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Government Resolutions **Reinforcement of the technological leadership of the State of Israel** Resolution number: 173 Unit: Government Secretariat Government: The 37<sup>th</sup> Government Date published: 24.02.2023 Effective date: 24.02.2023

## Government Resolution No. 173 dated 24.02.2023

Resolution Topic: Reinforcement of the technological leadership of the State of Israel

## **Resolved:**

Further to Government Resolutions No. 212 of August 1, 2021 (hereinafter - Resolution 212), No. 2118 of October 22, 2014, No. 4398 of December 23, 2018 and No. 218 of August 1, 2021 and in light of the importance of technological innovation as the growth engine of the Israeli high-tech sector, and in order to support the continued prosperity of the Israeli innovation industry and its leadership in the global innovation competition:

Artificial Intelligence

1. Further to the Telem Outline approved in Section 6(B)(1) of Resolution 212, and in order to develop research, human capital, and infrastructure in the field of artificial intelligence, to promote the knowledge-rich industry in Israel that develops tools based on artificial intelligence, and to optimize the public service through the implementation of the use of artificial intelligence tools in the civic public sector, to approve a program in artificial intelligence and data science (hereinafter - the Artificial Intelligence Program/the Program), as an extension of the Telem Outline in artificial intelligence and data science, and to act as follows:

A. To note the announcement of the Ministries of Innovation, Science and Technology, Defense and Finance and the National Technological Innovation Authority (hereinafter - the Telem Forum Member Bodies and the Innovation Authority, respectively), regarding the approval of the Artificial Intelligence Program, the components of which are as follows:

1) Accelerating basic and applied research in the fields of artificial intelligence increasing the faculty reserve, reinforcement of manpower for the operation of computing centers and promotion of groundbreaking scientific research; 2) Creating a leap forward for the Israeli innovation industry - creating assets for broad use by the industry, promoting infrastructural R&D, and running inter-sector coordinated ventures to test artificial intelligence-based technologies;

3) Implementation of artificial intelligence applications in the civil public sector implementation of projects for the use of artificial intelligence for the benefit of streamlining the work of the public sector.

B. The plan will be financed by the Telem Forum member bodies as listed above, which will participate in the various components of the Program. To this end, the Ministry of Finance will allocate a budget for the authorization to commit that does not exceed 500 million NIS, and the Telem Forum member bodies will prepare the outline budget intended for allocation. The outline will be realized in the years 2023 to 2026, so the above budget will be charged and carried out over these years.

C. To turn to the Planning and Budgeting Committee of the Council for Higher Education (hereinafter - the Higher Education Council) with a request to examine joining the above program. Nothing in this section is intended to derogate from the independence and authority of the Higher Education Council.

D. For the purpose of implementing Section 1(A)(3), to instruct the Ministry of Innovation, Science and Technology to operate a competitive mechanism for the selection and realization of the aforementioned projects, in cooperation with the National Digital Directorate, the Innovation Authority and the Budgets Division of the Ministry of Finance. The formulation of the standards for the selection of the aforementioned projects will be done in collaboration with the Deputy Attorney General (Economic), and the selection of the national projects will be done in consultation therewith and the examination of the relevant legal aspects, including the aspects of privacy protection and equality.

E. The implementation of the projects will be done through the National Digital Directorate. To guide the National Digital Directorate, to provide capabilities and resources for the realization of projects for the assimilation of artificial intelligence in the civil public sector, in each of the years 2023 to 2026.

- 2. Determine that a report regarding the progress of the artificial intelligence program will be submitted by the Telem Forum member bodies through the manager of the artificial intelligence program to the Ministerial Committee for Innovation, Science and Technology on a semi-annual basis.
- 3. To note the announcement of the Minister of Innovation, Science and Technology on the completion of the work of the inter-ministerial team established by virtue of Section (6)a of Resolution 212, and to direct the Ministry of Innovation, Science and Technology to establish a governmental knowledge and coordination center in the fields of artificial intelligence in the subjects defined in section 6(A) as mentioned, in collaboration with the Consultation and Legislation Department (Economic Law), which will accompany the knowledge center in legal aspects.
- 4. To instruct the Minister of Innovation, Science and Technology to act to promote civil international cooperation in the fields of artificial intelligence, in cooperation with the persons involved in the Innovation Authority, the Ministry of Foreign Affairs and the Consultation and Legislation Department (International Law and Economic Law).

