# MATIMOP Leveraging R&D Collaboration to Foster Economic Growth



**April 2013** 

# מתימו"פ MATIMOP

מרכז התעשיה הישראלית למחקר ופיתוח Israeli Industry Center For R&D

#### Government support policy for industrial R&D



Matchmaking

מתימו"פ MATIMOP

מרכז התעשיה הישראלית למחקר ופיתוח Israeli Industry Center For R&D,

- Promotion of cooperation on day-to-day basis
- Implementation of agreements
- Assistance in accessing OCS funding for international projects

Filling the gap of private investment

growth

(spill-over

effect)

Innovation

Job creation

THE GOAL

THE AGENCIES & THEIR ROLE

THE RESULTS

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### Office of the Chief Scientist (OCS)



The Office of the Chief Scientist of the Israeli Ministry of Industry Trade & Labor is responsible for implementing government policy regarding support and encouragement of industrial R&D.

- Operates under the R&D Law Act (1984) to encourage industrial R&D.
- Funds high-risk projects which do not attract private financing.
- Budget for 2012: \$407 M
- For international activities an additional budget of \$100M is allocated



#### **OCS Government Support Programs**



Generic R&D Competitive R&D Cooperative R&D Pre-Seed Magnet Tnufa **Industrial** D&R National **Technological** Magneton **Incubators** Seed Fund Long-Range Nofar R&D **Bi-national Funds** International **Bi-national Agreements** (Europe FP) Galileo מתימו"פ MATIMOP מרכז התעשיה הישראלית למחקר ופיתוח Israeli Industry Center For R&D **Global Enterprises R&D** Cooperation **Applied Academic** Basic R&D **Market Proximity** Research

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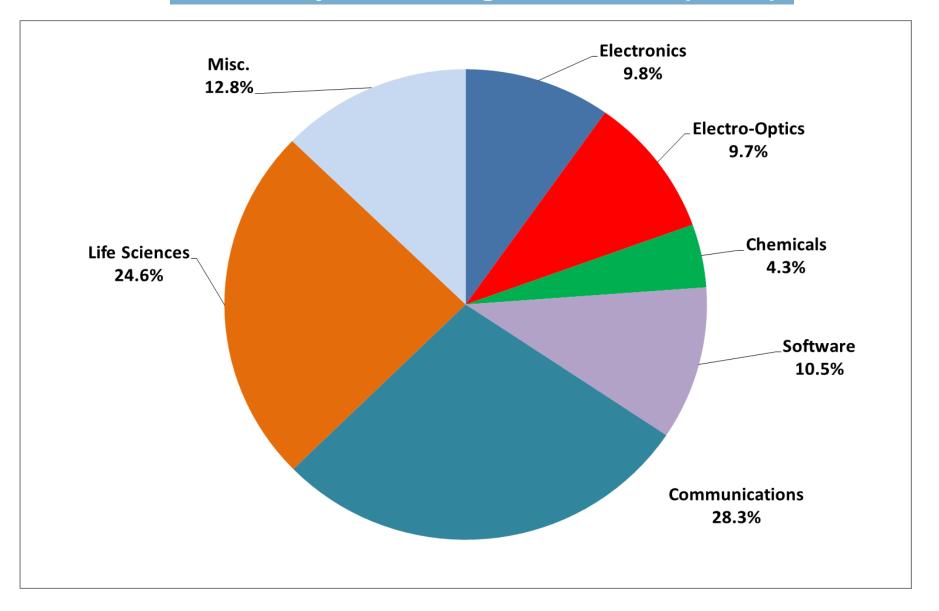
# Israeli Government Support

- Average project budget: 1 million Nis per year
- Government support: Up to 50%
- Support duration: 1 renewable year
- Annual government support for International R&D projects:\$100 million

#### **Funding Rules:**

- Grants scale from 20% 50% of the approved budget + regional incentives + preferred industrial sectors (bio/nano technologies)
- Conditional grant: royalty payments 3% 5% of the future sales

### **Grants by Technological Sectors (2012)**







# How Does MATIMOP Assist Industry?

- □ Partner-Matching: Assists Israeli and foreign industries in locating partners for industrial R&D projects
- ☐ Serves as a gateway to international high-tech industries
- Extends platforms for cooperation
- ☐ Implements national R&D support programs
- □ Provides access to national funding schemes

MATIMOP's Database –
4000 Israeli companies and R&D capabilities Website
www.matimop.org.il





# Collaboration with international financial institutions

- World Bank Group:
  - MATIMOP cooperates with the World Bank Group, in particular with the International Finance Corporation (IFC).
  - Help IFC in screening innovative technology companies active in emerging markets. Companies participating in Matimop's Americas programs, may apply to IFC for fund raising.
- Inter American Development Bank (IDB):
  - Collaboration in innovation projects in Latin America, financed by the IDB
  - Joint participation in Innovation best practices workshops

MATIMOP encouraging IDB to take a lead role in providing support & additional sources of funding aiming to enhance collaboration R&D schemes in Latin America

# **Bilateral Agreements**

#### **North America**

New York
Massachusetts
Maryland
Virginia
Wisconsin
Colorado
Illinois
Oregon
BIRD(Foundation)
Canada-Israel I
Ontario

CIIRDF(Foundation)

#### **Latin America**



Argentina Brazil Uruguay

#### **Europe**

France Russia Italy Germany

Greece

Denmark

Hungary

Turkey

Portugal

**Finland** 

Sweden

The Netherlands

Czech Republic

Spain\*

Belgium\*

Poland\*

Romania\*

Other European Countries\*

**Asia** 

China

India

**Taiwan** 

SIIRD-Singapore (Foundation)

