

# Committee of the Whole (2) Report

DATE: Monday, December 12, 2022 WARD(S): ALL

<u>TITLE:</u> WEB SUMMIT 2022 AND INTERNATIONAL ECONOMIC RELATIONS PROGRAM – 2023

FROM:

Nick Spensieri, City Manager

**ACTION: DECISION** 

#### **Purpose**

The November 2022 Web Summit Conference provided City staff opportunities to shape the 2023 International Economic Relations Program, and enclosed is a summary of activities and outcomes. By extension, staff recommend an international economic development mission to advance Vaughan's food industry, in partnership with York Region, by participating in the Anuga FoodTech Conference in Germany in Oct. 2023. To enhance the benefits of this mission, staff recommend business advisory engagements in Northern Italy in collaboration with the Italian Chamber of Commerce of Ontario (ICCO).

## **Report Highlights**

- Staff are seeking Council approval to participate in the international <u>Anuga FoodTec Conference</u> in October 2023, with economic development engagements with Italy's food industry cluster.
- Participation in international business missions and conferences is a significant opportunity to raise the profile of Vaughan's economy among global audiences, generate economic development opportunities and investment leads across Vaughan's key sectors, and offer insights into industry best practices.
- Participation in the Anuga FoodTec Conference, alongside York Region, will support the development of Vaughan's established and growing food and beverage sector through foreign direct investment, cross-border trade and learning about industry best practices.
- The Anuga FoodTech Conference activation will include a trade-mission component to Northern Italy's food and food processing cluster.

#### **Recommendations**

- 1. THAT, Council approves an international business mission based on the food industry with participation in the Anuga conference in Cologne, Germany and the Food and Food Processing Cluster in Northern Italy, consisting of:
  - a. Mayor (or a designate), one Local and Regional Councillor, and one Local Councillor as chosen by Mayor and Members of Council; and
  - b. The City Manager (or a designate), the Director, Economic Development, Senior Advisor, Strategic Economic Initiatives (or a designate, as decided by the City Manager, in consultation with the Director, Economic Development).
- THAT the Office of Communications and Economic Development be directed to communicate activities and progress, including highlighting participation by Vaughan-based businesses and partner organizations, and recruiting local company participation;
- 3. THAT staff return to Committee following the mission to report on outcomes and next steps; and
- 4. THAT Council receives the Web Summit report regarding outcomes of conference participation.

# **Background**

Participation in international business missions and conferences are an important opportunity to raise the profile of Vaughan's economy among global audiences and to generate trade opportunities and investment leads across Vaughan's key sectors.

Economic Development's participation in international trade, business and investment activities focus on activities in three key areas:

#### 1. Trade and Foreign Direct Investment (FDI)

Staff use international conferences and missions to identify cross-border trade opportunities with other countries and to attract foreign direct investment from other economies. Trade and FDI activities will focus on developing Vaughan's growing and emerging sectors, including health technology, life sciences, auto technology and food manufacturing. Target economies include those with which Vaughan has long-standing economic ties, such as Italy and Israel, and with more similarly positioned "gateway economies," such as the Czech Republic, Luxembourg, Portugal and Taiwan.

To raise the profile of Vaughan's economy, Economic Development staff leverage international conferences and missions to gain access to leading companies, investment agencies and public sector staff to provide technical briefings on Vaughan's economy. These meetings lay a foundation for future investment, engagement, and partnership focused on identifying opportunities.

#### 2. Established and Emerging Cluster Development (for talent and innovation)

International missions and conferences offer opportunities to develop Vaughan's established and emerging sectors, such as health technology, life sciences, auto technology and food manufacturing. Through marketing materials, meetings with international stakeholders and participation of leading companies from Vaughan, staff will raise the profile of Vaughan as a world-class destination for investment, talent and innovation.

#### 3. Advancing the City of Vaughan through Best Practice Research

International missions and conferences also provide opportunities to learn about best-inclass economic development practices, policies and programs from leading economic development organizations abroad. In addition, staff will leverage international visits to meet with municipal staff and local innovation organizations to learn about novel approaches to good government, municipal innovation, and fostering economic prosperity. These engagements will yield valuable lessons for creating new opportunities for businesses and talent in Vaughan and for improving the quality of life for residents in areas such as mobility, housing, emergency response, economic recovery, green economy and circular economy.

