

Roadmap for Scaling Up Green Entrepreneurship

Israel



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1 Starting Situation

1.1 Main objective and Methodological Approach

The following roadmap has been designed to provide concrete support and guidance for the implementation of actions to promote the continuity of the SwitchMed Training and Support Programme for Green Entrepreneurs and to increase the outreach of its activities and results fostering green entrepreneurship in Israel.

The development of this roadmap has been based on a previous work consisting of the following elements:

1. A benchmarking study that was developed to enable SwitchMed to put the SwitchMed Programme for Green Entrepreneurs (GE Programme) in context with the entrepreneurship support sector and to better inform decisions around programme design and delivery mechanisms.
2. A White Paper on the challenges, opportunities and strategies for the promotion of green entrepreneurship and eco-innovative grassroots initiatives in Israel developed in 2018. The White Paper is based on 30 interviews made to different stakeholders of the green entrepreneurship ecosystem and on the discussions' results of the Synergy Workshop organised in Tel Aviv in December 2017.
3. A consultation with Israeli stakeholders of the entrepreneurship ecosystem developed in July 2018. 12 key actors were interviewed among which the SwitchMed Focal Point at the Ministry of Environment, the EU Delegation and public and private business support structures.

1.2 Initial situation

Israel has gained a worldwide reputation as the “start-up nation” (Senor and Singer, 2009) based on its success in promoting, encouraging and supporting high-tech companies. This has been achieved thanks to the development of a series of public policies on R&D, SMEs and entrepreneurship promotion that have enabled the Country to build a unique support ecosystem for entrepreneurship and innovation, especially in the field of high technology.

In the environmental field, Israel has a long tradition of innovation in the clean-tech area and it has a very strong support ecosystem for private companies working in this industry. Most of these companies have developed technologies linked to the management of natural resources such as water, energy and waste. Although there is no doubt that Israel offers one of the best ecosystems for the business sector, there are many non-tech sectors linked to the green and circular economy that have been left aside of the entrepreneur support ecosystem.

At the political level, Israel has developed numerous strategies in the last decade to promote sustainable consumption and production. In this line, the Ministry of Environmental Protection (MoEP) has developed several programmes to promote the implementation and adoption by SMEs of more environmentally sustainable measures and technologies and, the development of new business models based on the expansion and application of clean technologies. Likewise, the Small and Medium Business Agency (SMBA) and the Israel Innovation Authority have developed actions supporting green entrepreneurs. However, there is a lack of specific support programmes for green entrepreneurs which business models don't have a strong technological component. Furthermore, there's also much room for improvement to better integrate the green and circular economy innovative concepts in the public supporting entrepreneurship structures.

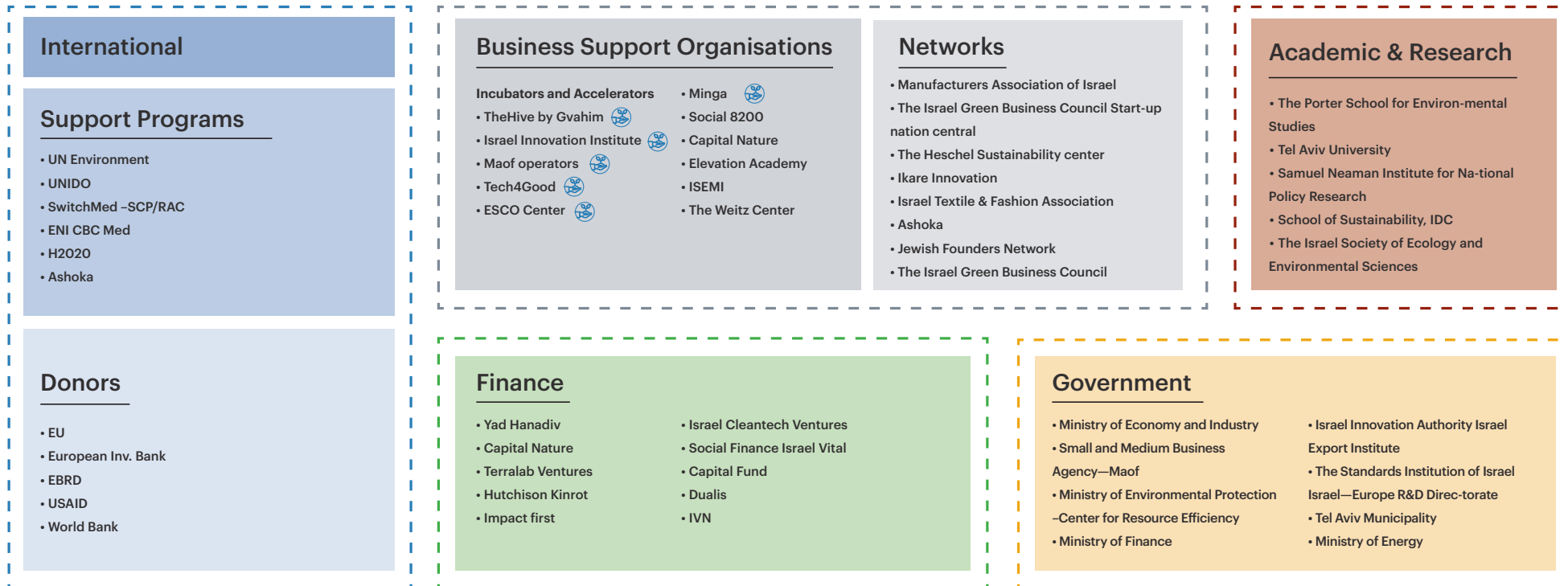
Concerning public and private Business Support Organisations (BSOs), it resulted that there are still very few organisations targeting non-tech green entrepreneurs. Organisations in Israel seem to have a low interest in these business projects probably caused by the low understanding of the business models and lack of interest from the rest of the ecosystem actors, especially by investors and policy makers. This might be one of the causes of the scarce support services delivered to non-tech green entrepreneurs.

