

The Israel Innovation Authority – Societal Challenges Division

Americas Competitiveness
Exchange Tour

June 24, 2018

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רשות החדשנות
Israel Innovation
Authority

innovationisrael.org.il

➤ High Tech: Major impact on the Israeli economy



8%

of Employees



13%

of GDP

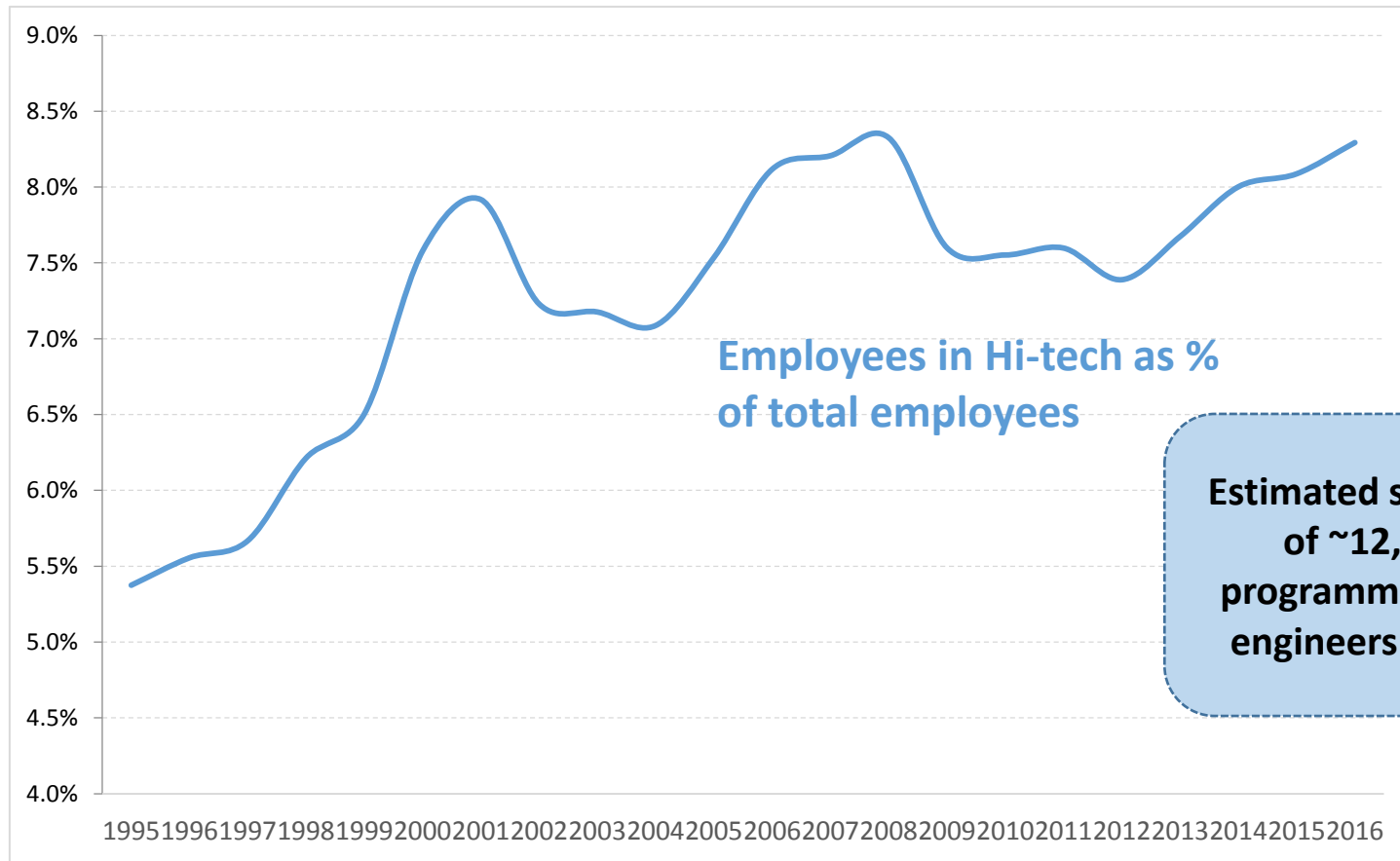


50%

of Industrial Exports

Israel's challenge: shortage of skilled engineers

(The industry has grown, yet hasn't increased its weight in employment)

