Israel Innovation Authority

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innovationisrael.org.il

רשות החדשנות
Israel Innovation
Authority

Hi-Tech - Major Impact on the Israeli Economy
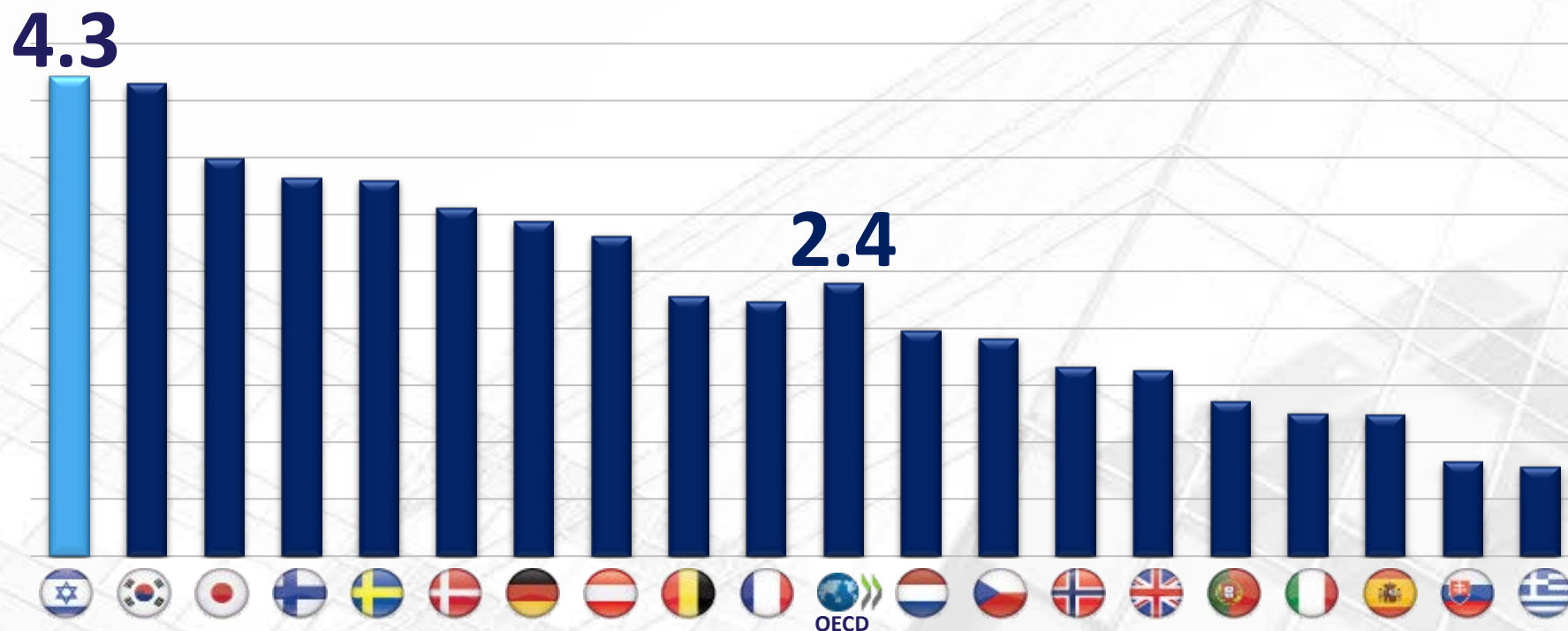
8.3%

of Employees

12%

Of Business Sector GDP

43%

of Exports

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Global Leadership in Research & Development

