

STATEMENT OF MUTUAL CO-OPERATION ON ECONOMIC DEVELOPMENT AND TRADE RELATIONS

BETWEEN

**THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
AND
THE STATE OF TEXAS IN THE UNITED STATES OF AMERICA**

This Statement of Mutual Co-operation (“SMC”) is made by and between the Government of the United Kingdom of Great Britain and Northern Ireland (the “United Kingdom”) and the State of Texas in the United States of America (“State of Texas”), (collectively, the “Participants” and each a “Participant”).

WHEREAS, in the spirit of joint economic development, co-operation, and recognition of the strong economic and cultural ties between the State of Texas and the United Kingdom, going back to the Treaty of Commerce and Navigation in 1842;

WHEREAS, the Participants recognise the overall importance of the economic relationship between the United States of America and the Participants, and the relationship between the United Kingdom and the State of Texas;

WHEREAS, the Participants aim to promote and foster sustainable economic growth, support innovation, and encourage job creation;

WHEREAS, the Participants recognise that research, technology, entrepreneurship, and innovation are fundamental to economic growth and prosperity, and that to succeed in the global innovation economy there is a need to strengthen their respective abilities to accelerate the commercialisation of innovations to encourage business growth, trade, and recognise the mutually enabling relationship between innovation and trade; and

THEREFORE, the Participants hereby express their desire under this SMC to afford every facility and encouragement to their respective subjects and citizens engaged in commercial intercourse with each other, with the goals of encouraging collaboration for increasing prosperity in both regions and contributing to the further development of favourable relations between the State of Texas and the United Kingdom as set out below.

SECTION 1: OBJECTIVES

Through this SMC, the United Kingdom and the State of Texas intend to:

- i. Promote and advance trade between businesses in the United Kingdom and State of Texas through deepening economic co-operation.

- ii. Identify and address existing or anticipated barriers to trade, investment, and economic co-operation and development, including those resulting from innovation.
- iii. Promote bilateral investment by facilitating investor introductions and signposting available incentives, resources, financing, and support available for businesses.
- iv. Foster innovation, including through encouraging the sharing of best practice for resilient and forward-looking regulatory frameworks which support innovation.
- v. Strengthen business links, support economic development, and encourage investment and the creation of high-quality jobs across all regions of both the United Kingdom and the State of Texas.
- vi. Identify opportunities to improve supply chain resilience.
- vii. Promote industry-to-industry exchanges, including, but not limited to, our world-leading academic institutions, to encourage the sharing of knowledge and best practices, collaborative projects, research, and to explore the facilitation of engagement opportunities between the United Kingdom and State of Texas.
- viii. Enhance economic co-operation and development with the mutual understanding of the opportunities that the areas of emerging technology and digital can offer for international economic development.
- ix. Encourage regulators and professional bodies interested in pursuing recognition arrangements of professional qualifications.
- x. Support the development of new and emerging energy solutions to ensure greater energy resilience.

SECTION 2: PRIORITY SECTORS

- i. In furtherance of the principle of mutual benefit, the Participants intend, to the extent possible, to prioritise the following sectors and emerging sectors of focus and co-operation (the “Priority Sectors”).
 - a. New and emerging innovative energy solutions, including hydrogen, carbon capture, utilisation and energy storage;
 - b. Chemicals;
 - c. Health and life sciences, including rural health, telemedicine, and health technology;
 - d. Supply chains and critical minerals;
 - e. Advanced technologies;
 - f. Aerospace;
 - g. Infrastructure, including water, adaptation and resilience, ports, rail, and aviation;
 - h. Transport services including intercity light and high-speed rail, and rail freight;
 - i. Professional business services including financial and legal.

- ii. The Participants intend to consider and, as appropriate, pursue solutions to specific market access barriers. This may include supporting regulators and professional bodies interested in pursuing recognition arrangements of professional qualifications.
- iii. In addition, with respect to public procurement:
 - a. The Participants reaffirm their existing obligations under the World Trade Organisation Government Procurement Agreement (“WTO GPA”) and intend to explore opportunities to open access to markets covered in the WTO GPA and encourage private company participation in mutually acceptable government procurement markets of the United Kingdom and the State of Texas. The Participants will maintain an open dialogue regarding current and future procurement trade related initiatives and developments. The State of Texas will endeavour to offer the United Kingdom’s suppliers treatment no less favourable than US suppliers.
 - b. The State of Texas and the United Kingdom will maintain an open dialogue regarding current and future procurement trade related initiatives and developments.
 - c. The Participants will collaborate on opportunities in their government procurement processes within the Working Group framework outlined in Section 3.