Additionally, the incapacity to measure and communicate the impact of non-tech green entrepreneurship projects might be another cause hindering the understanding and justification of a potential intervention/interest in supporting non-tech green entrepreneurs, especially for investors and policy makers.

Finally, although private-public and public-public collaboration in the business support ecosystem is quite extended, non-tech green entrepreneurship sector is only marginally targeted.

2 Ecosystem Map

Green Entrepreneurship Ecosystem Map— Israel



3 Vision and Leverage Points

3.1 Vision

The analysis of SwitchMed GE Programme and the key factors driving support for the creation of green and circular businesses led to the development of a theoretical framework that describes the key leverage points determining the effectiveness of the ecosystem supporting the creation of green and circular businesses.

Accordingly, 4 essential leverage points that condition the existence of an ecosystem favourable to the creation of green and circular enterprises have been identified:

1. Operational (existing entrepreneurship support services)
2. Management (ecosystem of structures supporting entrepreneurship and synergies)
3. Policy instruments (roles of policy makers and public policies)
4. Mindset (transformation of consumption patterns).

As a result, the vision for scaling up the program in Israel has the following objectives: 1) to provide all the services needed to create green and circular businesses; 2) to strengthen the capacity of support structures and ensure the synergies and partnerships necessary for the proper functioning of the ecosystem; 3) to support public policies promoting green and circular economy; and 4) to promote a shift in consumers' mindset to increase the demand for green products and services.

The following table shows the actions identified for each level of intervention as well as the institutions to be potentially involved:

3 Vision and Leverage Points

Level of intervention	ID	Potential Leverage Actions	Institutional support
OPERATION	1	• Increase programme outreach in terms of numbers and geographic scope	• Private business support structures, MoEI – Maof, MoE
	2	• Innovate service delivery mechanisms using digital platform and remote management tools	• Public and private business support structures
	3	• Implement innovative services targeting both tech and non-tech green entrepreneurs with particular focus on scalable projects	• Public and private business support structures
	4	• Strengthen A2F services for tech and non-tech green entrepreneurs with particular focus on scalable projects	• Financial actors, MoEP, MoEI
	5	• Facilitate access to the market for green entrepreneurs, especially the European market	• Public and private business support structures, Israeli Export Institute
	6	• Implement monitoring and evaluation to build and communicate environmental impact	• Private business support structures, MoEI –Maof, MoE
MANAGEMENT	7	• Increase and build capacities of private BSO with regard to green and circular economy	• Public and private business support structures
	8	• Strengthen the BSO community with regard to the green and circular economy	• Public and private business support structures
	9	• Strengthen the knowledge and capacities of financial actors	• Financial actors, BSOs, MoEP, MoEI
	10	• Establish regional innovation hubs based on green sectors and technologies	• MoEP, MoEI, Israeli Export Institute, Israel Innovation Authority
POLICY	11	• Develop more public programmes and services supporting non-tech green entrepreneurs	• MoEP, MoEI (Maof Programme)
	12	• Promote a better monitoring and evaluation framework	• MoEP, MoEI (Maof Programme)
	13	• Develop financing instruments targeting green entrepreneurs Enhance the visibility and dissemination of green entrepreneurship success stories	• MoEP, MoEI (Maof Programme)