National expenditure on civilian R&D as % of GDP

4.3

2.4

🇮🇱 🇰🇷 🇯🇵 🇫🇮 🇸🇪 🇩🇰 🇩🇪 🇦🇹 🇧🇪 🇫🇷 **OECD** 🇳🇱 🇨🇿 🇳🇴 🇬🇧 🇵🇹 🇮🇹 🇪🇸 🇸🇰 🇬🇷

Source: OECD, 2016

2017

~$24B
Total exits – New record including Mobileye $15B

$5.2B
Capital raising
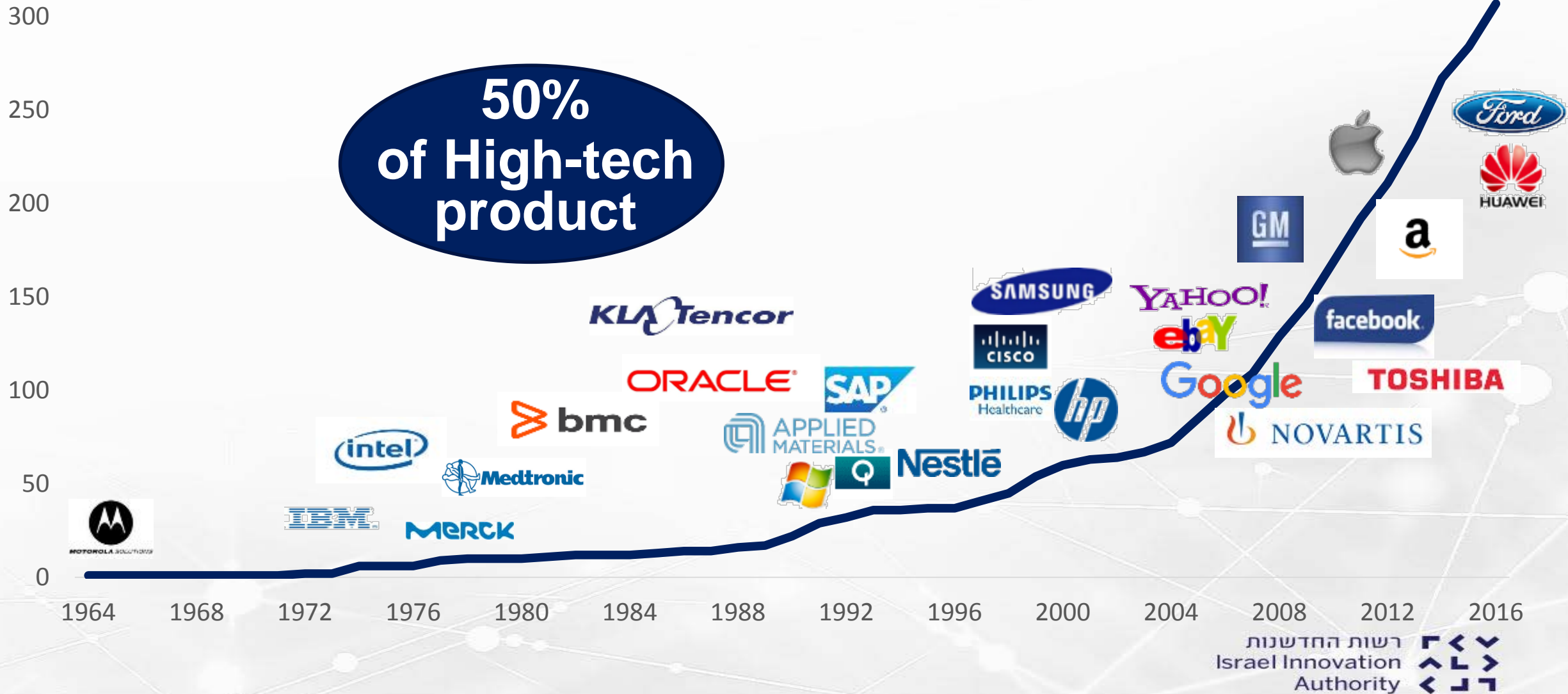
~700
Net new startup companies (2017)

620
Annual transactions

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Increased Involvement of Multinational Corporations in Israel's Innovation Ecosystem

50% of High-tech product

Chart showing y-axis values 0, 50, 100, 150, 200, 250, 300 and x-axis years 1964, 1968, 1972, 1976, 1980, 1984, 1988, 1992, 1996, 2000, 2004, 2008, 2012, 2016 with company logos: Motorola Solutions, IBM, Merck, Medtronic, intel, bmc, KLA Tencor, ORACLE, Applied Materials, Windows, Q, Nestlé, SAP, Samsung, Cisco, Philips Healthcare, hp, Yahoo!, eBay, Google, GM, Apple, Amazon, facebook, Novartis, Toshiba, Ford, Huawei

