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Israel forges ahead in Waste Management and Recycling Technology

by Ludwig Schulz and Susen Hollmig

Contents

Israel forges ahead in Waste Management and Recycling Technology	1
Economic Seminar on Israel	6
Israel's economic development	7
Economic Data of Israel	9
Tenders	10
Fairs	10
Business Enquiries	11
Board of NUMOV	12

Editor in Chief:
Helene Rang

Deputy Chief Editor:
Abdurrahim Güleç

Jägerstr. 63 D, D-10117 Berlin
☎ +49 (0)30 206410-0
☎ +49 (0)30 206410-10
E-Mail: numov@numov.de
Internet: www.numov.de

Editorial staff:
Susen Hollmig, Alexander Rieper,
Ludwig Schulz, Peter Schmitz, Lea
Tompert, Julian Tucker, Tom Wells

Layout / Technical Services:
Philipp Rast



Future Model of Mount Hiriya as centrepiece of the huge Ayalon Park. Hiriya, located between Tel Aviv and the Ben Gurion International Airport worked as a landfill site until 1999 reaching a height of 60 meters and a volume of 16 million cubic meters of waste at that time. In 2001 the process of rehabilitating the mountain began intending to turn it into a green and flourishing recycling park.

From 1st to 5th May 2011, NUMOV, the German Near and Middle East Association, arranged and conducted a delegation of German business representatives from the sectors of waste management and recycling to the State of Israel on behalf of the German Federal Ministry of Economics and Technology.

The delegation visit took place within the framework of an intergovernmental understanding that has been accomplished in the third regular intergovernmental meeting between the Federal Republic of Germany and the State of Israel when the two countries met in Jerusalem in January 2011. The aim is to strengthen cooperation

in the field of environment and sustainable development. Already in 2010, both countries had decided to strengthen the economic ties in energy and environmental issues.

The State of Israel put much effort to environmental affairs and sustainability in recent times. A National Action Plan in July 2010 developed approaches to tap into the full potential of waste prevention, waste separation and management due to on-growing amounts of waste coming from households and the industry. Waste production in Israel currently is at 6 bn tons / year, with 4.2 bn tons coming from households. 75 percent of all

continued on page 3

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**www.numov.de
numov@numov.de**

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waste and 87 percent of household waste is being deposited in landfills, which leads to ecological and financial problems for many municipalities.

According to the National Action Plan, Israel aims to change the perception of waste as a disruptive factor into one of an economic resource by increasing efforts in separating, recycling, and reusing waste for different purposes and sustainable development. All landfills will be banned from 2020, the rates for separated household waste are to be increased from 13 percent to 55 percent. By issuing new legislation on packaging in January 2011, Israel started its efforts to recycle 60 percent of paper and plastics by 2015. Recently, on 15th March 2011, an Environmental Enforcement Law was



German Economic Delegation received by the German Ambassador H.E. Dr. Harald Kindermann, third from the right, and by the Embassy's Head of the Economic Department Volker Timmermann, fourth from the left, at the German Embassy in Tel Aviv.

clinging in Israel, as well as brought together with decision-makers, stakeholders and representatives from the economy and the business sector.

German ambassador to the State of Israel, H.E. Dr. Harald Kindermann, and the Embassy's Head of the Economic Department, Volker Timmermann, as well as with Wladimir Struminski, Israel correspondent of Germany Trade & Invest (GTAI), the foreign trade and inward investment agency of Germany, on its first day of the visit, 2nd May 2011, at the German Embassy in Tel Aviv.



f.l.t.r. Ilana Gross, Project Manager of the Israeli Industry Center for R&D (Matimop), Nir Kantor, Head of the Chemical, Pharmaceutical and Environmental Quality Branch of the Manufacturers Association of Israel (MAI) and Sima Amir, Director of International Business Development & EEN, MAI

passed by the Israeli parliament, the Knesset, with a zero-tolerance attitude towards industrial and private pollution.

Being at the very beginning of setting the legal, economic and technical stage for a modern waste management and recycling system, Israel is obviously very keen on international cooperation in the fields of waste management and recycling. That is what all institutions and companies from those sectors that the German business delegation had met during their visit had said: Their visit came at the right time and was welcomed overall due to Germany's image of being both an ecologically green and economically productive country.

Thus, NUMOV had arranged a programme for the delegation by which the participants should be provided with updated, detailed information on the latest legal, political and economic developments on waste management and recycling

In advance of the delegation visit, interested business representatives also received information about the Israeli economy, the current status of waste management and recycling in Israel, as well as general information about doing business in and with Israel at a seminar NUMOV organized on 25th March 2011 in Berlin.

