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Item No. 3
Community Planning and Economic Development Standing Committee
July 20, 2017

TO: Chair and Members of Community Planning and Economic Development

Original Signed

SUBMITTED BY:

John Traves, Q.C., Director, Legal, Municipal Clerk, and External Affairs

DATE: June 5, 2017

SUBJECT: International Partnership Update

INFORMATION REPORT

ORIGIN

Administrative Order 2014-003-GOV Respecting International Partnerships (The International Partnership Policy) was approved by Halifax Regional Council on April 29, 2014.

LEGISLATIVE AUTHORITY

The Halifax Regional Municipality Charter, Section 71 (1) permits the promotion of the Municipality for purposes of business and industrial development.

BACKGROUND

At the April 29, 2014 meeting of Halifax Regional Council, an Administrative Order was approved to manage the process of establishing international partnerships. The Administrative Order, or International Partnership Policy, includes a provision that staff will prepare an annual information report on international partnerships and include partnership requests received that did not satisfy the criteria for approval. The purpose of this report is to fulfill this provision, provide an update on existing relationships, and outline the approach for pursuing new partnerships in the short-term.

DISCUSSION

The International Partnership Policy defines three categories of formal partnerships between HRM and international communities:

- The primary purpose of an **Economic Partnership Agreement** is economic development, including economic exchange, business development, and technological advancement through building business links, increasing HRM's profile, attracting investment, and promoting trade.
- The primary purpose of a **Friendship Partnership Agreement** is facilitating international goodwill through community-level events and public celebrations such as flag raisings, based on cultural or historic relationships between HRM and international communities.
- The primary purpose of a **Historic Partnership** is to recognize a city that was once an Economic or Friendship Partner of HRM. An existing partnership will be re-classified as a Historic Partnership when there is no contact between the partner cities for a period longer than one year and/or when either partner city opts to end the formal agreement.

When the policy was approved, Regional Council agreed to maintain the relationships identified in the staff report (Hakodate, Norfolk, Campeche, and Aberdeen) and categorize Norfolk and Aberdeen as Economic Partnership Agreements, and Hakodate and Campeche as Friendship Partnership Agreements.

Existing Economic Partnerships

The Halifax Partnership manages Economic Partnership Agreements on behalf of the Municipality. As noted above, Halifax currently has approved economic partnerships with Aberdeen, Scotland and Norfolk, Virginia, both of which are governed by Memorandum of Understandings (MOUs). In the past year the Partnership has undertaken the following activities with these partners:

Aberdeen: Halifax and Aberdeen have a long-standing relationship focused on developing mutually beneficial economic and cultural ties and partnerships. This relationship was formalized in an MOU signed in 2014. Halifax's international partnership with Aberdeen has opened up opportunities for business development and collaboration in various areas including the ocean, energy, and services sectors, as well as cultural and educational exchanges. In June 2015, the Aberdeen City Council on Economic Development visited HRM on a three-day mission. Six companies visited Halifax and more than 20 meetings were held, as well as group sessions with the Department of Energy, and the Oceans Technology Council of Nova Scotia. In April 2016, Halifax led a mission to Aberdeen as the Presidential city of the World Energy Cities Partnership (WECP). Several leads and opportunities resulted from these missions, one of which has the potential for 20 jobs if successful. Aberdeen has committed to be part of the visiting delegation to Halifax as part of the 2017 WECP AGM, which will take place from September 30th to October 4th. During the visit, Aberdeen and Halifax will look to renew their International Partnership Agreement for another 3-5 years. As well, Aberdeen is working to have companies travel with them to participate in the AGM, CORE Conference, and a B2B program with Halifax-based businesses.

Norfolk: Halifax and Norfolk have been "Sister Cities" since signing an MOU in 2006. The relationship with Norfolk is fostered through collaboration with economic development partners, the Navy and industry stakeholders. The Halifax Partnership has assumed a direct management role and has focused on building a solid relationship with the Virginia Economic Development Partnership (VEDP), its counterpart in the that region. In September 2015, the Partnership hosted a VEDP business mission to Halifax during the Canadian Defence Security and Aerospace Exhibition Atlantic (DEFSEC). Delegation members included representatives from Virginia Economic Development, the American Chamber of Commerce in Canada, the US Consul General, and business. During this mission, the Halifax Partnership, Virginia Economic Development Partnership, the American Chamber of Commerce in Canada, and Partnership sponsor Stewart McKelvey hosted a networking reception with Halifax and Virginia companies in the

defense and security sector. The long-term Chair in Norfolk of the Halifax/Norfolk Sister City Committee retired and the city of Norfolk is looking for a replacement to lead ongoing activity and planning.

World Energy Cities Partnership

In addition to coordinating the Municipality's economic partnerships, the Halifax Partnership manages the Municipality's membership in the World Energy Cities Partnership (WECP). The WECP is comprised of 19 cities from around the world with energy activities as a major driver of their economy and is led by the Mayors of each city with support from economic development staff. In January 2016, Mayor Savage assumed the role of President of the organization for a two-year term. This role is providing opportunities for Halifax to shape the agenda and to allow for maximum exposure for the region and business through various speaking opportunities at major events where WECP is represented. In April 2016, as the new Presidential city of WECP, Halifax led a business mission to Aberdeen and Stavanger, Norway. The mission focused on companies in the oceans and logistics sectors.