Our Mission

Advancing innovation as a leverage for sustainable and inclusive growth
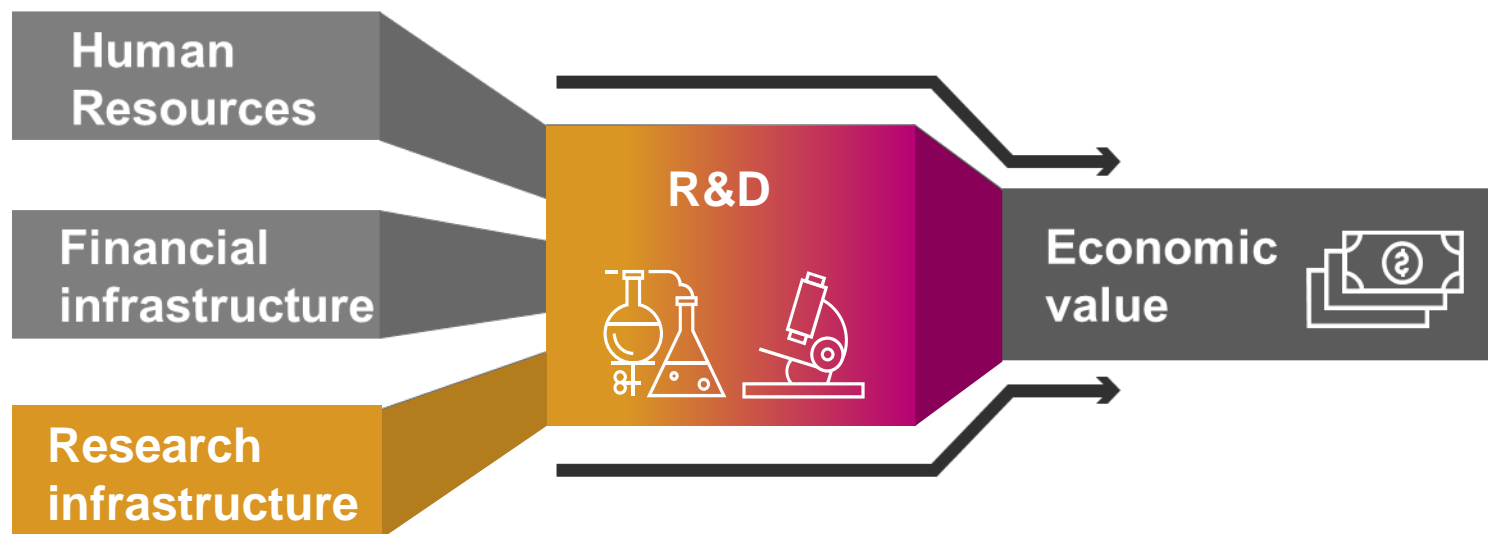
Maintaining and strengthening innovation assets
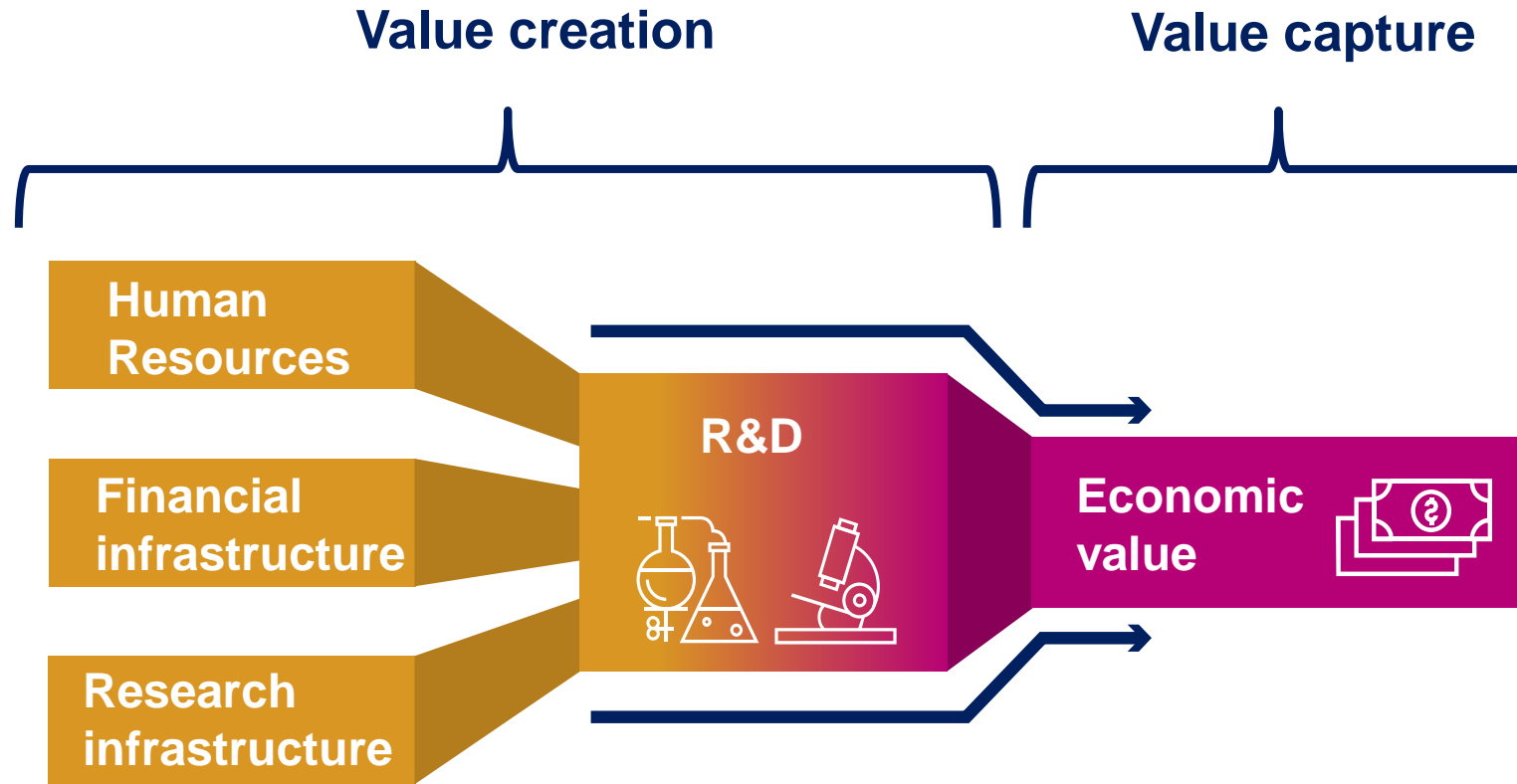
Enhancing economic impact

