

# Startup Nation – A Government Facilitating Innovation

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רשות החדשנות  
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# The Roots of Innovation – Well Before the Nation

1896



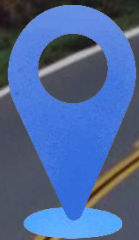
“The shape which the social question may take depends entirely on the development of technology.

The word “impossible” has ceased to exist for our men of science

We shall proceed in making of the new land a land of experiments and a model state...”



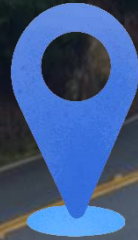
1896



motorola  
1969



OCS-Office of the  
Chief Scientist  
MINISTRY OF ECONOMY  
1971



R&D Nation

1972-4



OCS-Office of the  
Chief Scientist  
MINISTRY OF ECONOMY

National  
Semiconductor

IBM.

intel

“Yozma”  
1993



2016



Start-up Nation

Today

2020



Future

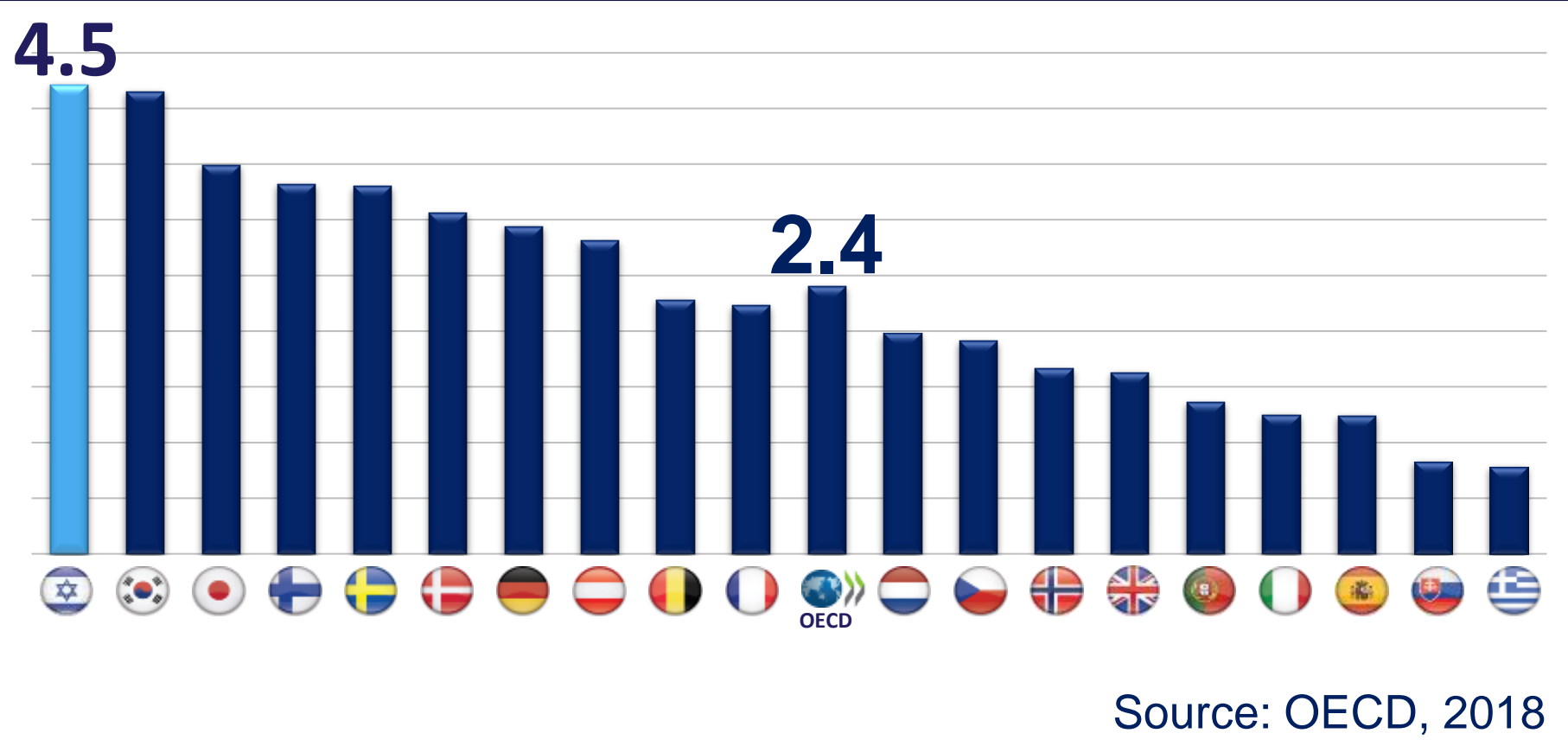
Scale-up Nation?

