanitarian relief following a major earthquake.
Opening of the NJIT-Ben Gurion University Institute of Future Technologies	Participated in the opening of the new joint center between these two major universities which establishes a cyber-security and environmental engineering program.
Corporate Roundtable with Israeli Business Leaders	Organized a roundtable with nearly two dozen Israeli business leaders in New Jersey with the Governor's Office, NJEDA and Choose New Jersey.
Office Openings and Corporate Visits	Organized and conducted several corporate and site visits, including new office openings, for major Israeli companies expanding in NJ.
Visit of Israeli Mayors	Supported the visits of Israeli Mayors of Nahariyya and Beit Shemesh during trips to New Jersey to meet local officials.

PLANS AND GOALS

- A. Increase the marketing and brand awareness of New Jersey within Israel to capitalize on the increased flow of Israeli FDI to the state.
- B. Coordinate with NJEDA to establish and help center Israeli technology companies.
- C. Deepen New Jersey's recognition as a home and destination for Israeli-Americans with a welcoming spirit that encourages expansion as the top choice in the U.S.
- D. Expand tourism relations and promote New Jersey-Israel travel further.
- E. 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.
- F. Complete technology pilots within the New Jersey City University - Port of Ashdod – Port Authority agreement.
- G. Enhance the Ben Gurion University – New Jersey Institute of Technology BGU-Institute of Future Technologies following its 2022 launch.
- H. Work with the Palestinian American Chamber of Commerce in Ramallah and Jerusalem to conduct local exchanges with including Palestinians and Israelis.
- I. Create Israel technology showcases to connect the New Jersey ecosystem.
- J. Build more civil society programs especially to highlight diversity and inclusion.
- K. Expand on the Symphony of Brotherhood concert to conduct additional Black History Month programming and support diversity outreach.
- L. Support diplomacy and peacebuilding including through sports.
- M. Deepen the Tel Hai College – Rutgers University partnership on food innovation.
- N. Explore the potential of a Commission-focused delegation to Israel.
- O. Host future delegations of Israeli officials to encourage bilateral relations, thought leadership, and creative thinking between counterparts.
- P. Strengthen relations around non-law enforcement emergency response, specifically for search and rescue, mental health support, and crisis preparedness.
- Q. Expand New Jersey-Israel higher education relations so as to include community and vocational colleges and broaden Israeli innovation across the state.
- R. Establish new pilots or programs connecting to future Israeli technologies.
- S. Create reporting tools to assist contacting and responding to Israeli companies.
- T. Create added value across agencies by sharing Israeli insights and innovation.