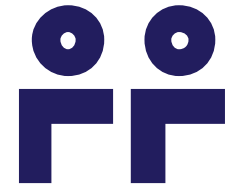


Possible implications → National priority

Tel Aviv has strong funding numbers and is great in reaching markets, connecting with other ecosystems, and reeling in plenty of foreign customers. However there are signs Tel Aviv's ecosystem success may be plateauing. **High engineering costs and long times to hire are the cause of Tel Aviv's weakest Index factor.**

Global Startup Ecosystem Report 2017

➤ IIA's Societal Challenges Division



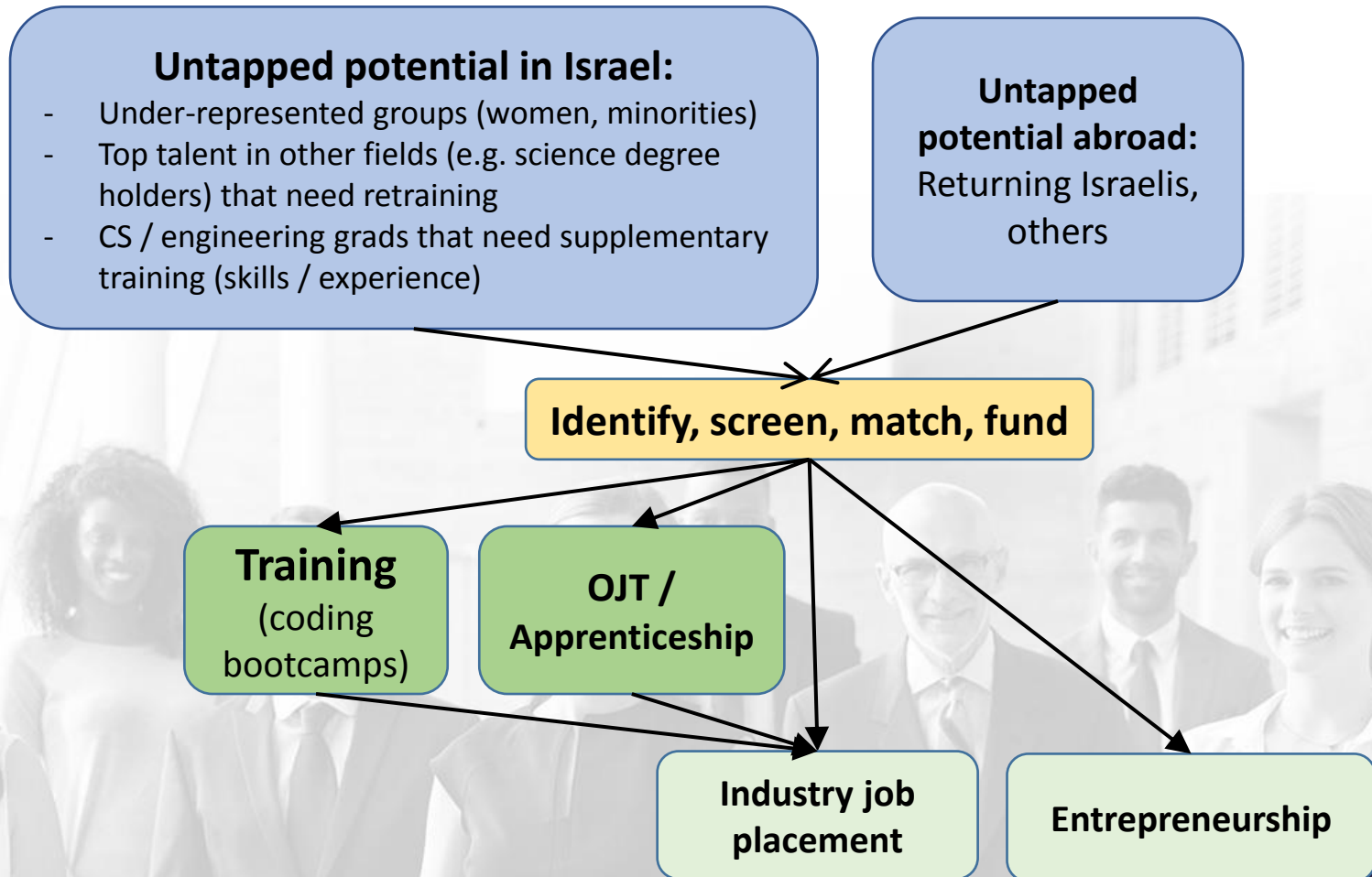
Mission:

Leverage technology to create innovative solutions for significant societal challenges such as healthcare, security and food, and to improve the effectiveness of the public sector.