SECTION 3: WORKING GROUP

- i. Within six months of the signature of this SMC, and thereafter annually, the Participants plan to meet in the form of a working group (the “Working Group”) to coordinate the implementation of this SMC.
- ii. The United Kingdom may raise issues of opportunity and mutual interest relating to territories for whose international relations the United Kingdom is responsible, where appropriate, namely the Bailiwicks of Guernsey and Jersey, and the Isle of Man and the Overseas Territories.
- iii. The Participants will endeavor to inform and consult with one another on a regular basis about matters of common interest that represent opportunities for mutual benefit and are consistent with this SMC, and will review the operation of the SMC to ensure it is continuously up-to-date and relevant for the growing United Kingdom-Texas relationship.
- iv. The Participants designate the following coordinating authorities to oversee all interactions related to this SMC:
 - a. For the United Kingdom: the Department for Business and Trade and the British Consulate General in Houston.
 - b. For the State of Texas: the Texas Economic Development and Tourism Office as the coordinating authority for all state agency interactions related to this SMC.

SECTION 4: THIRD PARTY PARTICIPATION

- i. The Participants acknowledge that individuals and entities from private, public, academic, research, and other sectors may be invited to participate in the co-operative activities and initiatives described herein, provided that such individuals and entities can directly and meaningfully contribute to the achievement of the objectives of the SMC.

- ii. Subject to each Participant's absolute discretion, this third-party participation in the activities and initiatives under this SMC may include, but is not limited to, the involvement of regional, city, and county government agencies, research institutions, economic development organisations, non-governmental and advisory bodies, private enterprise, trade associations, and/or public-private partnerships.
- iii. The Participants acknowledge that participation in the activities and initiatives under this SMC by third parties will be subject to the Information Sharing and Confidentiality provisions at Section 5 of this SMC.

SECTION 5: INFORMATION SHARING AND CONFIDENTIALITY

The Participants recognise that to facilitate this SMC, information may pass between them. The Participants acknowledge that all public records generated or exchanged in relation to this SMC will be public, consistent with Participants' respective domestic laws.

SECTION 6: INTELLECTUAL PROPERTY

- i. The Participants acknowledge that any intellectual property brought by one Participant in relation to this SMC remains the property of that Participant.
- ii. If any intellectual property rights should arise from activity carried out in accordance with this SMC, the Participants further acknowledge the intellectual property will be attributed and protected in accordance with the Participants' respective state and national laws.

SECTION 7: FUNDING

The Participants understand that this SMC does not commit either Participant to financially support any activity carried out under its provisions.

SECTION 8: INTERPRETATION AND APPLICATION OF THIS SMC

The Participants are committed to acting in good faith. Any disagreements between the Participants about the understandings in this SMC will be resolved only through informal discussions between the Participants and not referred to any third party, court, or tribunal.

SECTION 9: ENTRY INTO OPERATION AMENDMENT AND TERMINATION

- i. This SMC will come into operation on the date of the Participants' signatures below and will continue to have effect until it is terminated or renewed.
- ii. The Participants may amend this SMC at any time upon their mutual written consent.
- iii. Either Participant may withdraw from and terminate this SMC at its discretion by providing 45 days' written notice of its withdrawal to the other Participant.

SECTION 10: STATUS OF THIS SMC

- i. This SMC is subject to the prevailing laws and regulations of the State of Texas, the United States of America, and the United Kingdom.

- ii. This SMC is solely an expression of the Participants' intention to establish a mutually beneficial relationship and is not an international agreement or treaty and as such does not create legally binding rights or obligations under domestic or international law.
- iii. This SMC does not affect the rights of and obligations of third parties or the rights of the Participants to conclude arrangements or agreements with respect to any matter described in this SMC.

The foregoing record represents the understandings reached between the Government of the United Kingdom of Great Britain and Northern Ireland and the State of Texas in the United States of America upon the matters referred to therein.

This SMC is signed on 13 March in London United Kingdom by:

THE RT HON KEMI BADENOCH MP

Secretary of State for Business and Trade,
President of the Board of Trade
Minister for Women and Equalities

For the United Kingdom of Great Britain
And Northern Ireland

GREG ABBOTT

Governor
For the State of Texas