Enabling future technologies

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Focus – Office of the Chief Scientist

Expanding the Focus – Israel Innovation Authority

Value creation

Value capture

Human Resources

Financial infrastructure

Research infrastructure

R&D

Economic value

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Why Should Governments Support R&D?

> R&D suffers from inherent market failures

> Spillover

> Risk / Uncertainty

> Market failure is a condition for support
> The economy also benefits from failed companies!

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Principles of Innovation Policy

Neutrality
Grants based solely on technological excellence and business potential

Risk Taking
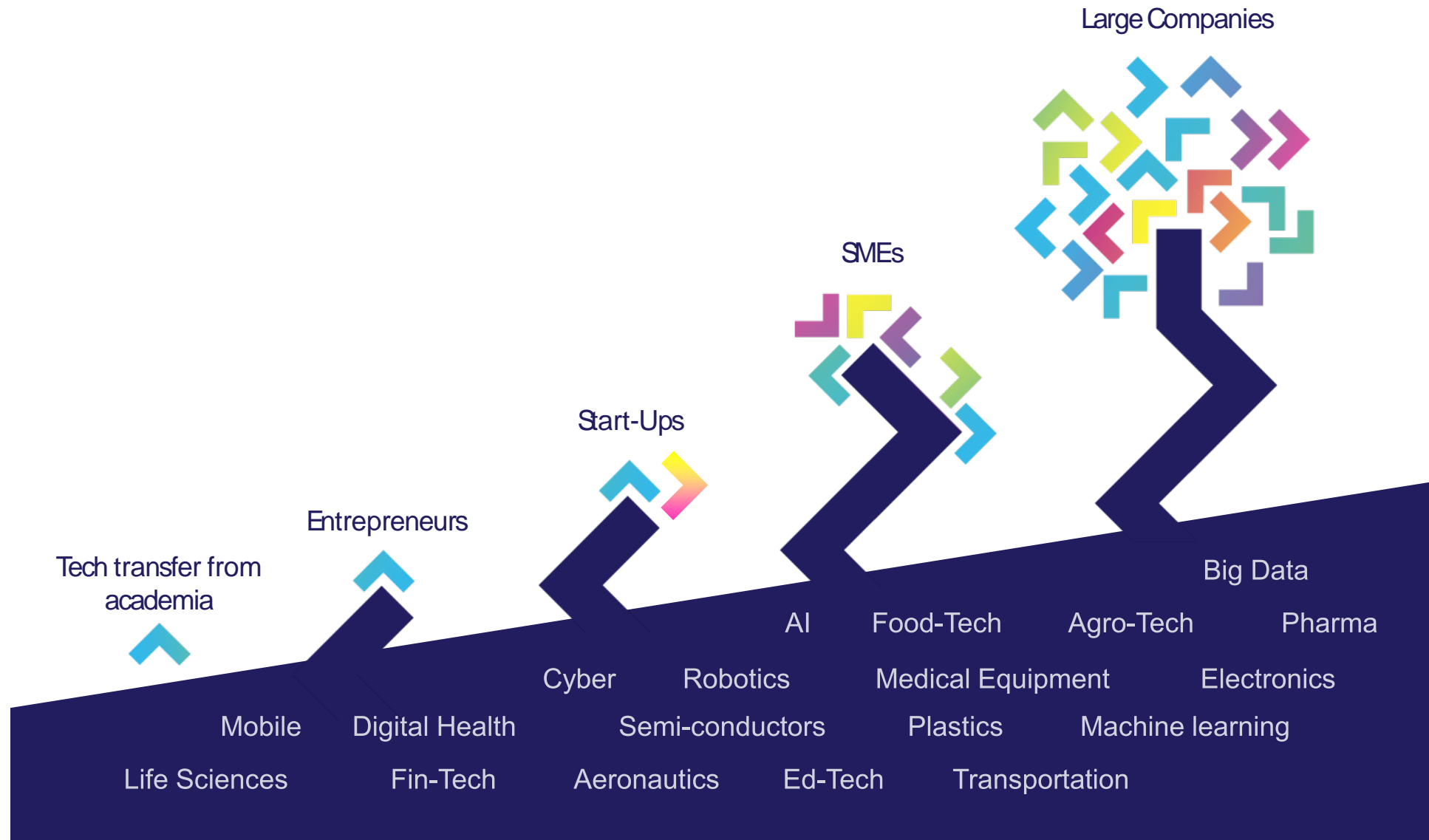Financing firms with conditional loans; repayment based on royalties (no equity taken)

Matching
Matching government money with private money
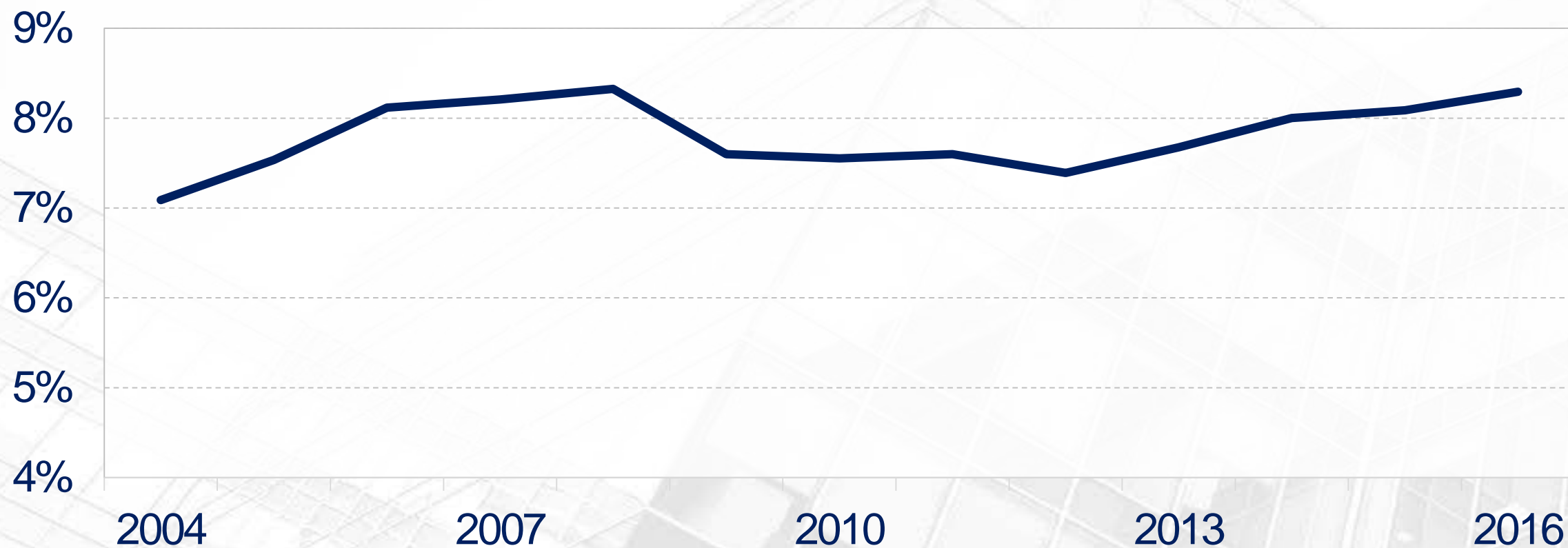
Enabling the Market-
Not Leading It

