
Subject: Economic Development Foreign Direct Investment (FDI) Update

Report To: Planning and Economic Development Committee

Report date: Wednesday, April 10, 2024

Recommendations

1. That this report **BE RECEIVED** for information.

Key Facts

- This report provides an update on key Regional Economic Development activities related to Foreign Direct Investment (FDI).
- The intent of FDI is to grow and diversify the economy through targeted business attraction in sectors where Niagara has a competitive advantage and in emerging sectors where Niagara can demonstrate a strong business case for investment.
- Foreign Direct Investment (FDI) includes but is not limited to:
 - Conducting lead generation and meetings in identified FDI target markets and sectors.
 - Leading international investment missions with “Team Niagara” partners.
 - Proactively partner with Area Municipalities, Provincial and Federal government officials, FDI partners (Invest Canada, Invest Ontario, and the Consider Canada Cities Alliance) as well as members with local and international chambers of commerce.
 - Promoting Niagara as a Foreign Trade Zone (FTZ) to actively promote trade programs that contribute to advancing import and export activity within the region.

Financial Considerations

The activities described in this report have been accommodated within the Council approved 2024 Economic Development budget.

Analysis

Niagara is a Prosperous Region due to its strategic location on the U.S. / Canada border, along with the region’s multi-modal transportation infrastructure, and its designation as a Canadian Foreign Trade Zone Point (FTZ) making it an attractive place for companies to invest and conduct trade. The Region also acts as a conduit for

international businesses looking to enter the North American market via international trade agreements, enhancing our regions competitiveness and global supply chain network. These elements all increase Niagara's ability to import and export and secure targeted trade relationships.

Actions Supporting Council Strategic Priorities

FDI activities support the council strategic priority of a prosperous region. The intent of FDI activities is to attract and retain businesses, create jobs and support skilled workforce in Niagara within the region's targeted sectors where there is a competitive advantage and in emerging sectors. In addition, Economic Development has implemented a new customer relationship management tool to modernize the process of tracking leads and investment opportunities. This implementation directly relates to the council strategic priority of an effective region.

The following details completed and ongoing FDI activities to support council's strategic priorities:

Prosperous Region: Attract and retain businesses, create jobs and support a skilled workforce in Niagara, Build "Niagara" as a global brand and invest in the growth of its emerging sectors.

- FDI Pipeline:
 - New Leads (2023-Q4, 2024-Q1) Total: 62.
 - New Opportunities (2023-Q4, 2024-Q1) Total: 19, (three converted from leads).
- Hosted the Ambassador to Canada from Vietnam, H.E. PHAM Quang Vinh and his delegation for a familiarization tour of Niagara Region.
- Conducted four site visits with prospective clients.
- Promoting Niagara Region to various Business Chambers and Consul Generals:
 - Day of German Unity: Consul General Kristina Thony
 - 4th European Chambers Meet Up
 - 5th European Chambers Meet Up
 - Belgian Canadian Business Chamber, meet Umicore co-hosted by Invest Ontario
 - Belgian Canadian Business Chamber - Hydrogen & Chemicals

- G-NETS
 - Participated in the Tokyo Metropolitan Government sponsored Global City Network for Sustainability (G-NETS) Senior Officials meeting in Tokyo, Japan.
 - Meetings with the Ontario Trade Officers and Canadian Trade Commissioners in the Canadian Embassy based in Tokyo.
- Hamilton Niagara Partnership Global Startups Bootcamp
 - 19 companies, 32 participants
 - Familiarization visit to Niagara Region, Innovate Niagara, and Niagara Falls Innovation Hub
- Niagara Foreign Trade Zone
 - Nine website inquires.
 - NFTZ Webinar – 21 participants
 - Hosted in partnership with Invest in Hamilton.
 - Introduced participants to resources and facilities available to help them expand their business globally. Speakers included Export Development Canada (EDC), Forum for International Trade Training, Hamilton International Airport, Hamilton Oshawa Port Authority.

Prosperous Region: Outbound investment attraction activities to build Niagara as a global brand.

- Organized 25 prospect meetings and
- Attended the trade fair EMPACK, Logistics & Automation 2023 in Spain as part of our FDI targeted Market Strategy.

Prosperous Region: Be an effective and unified voice to advocate with senior governments on behalf of Niagara.

- Hosted the Invest in Ontario Partnership team and the Ontario Invest in Canada representative on a two day familiarization trip to Niagara.
- Continued collaboration with Invest Ontario in securing investment projects for Ontario / Niagara.
- Attended the Ontario Trade Investment Officers reception and introductions were provided to the majority of Ontario's International Trade Investment Officers.
- Attended the Friends of Canada Reception hosted by Canadian Consul General Tom Clark in Buffalo, NY.
- Conducting site visits for two Invest Ontario investment opportunities.

Effective Region: Implement continuous improvement and modernized processes to ensure value-for-money in regional services and programs.

- Worked with BDO to create a customized Customer Relationship Management software tool for the Niagara Economic Development (NED) Team.
- Implemented on October 16, 2023.
- Customized reports and dashboards to ensure effective reporting on key performance indicators on Foreign Direct Investment activity.

Alternatives Reviewed

Foreign Direct Investment (FDI) is a key function of Regional Economic Development and the activities being used are consistent with accepted economic development practices.

Relationship to Council Strategic Priorities

This supports Council's strategic priorities for an Effective and Prosperous Region.

Other Pertinent Reports

- ED 12-2023 - Economic Development Foreign Direct Investment (FDI) Update.

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