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# Global Leadership in R&D

National expenditure on civilian R&D as % of GDP



Source: OECD, 2018



# High-tech – the Growth Engine of the Israeli Economy



9%

of Total Workforce



13%

of GDP



46%

of Total Export



# Israeli High-tech is Maturing



**X2**

Startups  
reaching sales  
(2011-2019)



**X2**

Revenues  
growth companies  
(2016-2019)



**X2**

Late stage  
Capital raised  
(2016-2019)



**30+**

Unicorns  
(12 in 2019)

# High-tech Growth Barriers



**Human  
resources**



**Diverse  
financing tools**



**Ease of  
doing business**

# Government Role- Complementing the Private Money

**Increase the economic value from Israeli innovation and ensuring the future technological leadership of the country**



**Act upon  
market failures**



**Remove  
barriers**



**Create  
new growth engines**



# Israel Innovation Authority (in 2019)

Investing in innovation to promote sustainable and inclusive growth



\$500M  
Annual Budget



2951 applications  
40% approvals



All Technologies  
Bottom-up approach



Conditional  
Loans



From single entrepreneur  
to large companies



140 employees  
180 evaluators

# Acting Upon Market Failures

## Financial

Early stage

Growth  
in Israel

Lengthy ROI  
Sectors

## Workforce

HR  
Shortage

Under-  
represented  
Populations

Innovation in  
Periphery

## National

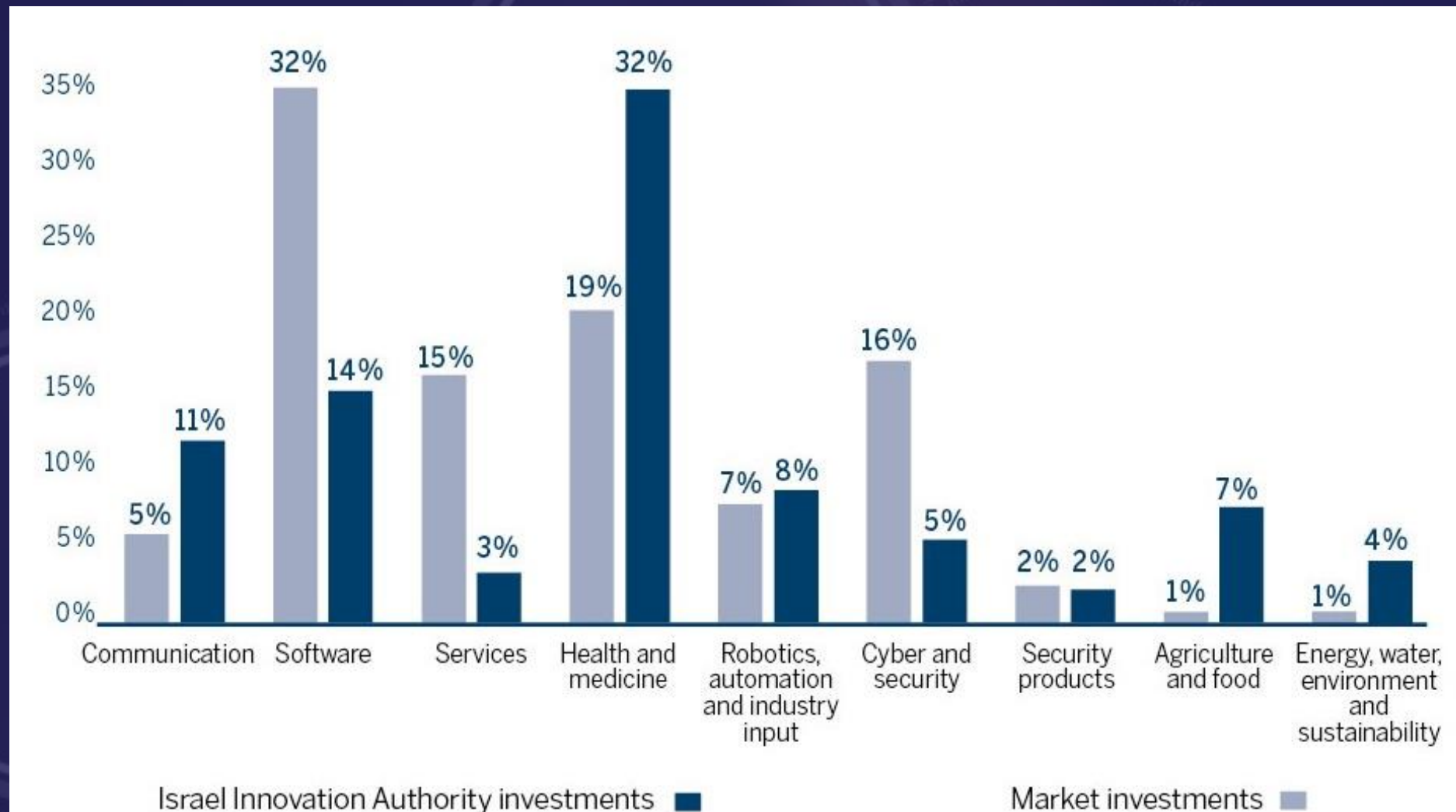
Future  
Tech-waves

Academy-  
Industry

Innovation in  
manufacturing



