

## **Leap to high-tech: Increasing technological human capital through employment in new high-tech branches in the periphery**

Last date for submission: 24.9.2024

### **Startup Division**

#### **Background and the essentials of the call for proposals:**

In view of the national importance of increasing the supply of human capital for high-tech and in light of the Innovation Authority's report for 2024, it appears that the bulk of the income of high-tech employment in Israel comes from research and development professions, which are mainly located in the center of the country. The Israel Authority for Technological Innovation (hereinafter: "the Authority") is issuing a call for proposals to support high-tech companies that wish to hire workers from the periphery through employment in a new branch of a high-tech company that will open in the peripheral areas as defined in section 2.2 of the instructions for [benefit track number 44](#) - Human capital development for the knowledge-intensive industry in Israel (hereinafter: "the benefit track")

#### **Description of the call for proposals:**

The Innovation Authority invites relevant corporations to submit applications for support for new programs for the development and diversification of human capital in the high-tech industry as part of benefit track number 44, which aims to encourage programs that seek to address the challenges of developing skilled human capital for the knowledge-rich industry in Israel, with an emphasis on innovative solutions.

As part of the call, the authority will support companies that will offer programs for hiring workers from peripheral areas through new branches that will be in these areas. The benefit will include practical training fees for inexperienced employees (juniors) whose first job this is as well as funding for experienced employees (seniors/team leaders) who will accompany and assist the new employees, in an OJT model. If required, it is possible to receive funding for theoretical training in accordance with the requirements of the employing company in order to provide the new employees with the professional knowledge required for their work.

#### **The amount of the grant**

- A program with a requested budget of up to NIS 1,000,000:

A program whose requested budget is up to a total amount of NIS 1,000,000 - a grant of 70% of the approved budget will be given for it - in accordance with the committee's decision.

A program with a requested budget exceeding 1,000,000 NIS and up to 5,000,000 NIS:

A program whose requested budget exceeds a total amount of 1,000,000 NIS and up to 5,000,000 NIS - a grant of 50% of the approved budget will be given for it - in accordance with the committee's decision.

- A program with a requested budget exceeding 5,000,000 NIS and up to 15,000,000 NIS: A program whose requested budget exceeds a total amount of 5,000,000 NIS and up to 15,000,000 NIS - a grant of 30% of the approved budget will be given for it - in accordance with the committee's decision.
- \*\* No financial grant will be given to existing or similar programs, which receive funding from another government entity, due to the prohibition on doubling government funding.
- \*In special cases, where the research committee believes that the program has a very high level of innovation and uniqueness, it will be able to approve granting a grant at an exceptional rate of 60% or 70% of the approved budget.

### **Description of program components**

As part of the call, the Authority will support the promotion of technological human capital from peripheral areas through their employment in new branches of high-tech companies in peripheral areas according to the following emphasis:

- The grant will be given for a ratio of 1:5, ie one senior employee (senior/team leader) for every five new employees without experience (juniors).
- The main activity of the branch will take place in the peripheral areas as defined in the instructions of the benefit route.
- The new employees are required to meet the definition of "junior entitled to practical training" in accordance with track 44 procedures.
- The programs will be activated within six months of the winning, the minimum period for the activation of the program will not be less than 6 months.
- The applications will be submitted for an implementation period of 12-24 months.

### **The criteria for evaluating applications**

- As specified in the instructions of the benefit track.
- The Innovation Authority will consider the applications that meet the threshold conditions and will evaluate their quality in accordance with the standards detailed in the benefit track - as detailed below, with specific reference to the relevant target audience and the challenges it poses.

### **Preconditions**

- The application and the applicant must meet all the following threshold conditions:
- All threshold conditions must be met, at the time of submitting the application and throughout the implementation period of the approved program. Failure to meet one of the following threshold conditions will result in the rejection of the entire application or the cancellation of the approved program.

- The applicant is a corporation that was legally incorporated and registered in Israel and operates in accordance with the laws of the State of Israel.
- If the applicant is a non-profit organization or a public benefit company ("NPC") - it has a valid certificate from the register of non-profit organizations for proper management, or alternatively - if two years have not yet passed since the date of its activity.
- Despite the above, an applicant who is an association or a non-governmental organization, who does not have a proper management permit or a permit for the submission of such documents at the time of submitting the application, may present such permit until the date of signing a budget sheet and a letter of commitment in accordance with the benefit track.
- The request is intended to address one or more of the challenges in developing skilled human capital for the knowledge-rich industry in Israel, as defined in [section 2.1](#) of the benefit track.
- Financial assistance was not received, directly or indirectly, from a government agency or the Innovation Authority, to carry out the case that is the subject of the request, other than according to the instructions of the benefit track
- The applicant does not have restricted accounts and is not in the process of receivership, freezing of proceedings, liquidation, etc.
- The applicant and its controlling owners meet the requirements of the regulations for the encouragement of research and development in industry (conditionality of approvals - minimum wage), 2011-5771.

### How do you apply?

- Details of how to submit the application, the track procedures and the application forms appear on the Innovation Authority [benefit track 44 - human capital development for the knowledge-rich industry](#) in Israel, on the Innovation Authority website.
- The applications must be submitted by 9/20/2024, at 12:00 PM. Applications submitted after this date will not be considered.
- To submit an application:
- First, you must read the instructions and conditions that appear in the [benefit track](#) and the [track procedures](#).
- The submission of the application will be done online, through the personal area of the Innovation Authority website:
  - 1 You must register/enter the [personal area](#).
  - 2 Fill out the online form submitting a request for support - it can be found in the personal area menu.
  - 3 The forms and documents listed below must be attached to the submission (in the "Adding the attachments" section that appears at the bottom of the support application submission form).

The Innovation Authority will only accept complete and valid applications, which are submitted together with all the forms required according to the terms of the benefit track and its procedures. It is recommended to submit the forms a few days before the last submission date, to make sure that the submission is correct. Applicants who wish to receive confirmation that their application has been received correctly - are requested to advance the submission date as much as possible.

- In case of contradictions and/or inconsistencies between the forms, what is stated in the budget file will be determined.

### **Contact**

For general questions and questions about how to submit the application in the personal area, you can contact customer service, by email: [contactus@innovationisrael.org.il](mailto:contactus@innovationisrael.org.il) or by phone at 03-7157900, Sunday-Thursday, 9:00-17:00.

For questions about the route, you can contact the email:

[HCfund@innovationisrael.org.il](mailto:HCfund@innovationisrael.org.il)

\* You must follow this call page, where updates will be posted - if there are any.

\*\*For the avoidance of doubt, it is clarified that the above is only a summary of the instructions of the benefit course and its procedures, and that the binding versions are the full versions of the benefit track, the procedures and their appendices, which are an integral part of the publication of the reading voice. In the event of a contradiction or inconsistency between the wording of the calling voice and the instructions of the benefit path and the procedures, what is stated in the instructions of the benefit path and the procedures will prevail.

\*\*\* The publication of the reading voice is not a commitment to approve the application of any of the applicants or at all.

### **Legal Disclaimer for translations:**

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