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Funding all technologies and **at all stages of innovation**

Large Companies

SMEs

Start-Ups

Entrepreneurs

Tech transfer from academia

Big Data

AI   Food-Tech   Agro-Tech   Pharma

Cyber   Robotics   Medical Equipment   Electronics

Mobile   Digital Health   Semi-conductors   Plastics   Machine learning

Life Sciences   Fin-Tech   Aeronautics   Ed-Tech   Transportation

2017 In Numbers

1,100 projects

Avg grant 1.3M NIS

670 companies

1.6B NIS

Hi-Tech Employment

Source: Processing of Israel Innovation Authority data
by the Central Bureau of Statistics

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Productivity Gaps
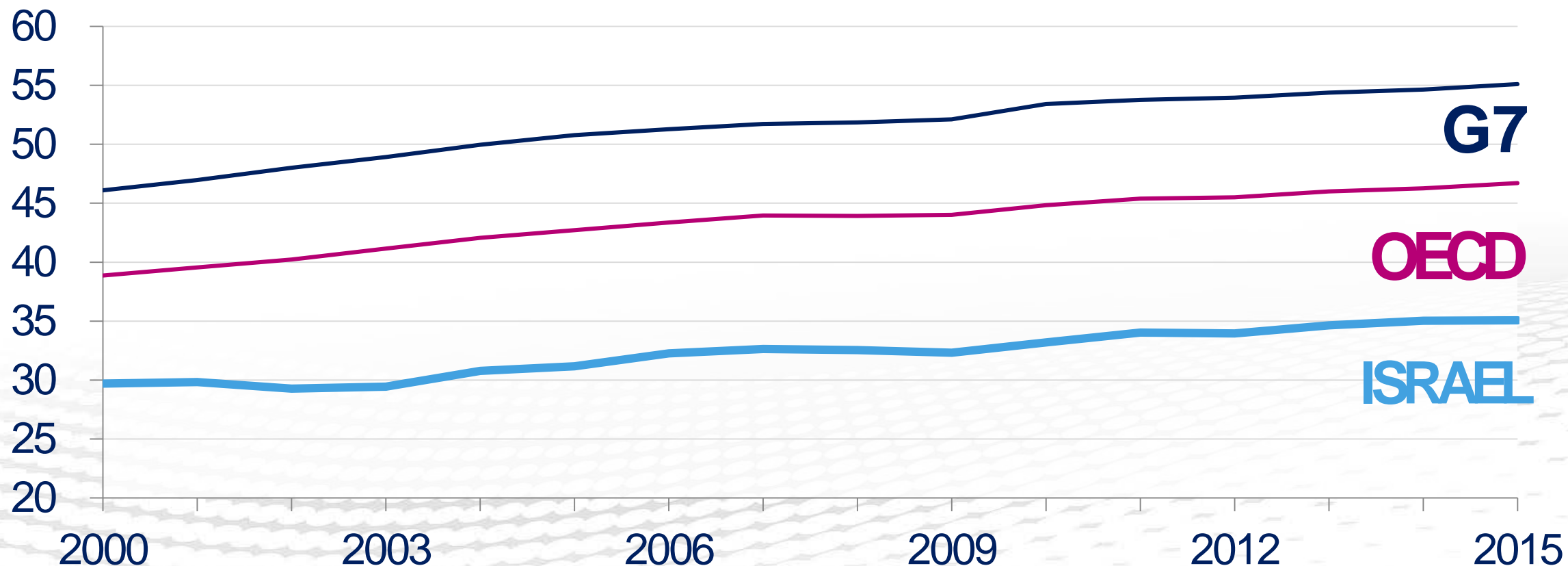
Source: OECD (constant prices, 2010, $PPP – Purchasing Power Parity)