At the 2016 WECP AGM in Cape Town, South Africa, Halifax was named as host for the 2017 AGM. The Halifax Partnership has assumed the lead on the organization of this event, which will take place from September 30 to October 4th and will coincide with the 35th Anniversary of the CORE Energy Conference. All WECP cities have been actively encouraged to bring companies with them to participate in the AGM and CORE conference, and to meet with local businesses (sector focus on Ocean Technology and Energy, including renewables). To date, sponsors supporting the WECP AGM include JD Irving, Emera, CBRE, Cox and Palmer and Efficiency Nova Scotia as well as the Halifax Regional Municipality, the Halifax Partnership, NS Department of Energy, ACOA, and the WECP Secretariat. In addition, the AGM will have a concurrent art show taking place at the Discovery Center which will highlight a collaborative Art Initiative between Halifax and WECP Member City Esbjerg, Denmark. The show includes collaborative art projects between 23 Halifax artists and 23 Danish artists, as well as individual works of art.

Existing Friendship Partnerships

Activity related to Halifax's friendship partnerships with Hakodate and Campeche, established in 1982 and 1996 respectively, continues. Halifax annually sends a Christmas tree to Hakodate as a sign of friendship, and the local Hakodate friendship association participates in the Natal Day parade with a Japanese drum and dancing group. As this year is the 35th anniversary of the relationship, a delegation from Hakodate visited Halifax on July 11 and 12. The Campeche relationship is highlighted by annual student exchanges involving high school students from Campeche, as well as students from Dalhousie University and the Autonomous University of Campeche. The Mayor of Campeche is planning a visit to Halifax.

Potential Partnerships

Since the International Partnership Policy was approved, inquiries have been initiated with other cities by the Halifax Partnership and several informal requests gauging interest in some degree of partnership have been received. Cities making initial contact with Halifax have included Savannah (USA), Gdynia (Poland), Kiel/Hamburg (Germany) and several cities in Korea and China.

To assure that resources are available to adequately support all relationships, the International Partnership Policy states that Council will manage no more than five Economic Partnership Agreements at any one time. In addition to the existing economic partnerships with Norfolk and Aberdeen, the Halifax Partnership is assessing an additional two economic partnerships. The short-term strategy is to pursue one economic partnership in mainland Europe and one in China. Early explorations have focussed on the ocean cities of Kiel / Hamburg (Germany), as well as Qingdao and Zhuhai (China).

In August 2016, Halifax and Zhuhai signed a letter of "Intent to Cooperate". On May 9, Regional Council authorized the Mayor to begin the process of establishing an economic partnership with Zhuhai. Building on that first step, Mayor Savage led a trade delegation to Zhuhai and other areas of China in June 2017 during which a joint work plan of activity was signed between Halifax and Zhuhai. As this evolving

relationship is economic development in nature, the work plan is between the Halifax Partnership and the Zhuhai People's Association for Friendship with Foreign Countries (ZPAFFC). A copy of the work plan is attached to this report. The process to establish an economic relationship in China is a lengthy undertaking. Staff will bring a proposed formal partnership to Regional Council for deliberation pending further discussions with Zhuhai and after completion of additional processes at their end.

The City of Gdynia, Poland sent a letter to the Mayor's Office in June 2016 expressing interest in establishing a potential programme of cooperation with Halifax. Partnerships are being explored between Gdynia's Museum of Emigration and Halifax's Pier 21 Museum of Immigration, as well as the cities' library systems. The focus on this relationship is primarily cultural at this stage, and some of the areas of interest (i.e. museums) lie in areas that fall outside of municipal jurisdiction. These bilateral relationships continue to be pursued, and have resulted in the first steps toward development a proposed Friendship Agreement with Gdynia. Staff will bring a report to Community Planning and Economic Development standing committee and Regional Council on this relationship in the coming months.

As per the International Partnership Policy (Administrative Order 2014-003-GOV), any potential friendship or economic partnerships will be brought forward to the Community Planning and Economic Development Standing Committee and Regional Council for approval once fully vetted.

FINANCIAL IMPLICATIONS

There are no new financial implications related to the content of this report. Expenses for international partnership activity in 2017, including the China delegation and hosting costs for the Hakodate delegation and WECP AGM, have been built in to the 2017-18 budget.

COMMUNITY ENGAGEMENT

Not applicable.

ATTACHMENTS

Work Plan on Exchange and Cooperation between Halifax Partnership and Zhuhai People's Association for Friendship with Foreign Countries

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Paul Johnston, Coordinator of Corporate Affairs, 902.490.6616

Work Plan on Exchange & Cooperation between Halifax Partnership and Zhuhai People's Association for Friendship with Foreign Countries

The Halifax Partnership and Zhuhai People's Association for Friendship with Foreign Countries (ZPAFFC), hereinafter referred to as "The Participants",

Wishing to promote cooperation in the fields of education and culture, trade, transportation, tourism, IT and medicine.

Intending to secure benefits to the economies of both cities; and

Determined to further promote a favorable environment for the enhancement of mutually beneficial commercial connections.

Have reached the following Work Plan:

1. The participants will continue to develop cooperation with the objective of increased investment and trade between cities of Halifax and Zhuhai; exchange information and explore how to engage in collaborative activities that will facilitate the planning and development of both cities; work to establish the Sister City relationship between Halifax and Zhuhai.

2. This Work Plan provides the framework within which detailed programs of exchanges and cooperation in the fields of education, trade, medical/life sciences and IT can be developed. The participants recognize that this work plan will only be successful through consultation and coordination with other relevant ministries and authorities of the participants.

3. The Participants understand that the cooperative activities envisaged by this Work Plan will be subject to the availability of funds and resources. And this work plan is neither a fiscal nor a funds obligation document and nothing in this plan authorizes or is intended to obligate the parties to expend, exchange, or reimburse funds, services, supplies, or transfer or receive anything of value.

4. The work plan is signed in duplicate in Zhuhai, on June 13th, 2017, in English and Mandarin, each version being equally valid. It may be amended upon mutual consent.

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