# IIA Grants- Complementing the Private Money



Source- IIA Annual Report 2019



# Role of Government is Emphasized in Times of Crisis

## COVID-19 crisis effect on the Israeli high-tech



Reduced investments affects startups



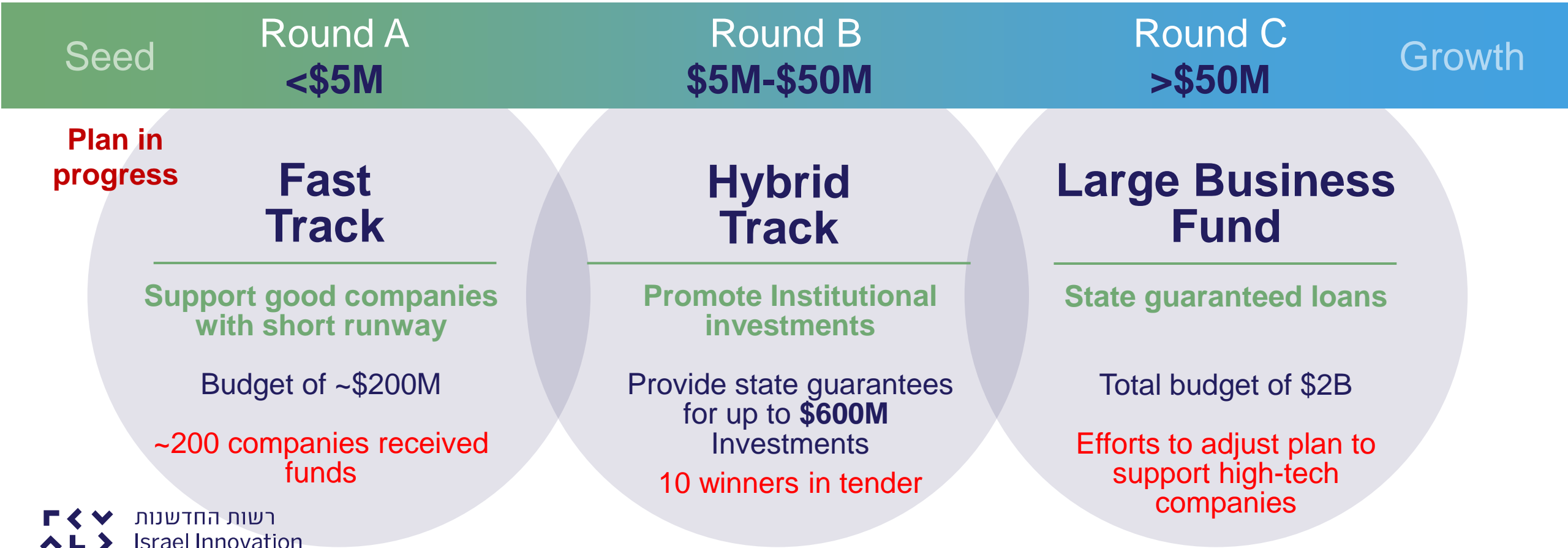
Decreased sales affect growth companies



Hiring freeze, non-paid absence, terminations



# ➤ High-tech Rescue Plan



# Looking Towards the Future- Even in Times of Crisis

National plan  
in preparation



Artificial Intelligence



3D Printing



Robotics

HR

Data

Infra-  
structure

Advanced  
materials

Food

Tissues  
/ Drugs

Visual  
Processing

Delicate  
Manipulations



IOT/ Industry 4.0



Quantum



Bioconvergence



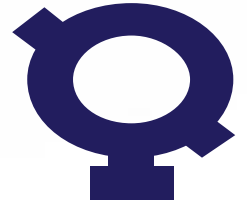
Food-tech

National plan  
ongoing

National plan  
in preparation



# ➤ Industrial R&D International Collaboration map



## Europe

### H2020

#### Eureka

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

### China

Jiangsu  
MOST  
Shanghai  
Shenzhen  
Shandong  
Guangdong  
Zhejiang  
Hong Kong

### Korea

KORIL-RDF  
(Foundation)

### Japan

### India

i4RD (Federal)  
KIRD (Karnataka)

### Singapore

SIIRD (Foundation)

### Australia

Victoria  
New South Wales

### North America

BIRD (Foundation)  
CIIRDF (Foundation)

South Carolina  
California  
Florida  
New York  
Massachusetts  
Maryland  
Virginia  
Wisconsin  
Oregon  
Colorado  
Illinois  
Michigan

### Latin America

Argentina  
Brazil  
Sao Paulo, Brazil  
Uruguay  
Mexico (Newtec)  
Columbia  
Chile

+65 Bilateral R&D Agreements Worldwide

Thank You