# Vaughan's Economic Development staff will collaborate with regional partners to coordinate lead generation and marketing activities for each conference.

Economic Development works as much as possible in a regional context when engaging with international stakeholders. Collaborating with York Region and other regional organizations helps to contextualize Vaughan within the broader GTA region for international audiences with limited familiarity with the region. The partnership also allows staff to leverage regional messaging, resources and connections to support trade and FDI goals.

Economic Development will partner with the Regional Municipality of York Region's Economic Development department, investment agencies such as Toronto Global and Canada's Trade Commissioner Service, and local business associations such as the Italian Chamber of Commerce of Ontario (ICCO) to coordinate lead generation and marketing activities.

A major lesson from Economic Development's participation in the 2022 Collision conference was that global gateway economies should be a focal point of future international business development strategies. Participation in conferences such as Web Summit and Anuga FoodTec offer opportunities to explore this thesis further and to gain insights that will inform future Economic Development activities and strategies.

The 2011-2021 Economic Development Strategy, *Building a Gateway to Tomorrow's Economy*, identified several international business development strategies for establishing Vaughan as a gateway to the broader GTHA corridor. In addition, meetings with representatives of countries across Europe and Asia at the 2022 Collision conference highlighted the parallels between Vaughan as a gateway economy in North America and similar gateway economies abroad.

Strengthening relationships with gateway destinations presents a significant opportunity to help Vaughan-based companies gain access to leading economies in Europe, Asia and the U.S. and to raise the profile of Vaughan's economy abroad.

Staff are proposing participation in the Anuga FoodTech conference and engagement with Northern Italy as a primary international business development activity for 2023. However, there are additional opportunities to raise the global profile of Vaughan's other key sectors in 2023. For example, economic Development is exploring in-person and virtual staff participation in B2B stakeholder conferences focused on other industries such as automotive technology, health technology and smart city.

#### Web Summit Summary

In Nov. 2022, staff participated in the 2022 Web Summit conference to continue ongoing work to raise the profile of the Vaughan Healthcare Centre Precinct (VHCP) and to generate trade and investment leads across Vaughan's key sectors.

Web Summit is an annual technology conference that attracts over 70,000 attendees from 170+ countries to Lisbon, Portugal. Web Summit attracts Fortune 500 companies that are transforming the technology industry, such as Google, Microsoft, IBM, Accenture, Amazon, BMW, and Samsung just to name a few, as well as thousands of technology startups and venture capitalists. The conference also attracts government and public sector trade promotion organizations, accelerators and consulates who attend to identify opportunities for cross-border trade and collaboration.

The conference is a sister event of the Collision Conference, hosted in Toronto, which the City of Vaughan has participated in since 2019 to promote Vaughan as a destination for technology and innovation. In 2022, Economic Development leveraged the conference to raise the profile of the VHCP and Vaughan's emerging health technology and life science sectors.

Economic Development leveraged Web Summit to hold meetings with international investment agencies, leading international companies, innovation organizations and municipal staff from Lisbon.

The conference produced many investment attraction, partnership development and intelligence-gathering opportunities, including interest from several international technology firms interested in locating their businesses in Vaughan, opportunities to collaborate with leading innovation organizations to further develop Vaughan's health technology cluster, and many transferrable learnings for developing creative industries in Vaughan.

At Web Summit, staff met with representatives of:

- Amsterdam in Business
- CCB Foundation
- The Champalimaud Research Centre for the Unknown
- DIGESTAID: a Portuguese Al-based MedTech company
- Director of Culture, City of Lisbon
- Director of Innovation and Economy, City of Lisbon
- Hub Criativo do Beato
- Invest Lisbon
- Medical Simulation Technologies (MST): a Polish company that designs custom heart surgery training environments
- Mouraria Creative Hub

- Planet Farms: an Italian vertical farming solution large-scale farms
- Pleez: a restaurant management software company
- Portuguese Health Cluster
- Startup Genome
- Wakaru: a Portuguese technology company specializing in Big Data, IoT and Al solutions for asset management

Staff have attached the daily summaries of Web Summit provided during the conference.