Develop human capital for the knowledge-based Industry, to address Israel's shortage of skilled workers and promote diversity in the hi-tech industry.



➤ How can we increase the supply of skilled tech workers?



➤ Program example: Coding Bootcamps

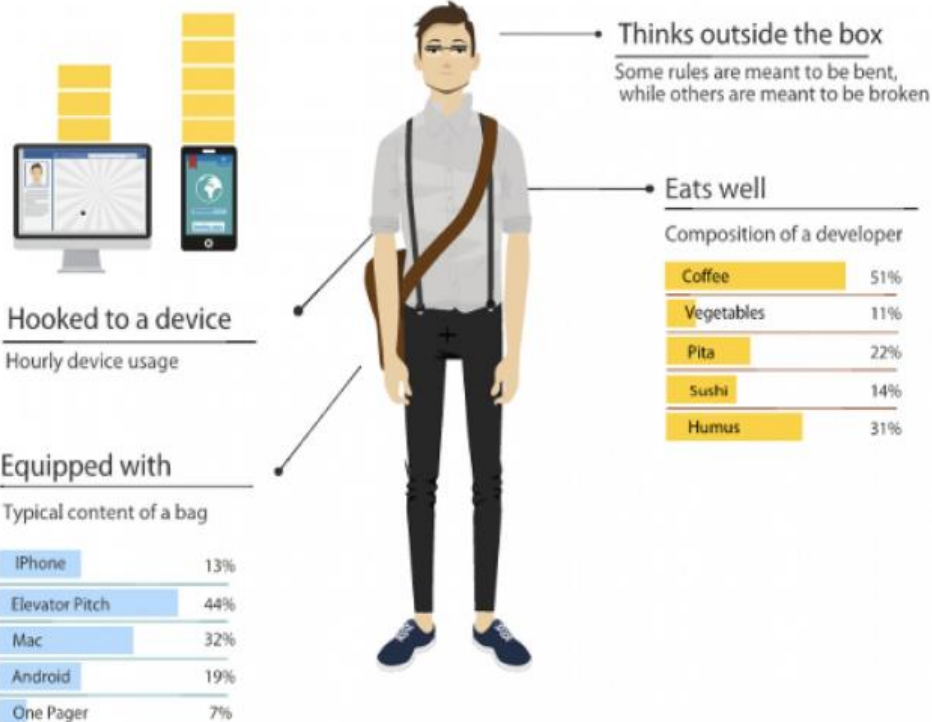
- 2018: launched competitive process to select Coding Bootcamps to train and place graduates in development roles in tech (250 in pilot year)
- June 2018: 7 winners selected
- “Pay for results” model based on salary of graduates in tech industry
- Extra incentive for placing minorities (Arab / Ultra-Orthodox, Ethiopian descent), women, people with disabilities or over age 45



➤ The Israeli entrepreneur – old & new typecasts

The Israeli Entrepreneur

Typical Israeli founder infographic



Meirav Oren –
Co-Founder
and CEO,
Versatile
Natures



Rahely Ganot – CEO, Rachip and Itzik
Crombie – CEO, Bizmax (Jewish
Ultra-Orthodox tech organizations)

Prof Ziyad
Hanna – CEO,
Cadence
Systems



**IIA program for minority entrepreneurs
(Arab or Ultra-Orthodox): 85% project
funding instead of 50%**

➤ Harnessing technological innovation to address societal challenges



➤ Program example: Digital Innovation Fund for Public Sector Challenges

Joint IIA-Digital Israel NIS 30M annual fund

Competitive grants to support development of digital products and services that offer solutions to challenges in the public sphere

- 80% funding for requests up to NIS 300K / 50% funding for requests up to NIS 4M
- Emphasize “functional innovation” – but require technology
- Open to NPOs and individuals

