Memorandum of Understanding

On the Establishment of a Strategic Partnership for Joint Innovation, Exchanges and Cooperation

Between

The Government of the State of California, United States of America

And

The Government of the State of Israel

THE GOVERNMENT OF THE STATE OF ISRAEL AND THE GOVERNMENT OF THE STATE OF CALIFORNIA (hereinafter "the Participants") RECOGNIZE THAT:

WHEREAS two-way trade between Israel and California totaled over \$4 billion in 2013 – one of the largest two-way trade relationships between Israel and a U.S. State; and

WHEREAS the State of California and the State of Israel share close ties and are global leaders in the alternative energy, environmental technology and other technology-based industry sectors; and

WHEREAS the State of California is home to the largest in-state innovation network in the United States, which offers technology-commercialization opportunities for the State of Israel; and

WHEREAS the Participants seek to expand the current level of cooperation between Israel and California in, but not limited to, alternative energy, environmental technology, health, food and agriculture and other technology based industry sectors, business innovation, research and development.

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THEREFORE, IT IS DECLARED AS FOLLOWS:

The Participants hereby sign this Memorandum of Understanding for the purposes of establishing a formal relationship between them to foster economic cooperation and economic development, facilitate joint industrial research and development and enhance business relationships and educational opportunities to foster job creation and incubate global solutions from joint California-Israel innovation initiatives.

To achieve these aims:

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- 1. The Participants intend to seek to convene bilateral, interagency and interministerial working groups with international expertise to coordinate initiatives.
- 2. The Participants plan to facilitate collaborations between Israeli and Californian entrepreneurs and researchers through (though not exclusively limited to) the California innovation hub (iHub) network a network consisting of self-funded, collaborative regional innovation clusters, uniting government, universities, foundations, national labs and the private sector.
- 3. The Participants intend to support and encourage their people and competent authorities to further develop interpersonal contacts and exchanges and to promote mutual cooperation, understanding and friendship by encouraging ad hoc task forces, trade delegations and professional exchanges between Israel and California in key sectors including, but not limited to:

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- a. Water Conservation and Management
- b. Alternative Energy and related Clean Technologies
- c. Health and Biotechnology Solutions
- d. CyberSecurity
- e. Arts & Culture
- f. Education
- g. Agricultural Technologies

- 4. The Participants intend to support and encourage the creation of public-private partnerships between Californian and Israeli entities in the areas of economic development, social entrepreneurship, or academic research related to the above activities.
- 5. The Participants intend to support and encourage the strengthening of sister city programs between Israeli and California cities, which are designed to enhance opportunities for cultural and educational exchanges, economic partnerships and social entrepreneurship on the local level.
- 6. The Participants intend to encourage collaboration between Californian and Israeli universities, public and private research institutions.

This Memorandum of Understanding is intended to become effective on the date it is signed and does not create any legally binding rights or obligations for either Participant.

This Memorandum of Understanding was signed in Mountain View, California, United States, on the 5th day of March 2014, corresponding to the 3rd day of Adar II of 5774 in the Hebrew calendar.

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Governor of California

United States of America

Prime Minister State of Israel