Innovation Divisions

Technological Infrastructure

Startup

Growth

Societal Challenges

Advanced Manufacturing

International Collaborations

> **The different Needs of Israeli Hi-tech Firms Require Different Policies and Tools**

Research infrastructure, disruptive technologies

Maintaining a s sufficient deal flow of tech startups and helping them reach fundable milestone

Helping tech firms grow in Israel

Supporting tech solutions for societal goals, address human capital

Pushing the manufacturing industries to a sustainable competitive path

Enabling Israeli technology industry to find its path in the global arena

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New Program - Innovation Labs

A platform for engaging between the industry and entrepreneurs. The lab is owned and operated by an Industry partner (or a consortia) and provides start-ups with access to technological infrastructure and expertise not available to startups in Israel, defines industry needs and supports joint POC developments
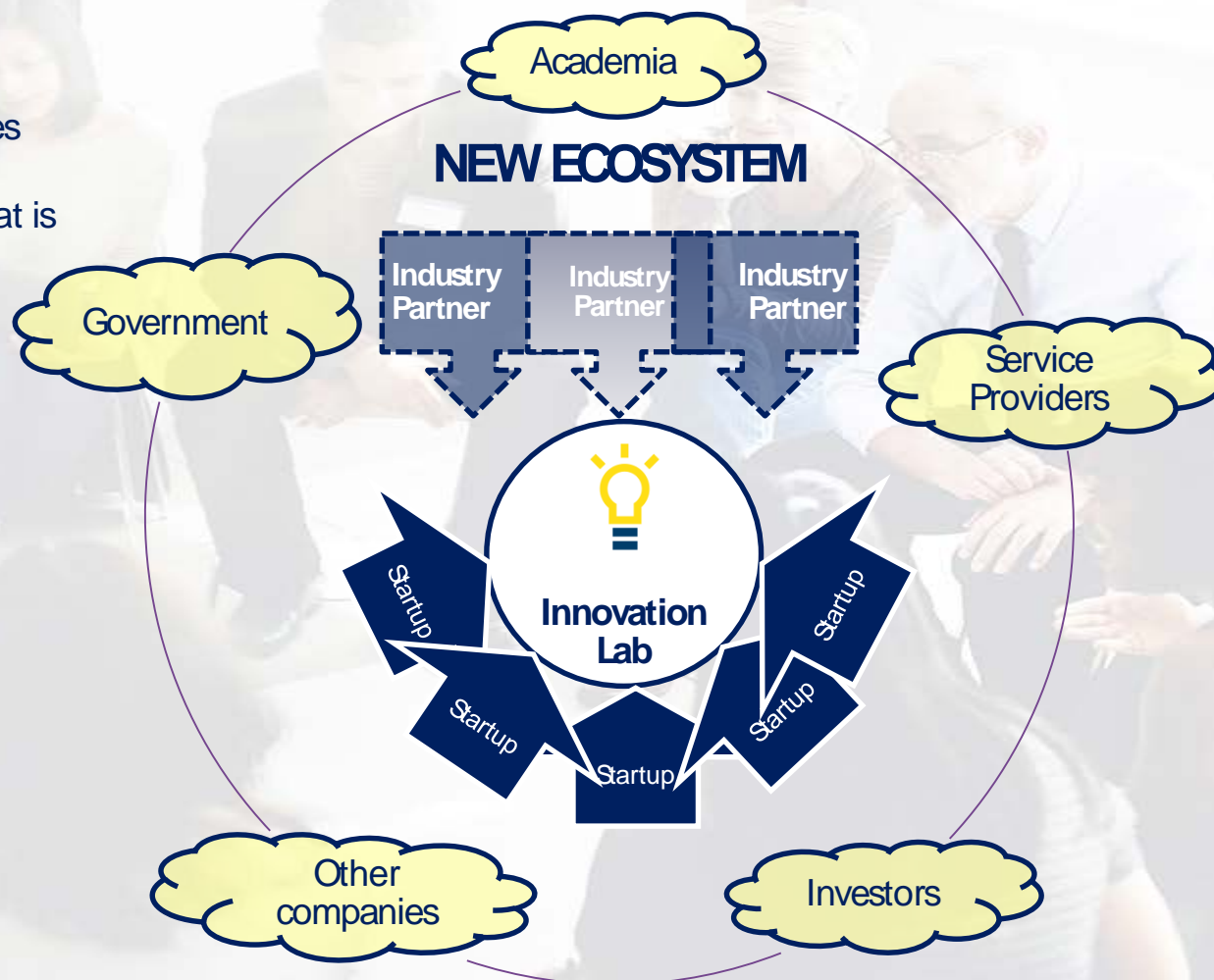
Industrial Partners:
- Medium-Large Israeli companies
- MNCs who can provide technological infrastructure that is missing in Israel