- Digital government
- Digital health
- Digital social welfare
- Digital education
- Digital public services

New – 2018:

- Digital Human Capital development
- Productivity in the workplace



صندوق الابتكار الرقمي لتحديات المجتمع العام
دعوة لتقديم طلبات دعم للتطوير التكنولوجي لمنتجات وخدمات رقمية
التي توفّر الاستجابة لتحديات المجتمع العام

أهمية لطلبات حتى 300,000 شيكل جديد بتمويل قدره 80% وطلبات
حتى 4,000,000 شيكل جديد بتمويل حتى 50%

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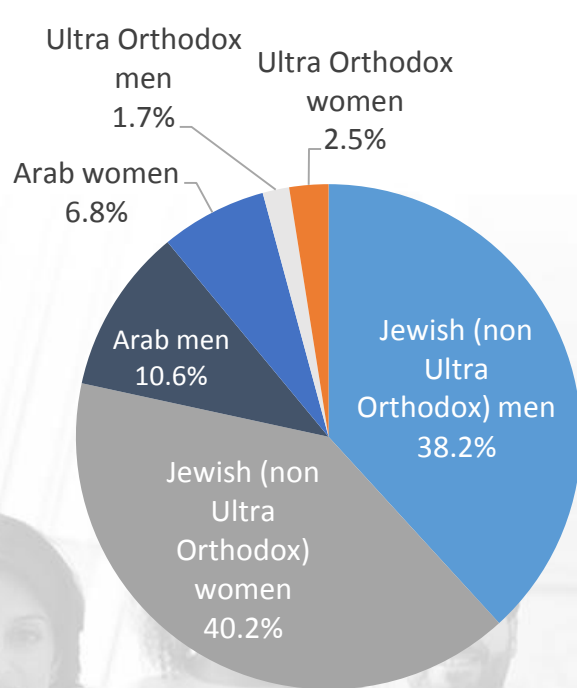
وزارة المساواة الاجتماعية

➤ In summary

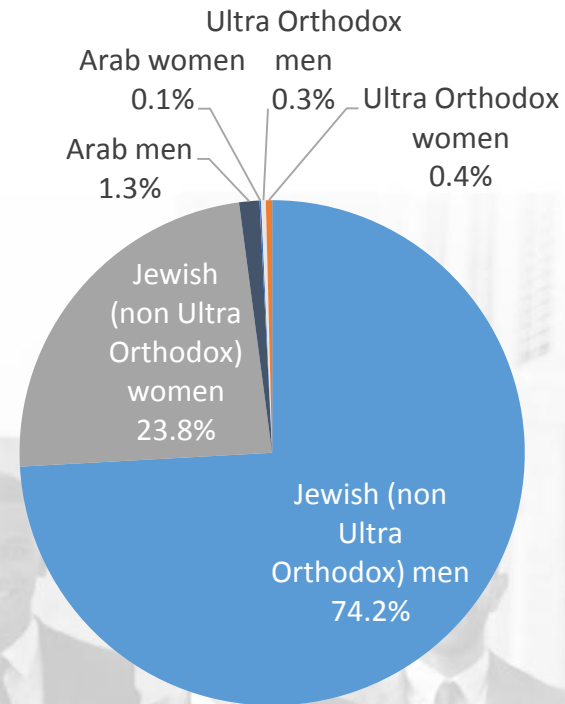
- **Develop skilled, diverse human capital for the innovation industry**
 - Coding bootcamps – alternative entry point to tech
 - Minority entrepreneurs
 - “Back to Tech” for returning Israelis
 - Foreign talent visas – expedited process
 - Internship / OJT models
- **Harness technological innovation to address societal challenges**
 - Impact investing programs: Assistive Technology, Public sector challenges, Grand Challenges
 - Enabling the ecosystem: mindset, funding / risk, support

Thank You

➤ ... and the Tech workforce remains relatively homogenous



All Israeli employees born 1975-1985



Israeli employees in High Tech born 1975-1985

Source: Chief Economist (MOF) and Director of Employment Regulation

➤ **Program example: “Back to Tech”
placement service for Israeli tech
professionals abroad**



+ **Foreign talent visas** – expedited process for
tech industry (support to immigration authority)