3 Vision and Leverage Points

Level of intervention	ID	Potential Leverage Actions	Institutional support
MINDSET	14	<ul style="list-style-type: none">• Enhance the visibility and dissemination of green entrepreneurship success stories	<ul style="list-style-type: none">• The Switchers community and existing social community networks, media
	15	<ul style="list-style-type: none">• Foster the demand for green innovative solutions developed by green entrepreneurs within companies and public institutions	<ul style="list-style-type: none">• MoEP, MoEI, municipalities, corporations
	16	<ul style="list-style-type: none">• Promote the 'connection' between consumer needs, services/ products offered and interest of investors	<ul style="list-style-type: none">• Switchers community, consumers' associations, investors, corporations
	17	<ul style="list-style-type: none">• Raise awareness with regard to the SDGs and SCP concepts	<ul style="list-style-type: none">• Ministry of Education, municipalities, consumer associations, media

4 Roadmap

4.1 Scaling-up Roadmap

The suggested roadmap is the result of an in-depth analysis conducted and validated through 12 interviews to key stakeholders in Israel. The Roadmap harnesses selected mapped leverage points to envisage change pathways and trigger green entrepreneurship in Israel.

Level of the Intervention – Operation

Leverage Point	Activity	Time Frame
1-2	<ul style="list-style-type: none">Increasing the number of green entrepreneurs supported to establish their business.Expanding activities into all Israeli territory.Digitalising methodologies in order to facilitate access and increase their outreach.	<ul style="list-style-type: none">Short and medium termShort and medium termShort term
3-5	<ul style="list-style-type: none">Developing a green accelerator programme for scalable tech and non-tech green entrepreneurs with a special focus on access to finance.Designing and launching innovative services supporting scalable tech and non-tech green entrepreneurs such as Hackatons.Facilitating the testing and prototyping of products.Developing a tool on eco-design for scalable early-growth stage green entrepreneurs and SMEs embedding the green approach.Developing a service module on European standards and norms relevant for those companies interested in going to the EU market.Fostering green entrepreneurs participation in B2B events by developing a sponsor facility.Offering A2M programme for growth and scale green entrepreneurs.	<ul style="list-style-type: none">Short and medium termShort and medium termShort and medium termShort and medium termMedium and long termShort termShort and medium term
6	<ul style="list-style-type: none">Developing a MEAL system enabling performance measurement both at program and business level.	<ul style="list-style-type: none">Short term

Level of the Intervention – Management

Leverage Point	Activity	Time Frame
7-8	<ul style="list-style-type: none">Capacity building and transferring of training methodologies supporting green entrepreneurs and SMEs to BSOsCreating a community/network gathering BSOs working or interested to work in green entrepreneurship at national levelFacilitating the development of an action plan to foster tech and non-tech green entrepreneurship in the countryDeveloping a network of local and international experts specialized on green and circular economy	<ul style="list-style-type: none">Short and medium termMedium termMedium termShort and medium term
9	<ul style="list-style-type: none">Strengthening the knowledge and building capacities of financial actors around green innovative businesses	<ul style="list-style-type: none">Medium term
10	<ul style="list-style-type: none">Organising regional thematic events to find and share regional solutions	<ul style="list-style-type: none">Med and long term

Level of the Intervention – Policy

Leverage Point	Activity	Time Frame
11-12	• Creating the business case on the need of specific services targeting non-tech green entrepreneurs.	• Short term
	• Developing and implementing a strong national strategy supporting non-tech green entrepreneurs.	• Medium and long term
	• Organise capacity building sessions for policy making on specific topics related to GE partner institutions and authorities.	• Medium term
	• Enhancing the inclusion by MoEP of services targeting non-tech green entrepreneurs.	• Short and medium term
	• Embedding monitoring and evaluation framework to enable knowledge management and support policy makers intervention.	• Medium term
	• Creating synergies and collaborating with the Resource Efficiency Center and the Innovation Hub for entrepreneurs under the MoEP.	• Medium term
	• Fostering collaboration between MoEP and MoEI to enlarge services for tech and non-tech green entrepreneurs.	• Short and medium term
13	• Establishing a public-private partnership to raise funds for tech and non-tech green entrepreneurship projects .	• Medium and long term
	• Establishing specific financial instruments such as loans or guarantee funds also targeting non-tech green entrepreneurs.	• Medium and long term

Level of the Intervention – Mindset

Leverage Point	Activity	Time Frame
14	• Establishing and building a community around the circular economy gathering all relevant actors.	• Medium and long term
	• Organising regular meet ups or event presenting the Switchers.	• Short and medium term
15	• Facilitating the inclusion of green entrepreneurs' solutions in the value chain of companies.	• Short and medium term
	• Developing open innovation challenges of cities and other public actors to be solved by green entrepreneurs.	• Short and medium term
16	• Facilitating spaces of interaction between consumers, entrepreneurs and investors to understand real market needs and the needed solutions.	• Medium term
17	• Developing sessions on SDGs, green and circular economy to increase awareness of entrepreneurs, companies and other actors related to the entrepreneurship ecosystem.	• Medium and long term
	• Developing awareness raising sessions for students within schools and vocational trainings organisations in the cities.	• Medium and long term

5 References

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