## **Previous Reports/Authority**

<u>Staff Participation in the 2022 Web Summit Conference – Committee of the Whole (2) - Tuesday, September 20, 2022</u>

<u>City of Vaughan Healthcare Centre Precinct Feasibility Study and Partnership – Committee of the Whole (2) Report – Wednesday, October 13, 2021</u>

2019 Post-Israel Mission Report, Committee of the Whole (2), March 9, 2020

Inbound and Outbound Delegations Policy, Policy No. 02.C.02, May 14, 2019

City of Vaughan Administrative policy "Employee Expense – 12.A.02" (for a copy of this policy, please contact the City Clerk's Office).

Vaughan Economic Development Strategy 2011-2021, *Building a Gateway to Tomorrow's Economy* 

## **Analysis and Options**

Participation in the Anuga FoodTec conference presents an opportunity to develop Vaughan's established and growing food and beverage sector through foreign direct investment, cross-border trade and learning about industry best practices.

Anuga is the world's largest food and food processing-related industry conference. In 2019, nearly 170,000 industry representatives from more than 200 countries attended. In 2021, during the global pandemic, Anuga attracted nearly 70,000 visitors from more than 160 countries. The conference takes place in Cologne, Germany from October 7-

11, 2023. With an added mission to engage with Northern Italy's Food and Food Processing Cluster, an international mission to Europe would be 10 days total.

Benefits to participation in Anuga include:

- Access to the largest industry community in the world: Anuga brings the global food industry together in one location - with many relevant players for efficient networking and high exposure.
- **Complete market overview**: With its wide-ranging offer, Anuga covers the entire offer of foodstuffs and beverages available worldwide. 10 trade shows under one roof provide an orientation and present all of the hip innovations.
- **High contact quality**: Top exhibitors meet up with the decision-makers and buyers from the trade, industry and out-of-home market at Anuga. The high quality on both sides turns Anuga into the leading ordering and export platform.
- Valuable impulses and inspiration: Like no other trade fair, Anuga focuses on the relevant food trends and key topics, which offer forward-looking perspectives and business potential.
- Transformation with knowledge: Boasting attractive special events, congresses and events, Anuga focuses on the solutions of the future and pushes transformation processes forward. As a "global knowledge leader", the trade fair offers the forum for an exchange with famous industry experts and renowned future and trend researchers.

To ensure a fulsome mission centred on food and food processing, staff are working with partners like the Italian Chamber of Commerce of Ontario (ICCO), to include activations in Northern Italy, where significant opportunity lies for Vaughan's economy.

In 2020, Italy was the ninth-largest importer of agri-food and seafood products in the world. Italy imported \$1.1 billion of products from Canada. Between 2016 and 2020, this number increased annually.

Despite this, Italy remains a net exporter of agri-food and seafood products. In 2020, the country had an agri-food and seafood trade surplus of \$4.9 billion CAD. In 2020, Italy had an agri-food and seafood trade surplus of Can\$376.2 million with Canada. Agri-food and seafood imports from Canada increased by a CAGR of 10.5% from 2016 to 2020. This presents significant opportunities for Vaughan's vibrant food and food processing cluster.

Using the EXPO 2015- "Feeding the planet, energy for life" – Milan has emerged as the centre of a vibrant food and food-processing cluster across Piedmont, Lombardy, and Emilia-Romagna. The entire region offers trade opportunities for our local economy in agri-food, circular economy solutions, and technology-enabled food processing

Key Opportunities (statistics and organizations):

- <u>Lombardy's agrifood</u> production produces approximately 16.4% of Italy's national total
- In Lombardy, there are more than 70 foreign companies in the agri-food sector, that employ 20,000 workers
- Lombardy is home to 33% of Italy's agrifood startups
- <u>Piedmont</u> is home to nearly 60,000 food companies, with more than 100,000 employees
- Piedmont exported more than 7 Billion Euros of food product in 2020, while importing more than 4 Billion Euros of goods
- Emilia-Romagna is home to leading global food companies including: Barilla,
  Segafredo, Tetra Pak, Caffitaly, Fico, and Mutti
- Emilia-Romagna is the founding region in the <u>Clust-ER Agri-Food</u>, which includes public and private bodies (research centers, companies, training institutes) that support the competitiveness of the industry in the Region
- The City of Milan leads the <u>Food System Milan</u> for sustainable food development
- Milan is home to <u>Planet Farms</u>, a vertical farming company working with Vaughan and Toronto Global after having connected at Web Summit. Vaughan was invited to tour their facility