KORIL-RDF-Korea (Foundation)

**Australia (Victoria)** 

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### Bi-lateral Cooperation Program

#### **Basic Program Criteria:**

- At least one company in each country, which should jointly develop a new product, process or service of industrial application.
- The new development must be innovative, with commercial potential & added value to the economies.
- Cooperation must demonstrate a balanced contribution
- Scientific / technological institutions sub-contractors only
- Companies should have the <u>technological</u>, <u>commercial</u> and <u>financial</u> ability to bring the new product to market

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#### **Application Process**

#### An optimal tool for a bi-lateral program administration

- Coordination
- Launching
- Matching
- Submitting Mutual Application Phase I
- Submitting National Applications Phase II
- Evaluation & Decision
- Joint Committee



### Americas Division at MATIMOP

- Promotes and facilitates international R&D collaboration in the Americas
- Dedicated to supporting, enhancing and optimizing existing bilateral funding platform in the region
- Exploring additional cooperation opportunities within the Americas region
- Aiming to implement more than 50 new cooperation projects with the region



# Active Programs in Latin America

# Uruguay - Israel Industrial R&D Cooperation

#### **Bi-lateral Agreement in Industrial R&D**

- 2008 MOU signed between the Government of the Republic of Uruguay and the Government of the State of Israel
- Aim: Fostering & Supporting Bilateral Cooperation in Private Sector Industrial Research and development
- <u>Cooperating Authorities</u>: The Ministry of Economy and Finance of the Republic of Uruguay and the Ministry of Industry, Trade and Labor of the State of Israel (MOITAL)

#### **Implementing Entities of the agreement**

#### **ISRAEL**

MATIMOP - on Behalf of The Office of the Chief Scientist (MOITAL)

#### **URUGUAY**

ANII - The National Innovation and Research Agency on behalf of the Republic of Uruguay

**Next Call for Proposals to be launched April 2013** 



### **Argentina - Israel R&D Cooperation Program**

#### **Bi-lateral Agreement:**

- Signed on 16.11.2006
- Aim: Fostering & Supporting Bilateral Cooperation in Private Sector Industrial Research and development

#### **Parties:**

- The Israeli Ministry of Industry, Trade & Labor (MOITAL)
- The Ministry of Economy and Production (MECON), together with the Argentinean Ministry of Education, Science and Technology (MECT)

#### **Implementing Entities of the agreement:**

- ISRAEL: MATIMOP on Behalf of The Office of the Chief Scientist (MOITAL)
- ARGENTINA: MINCyT, The Ministry of Sciences Technology and Innovative Production

**Next Call for Proposals to be launched April 2013** 





# Israel – Brazil Cooperation

#### Bi-lateral Agreement in Industrial R&D signed on 27.02.2007

The program is jointly run by the Secretariat of Innovation in the Ministry of Development, Industry and Foreign Trade of Brazil (MDIC) and MATIMOP, the Israeli Industry Center for R&D, on behalf of the Office of the Chief Scientist (OCS) in the Ministry of Industry Trade and Labor of Israel.

#### **Sectors in Focus**

- ICT
- Life Sciences
- HLS
- Renewable Energy

#### **OPEN CALL NOW!**

#### **Funding Schemes**

**OCS In Israel**: Conditional Grants are given up to 50% of the approved R&D expenditures (+regional incentives).

**BNDES, FINEP, SEBRAE In Brazil**: according to the available lines and the rules and operating procedures of each institution as well as the applicable legislation in force.









#### **FAPESP-MATIMOP BI-LATERAL COOPERATION**

- Matimop and the São Paulo Research Foundation (FAPESP) signed on November 2, 2012 a bi-lateral agreement that shall promote bilateral R&D and innovation activities between entities from the State of Sao Paulo and from the State of Israel.
- Sectors in Focus: every technological field
- Funding Schemes
  - oIn São Paulo:
    - •funding by FAPESP will be subjected to local entities funding capabilities

#### oln Israel:

- ■The total funding from the Government of Israel will not exceed 50% of the eligible and approved costs of the R&D in accordance with the R&D law.
- ■Research institutes may participate and be funded as subcontractors.





### Active Programs in Latin America





**Brazil**-Federal Agreement in Industrial R&D- focusing on Life Science, HLS,ICT, Renewable Energy -**Open Call** 



**Sao Paulo** - Matimop and FAPESP signed a bi-lateral agreement to promote R&D and innovation activities between entities , Call to be launched in **April** ,2013



Argentina - Bi-lateral Agreement- Next Call April,2013



Uruguay - Bi-lateral Agreement- Next Call April,2013



Colombia - New Bi-Lateral Agreement will be signed during 2013



Chile - New Bi-Lateral Agreement is expected within few month

# International Activities Raises Israeli Company Productivity by 43%

- Total Productivity of exporting companies is 43% higher than non-exporting companies
- In terms of number of employees exporting companies are 116% larger than nonexporting companies
- Salary paid by exporting companies is on the average 27% more than that paid by non-exporting companies
- Productivity growth over 5 years form start of export is 12% greater than for non-exporting companies

#### Research suggests two possible reasons for these results:

- Exposure of exporting companies to new technological developments globally enables technology to adapted by them resulting in enhanced output
- Global competition pushes exporters to raise their productivity.

Source: Bank of Israel, 2011

# Latin America- Israel Cooperation Program

#### For partner search & information

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