Term: 3 years

Innovation Authority Financial incentives:
- CAPEX
- OPEX
- POC budget of each startup

NEW ECOSYSTEM

Academia

Government

Service Providers

Industry Partner · Industry Partner · Industry Partner

Innovation Lab

Startup · Startup · Startup · Startup · Startup

Other companies

Investors

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Addressing Human Capital Needs

August 5, 2017

Israel Innovation Authority Approves NIS 10 Million for 'Coding Bootcamps' Hi-Tech Rapid Training

Israel Innovation Authority initiated a new program that will provide an intensive training program for a period of six months to a year, including a full-time practical internship, for the hi-tech industry who is hungry for quality personnel.

As a response to the growing need for quality engineers and computer programmers in Israel — as of April 2017, market demand for programmers exceeded those available by 2.5x — the Israel Innovation Authority approved a new program developed by the Authority's Societal Challenges Division to rapidly train hi-tech employees. The goal is to create an alternative route to joining the hi-tech workforce, focused on market needs, in a maximum 12-month training track, aimed at college graduates in the sciences who are interested in a career shift to computer programming.

Coding bootcamps are a new global trend. In 2016 in the US, 70% of a similar program's graduates went on to work in the hi-tech sector. The courses cost between $15,000 and $30,000 outside of Israel and employers recognize their value: a 2017 survey held amongst 1,000 hi-tech employers in the US found that 84% of employers believed that graduates of coding bootcamps were as good as, or better than graduates with Computer Science degrees from universities. 80% of the bootcamp graduates were happy with the training they received.

The model includes a competitive grant program under which computer programming training agencies will be rewarded in relation to the number of graduates they produce who have received high-paying jobs in hi-tech development. The program will emphasize including diverse populations in the industry. The goal is to prepare 250 ready-to-work employees at the end of the first year, and 450 new employees by the end of the third year.

As of May 2017, there were 7,127 job openings in the Israeli hi-tech sector, mainly for engineers and programmers. The training program will address this need by increasing the number of skilled personnel. This will bolstered by longer-term programs, such as bringing skilled workers from abroad.

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International Collaborations

The Americas

Canada
CIIRDF (Foundation)
Ontario
Quebec
USA
BIRD (Foundation) **DOE,**
COMMERCE California
Florida
Pennsylvania
South Carolina
New York
Massachusetts
Maryland
Virginia
Wisconsin
Oregon
Colorado
Nevada
Illinois
Michigan
Texas

Latin America

Inter-American Development Bank
Brazil: Federal +Sao Paulo
Argentina
Uruguay
Mexico
Colombia
Chile

Europe

Horizon 2020

EUREKA
France
Russia
Italy
Germany
Greece
Denmark
Hungary
Turkey
Portugal
Finland
Sweden
The Netherlands
Czech Republic
Spain
Belgium
Poland
Romania
Slovakia
Cyprus
Lithuania

Kazakhstan

Asia Pacific

China
Jiangsu
MOST
Shanghai
Shenzhen
Shandong
Guangdong
Zhejiang
Szechuan
Hong Kong

India
I4F
i4RD (Federal)
KIRD (Karnataka)

Korea
KORIL-RDF
(Foundation)

Japan

Taiwan

Singapore
SIRD (Foundation)

Australia
Victoria
New South Wales

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Thank You

Enjoy the rest of your visit

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