Vaughan's ED partners, including York Region, the Italian Chamber of Commerce of Ontario (ICCO), Toronto Global, the Vaughan Chamber of Commerce, the Canadian Trade Commissioner Service (TCS), and the <u>Italian Trade Agency</u> (ITA), will assist staff in developing the mission's agenda and making valuable connections abroad.

Economic Development staff will work closely with regional partners to make connections, leverage regional resources and engage businesses in Vaughan and abroad to amplify the impact of the mission to Germany and Northern Italy.

The ICCO has valuable connections with local governments in Northern Italy and with several Italian Chambers of Commerce, including the Chamber of Commerce in Milan. Executive leaders of the ICCO also sit on the Board of the European Union Chamber of Commerce in Canada (EUCCAN) and will use this forum to facilitate international connections across Europe to support the mission.

Staff will also work with the ICCO, the Vaughan Chamber of Commerce, the TCS, and the ITA to engage local food and food processing businesses from Vaughan to participate in the mission, as well as to identify business leads from Germany, Italy and other European countries who will be attending Anuga. These regional partners are valuable

resources for making connections to enhance the trade development and foreign direct investment activities pursued during the mission.

Finally, support from York Region Economic Development will also bolster the mission to Europe by providing valuable intelligence regarding the regional Agri-Food industry, as well as marketing and promotional resources to support raising the profile of Vaughan among international audiences.

## **Financial Impact**

#### Budget for Anuga FoodTec and Northern Italy

Item	Description	Cost
Airline Tickets	Round-trip airfare including between	\$15,000
	Cologne and Milan (multi-city route)	
Hotel	6 rooms, 10 nights	\$18,000
Marketing	In collaboration with Corporate and	\$5,000
Materials	Strategic Communications, there will be	
	the development of customized	
	promotional and informational material	
	specific to Vaughan and its competitive	
	advantages to accompany the delegation	
	for distribution throughout the mission.	
Ground Travel		\$5,000
Per Diem		\$6,000
Total		\$49,000

There is no new financial impact to participating in this mission. Funding will be allocated from the to-be-approved 2023 Economic Prosperity Fund (which includes the international economic relations program).

The total budget for a 10-day mission to Europe is \$49,000. In addition, staff will apply for up to \$21,000 in grants from York Region and the Federal Government to offset costs.

# **Broader Regional Impacts/Considerations**

Municipalities in York Region are responsible for developing and executing their own International Business Development Programs. Outbound Delegations are within the mandate of Economic Development's Business Plan as a vehicle for promoting Vaughan's advantages, strategic projects, market opportunities and local businesses in

global centers.

## **Conclusion**

Based on the successful participation in the 2022 Collision and Web Summit conference, Economic Development recommends participating in a mission to Germany and Northern Italy in 2023 to raise the profile of Vaughan's food and beverage sector and to promote Vaughan's businesses on a world stage.

Upon approval, Economic Development will finalize the itinerary including all logistical requirements and travel-related bookings. The support of Corporate & Strategic Communications will be enlisted to create and implement a Communications Plan, and targeted marketing collateral for distribution prior to and during the Mission. Economic Development will also invite businesses to join the mission at their own costs.

**For more information,** please contact: Raphael Costa, Director, Economic Development, ext. 8891.

### **Attachments**

- 1. Memo: Web Summit Day 1 October 31, 2022
- 2. Memo: Web Summit Day 2 November 1, 2022
- 3. Memo: Web Summit Day 3 November 2, 2022
- 4. Memo: Web Summit Day 4 November 3, 2022
- 5. Memo: Web Summit Day 5 November 4, 2022
- 6. York Region Agriculture and Agri-Food Strategy, September 2017
- 7. City of Vaughan Food and Beverage Brochure, 2019
- 8. City of Vaughan Farm-to-Fork Supply Chain

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