Sustainability, bio-convergence and climate technologies

5. To note the decision of the Budgeting and Planning Committee of June 8, 2022 according to which:

A. It will continue and expand the support for institutional and inter-institutional research infrastructures, including the addition of a route to finance particularly expensive equipment, and support for the employment of expert personnel to operate such equipment, on a competitive basis based on scientific excellence and the comparative advantage of the research institution, and while encouraging collaborations between different research institutions and between research institutes in the industry. Also, in order to thicken the research array and increase the high-quality research output in Israel, the Budgeting and Planning Committee will support the employment of researcher-fellows in the research universities, with the aim of raising the level of infrastructure in the research universities in Israel, optimizing the utilization of the existing infrastructure and maximizing the research carried out in Israel.

B. Promote a flagship program in the fields of sustainability and climate with the aim of: 1. Encouraging innovative, multidisciplinary and ground-breaking basic research on topics directly and indirectly related to contemporary global challenges.

2. Supporting the achievement of national goals and objectives and to contribute to economic growth, both by promoting applied research in collaboration with government ministries and relevant authorities, and by encouraging teaching and training, and positioning higher education institutions as live laboratories.

6. Apply to the Ministry of Defense with a request to examine the position of the Government bodies relevant to the fields mentioned in Section 5(B), with an emphasis on the Ministries of Energy, Agriculture and Rural Development and the Environment, the Ministry of Innovation, Science and Technology, and the Innovation Authority, as part of the formulation of the flagship program in the fields of sustainability and climate and during its implementation. The aforesaid does not derogate from the independence and authority of the Higher Education Council – Budgeting and Planning Committee.

7. To note the announcement of the Ministries of Innovation, Science and Technology, Defense, Finance and the Innovation Authority, members of the Telem Forum, on the approval of the Telem Outline for accelerating the field of Bio-Convergence based on the recommendations of the professional review committee appointed by the Telem Forum for this subject with the participation of representatives from academia, industry and the defense establishment (hereinafter - the Telem Outline).

A. The Outline will include the following components, which were detailed in the Telem Forum decision of April 27, 2022 (hereinafter - the Telem Forum Decision):

1) Establishing dedicated research and development infrastructures for the use of the industry and in cooperation therewith;

2) Promoting applied research in fields involving the natural sciences and engineering;3) Multidisciplinary human capital development.

B. The Telem Outline will be financed by the Government as divided between the Telem Forum Member Bodies specified above, to the extent of 435 million NIS in the years 2023 to 2027. To this end, the Budgets Division of the Ministry of Finance will allocate a budget for the authorization to commit not to exceed 435 million NIS, and the Telem Forum Member Bodies will prepare the outline budget intended for allocation by them.

C. To apply to the Budgeting and Planning Committee with a request that it consider carrying out its support as stated in Section 5(a), taking into account the Telem Outline for Bio-Convergence and with the aim of accelerating such outline. Also, to apply to the Ministry of Education with a request to examine the need and possibility of establishing a scholarship program for research students in fields that combine biology/medicine and engineering and in the field of computational biology. Nothing in this section is intended to derogate from the independence and authority of the Ministry of Education and Research.

Promotion of applied research

8. To note the announcement of the Ministry of Innovation, Science and Technology and the decision of the Ministry of Education and Culture of February 8, 2023 on the launch of a joint program to support researchers to conduct applied research, in which funding will be allocated to perform feasibility studies for distinct scientific research with potential for commercial application. The program will be operated in a pilot format in the years 2023 to 2025, under which each body will allocate at least NIS 20 million per year for this matter. Nothing in this section is intended to harm the independence and authority of the Higher Education Council – Budgeting and Planning Committee.

Regulatory environment that supports technological innovation

9. Further to Resolution 212 and the work of the team to promote and encourage the establishment of regulatory test environments in Israel that was established as part thereof, in light of the Government's policy to act to promote smart regulation and to reduce excess regulatory burden, and in light of the high importance that the government sees in accelerating technological innovation and the innovation industry in Israel, encouraging growth and increasing productivity, and streamlining and improving government regulation, to guide the Regulatory Authority at the Prime Minister's Office to operate, in cooperation with the Budgets Division in the Ministry of Finance and Consultation and Legislation (Economic Law), a program for financing pioneering projects (regulatory pioneer fund) to encourage technological experimentation among government ministries and auxiliary units, which will support the implementation of experimentation projects to promote innovation, on a competitive basis and in accordance with standards that will be formulated by the aforementioned team. To note the announcement of the Innovation Authority that it will assist in the operation of the aforementioned program.

10. The activities of the Innovation Authority detailed in this resolution will be carried out in accordance with the Law for the Encouragement of Research, Development and Technological Innovation in Industry, 4784-1984, its authorities and the means at its disposal, and nothing in this decision is intended to derogate from the powers and organs of the Innovation Authority.

The binding version of the Government resolutions is the version kept at the Government Secretariat.

The binding text of bills and pieces of legislation mentioned in the resolutions is the text published in the Official Gazette,

Budget decisions are subject to the Annual Budget Law.

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