In order to give general information from first hand observers, the delegation met with the



Ilan Nissim, Director of the Solid Waste Management Division, Ministry of Environmental Protection of the State of Israel

Generally, the Israeli economy is export-oriented due to the country's limited market, and is less based on natural but more on human resources, which play a big role in the development of technology and high-tech industries at the core of the Israeli exports. Unemployment is estimated to fall under 7 percent; the inflation rate is stable and low (2.4 percent average). The ambassador mentioned the economic and socio-political liberalism of the country and the low range of regulation, which offers both op-



Meeting at TAHAL Consulting Engineers Ltd.

opportunities and challenges for foreign investments in Israel. Further economic information with special focus on waste management and recycling was given by Volker Timmermann and Wladimir Struminski.

After that, the delegation met with officials and representatives of the Manufacturers Association of Israel (MAI), the leading organization in Israeli industry, in order to be informed about the current and future trends in the country's environmental economy. An introduction about the Manufacturers Association's goals and activities influencing the macroeconomic policy, promoting innovation and helping small and medium-sized industries and Kibbutzim was given by **Sima Amir**, Director of International Business Development & EEN at the MAI Division of Foreign Trade and International Relations.

Nir Kantor, Head of the Chemical, Pharmaceutical and Environmental Quality Branch of MAI, then held a speech in which he referred to the lack of legislation in many areas pertaining to environmental issues and in the field of waste management, too, and clarified the legal conditions in each branch of the sector (packaging, beverages, electronics, construction and hazardous waste).

Finally, he introduced the so-called "Tamir" system to the German audience, a non-profit recycling organization that is currently being prepared by Israeli industry to manage the whole recycling system of municipalities. In his speech, Nir Kantor mentioned the sector's environmental and sustainable development strategies for the industry, and the programmes for R&D investments in that sector, where only a limited number of Israeli companies are active (482 companies in energy, water and environment management, 89 companies in waste management, air and materials).



Visit at the Environmental Education Center in Hiriya; second from the left: Doron Sapir, First Deputy Mayor of Tel Aviv-Jaffa and Chairman of the Dan Municipal Sanitation Association

More information on R&D programmes and incentives, as well as on the Israeli economy's integration into the global network of international business was finally given by **Ilana Gross**, Project Manager of the Israeli Industry Center for R&D (Matimop). Afterwards, the delegation was brought together with leading management and business representatives of TAHAL Consulting Engineers Ltd., a veteran subsidiary of the multinational TAHAL Group International B.V., with 50 years of proven experience in water and environmental business. The company's main focus lies in environmental engineering, hydropower and energy, but the company is also active in wastewater treatment, desalination, irrigation and integrated agriculture projects as well as in solid waste management in landfills in Israel.

Together with **Gustavo Kronenberg**, CEO of Tahal Consulting Engineers Ltd., the delegation discussed the challenges of waste management

in Israel such as the lack of know-how, unclear market conditions and legal developments as well as day-to-day policies of municipalities. Great interest in meeting the delegation was displayed.

The visit's first day concluded with a meeting with **Ilan Nissim**, Director of the Solid Waste Management Division at the Ministry for Environmental Protection of the State of Israel, at the ministerial representation in Tel Aviv. In his presentation, Mr. Nissim elaborated on the country's long path from dumping through solid waste landfilling to recycling and sustainable waste management. He referred to the National Action Plan which envisions a "Future of Zero Waste" and the "Sustainable Integrated Waste Management Policy" that the State of Israel is going to implement to reach this ambitious goal by giving incentives and aid, as well as project funding. In his view, the visit of German companies to Israel came at just the right moment to support Israel in its efforts.

The second day of the trip started with a visit to Hiriya, the vast former dumping ground of the Tel Aviv-Jaffa region, which in the last 12 years has been transformed into a landfill and recycling park by the Dan Municipal Sanitation Association. There, the delegation was warmly welcomed by **Doron Sapir**, First Deputy Mayor of Tel Aviv-Jaffa and Chairman of the Dan Municipal Sanitation Association at the Environmental Education Center at the Hiriya site. First Deputy Mayor Sapir gave a general overview over the history and the restructuring process of the Hiriya landfill, which nowadays has become the best practical example of municipal waste management and recycling in Israel. At the site's industrial and ecological facilities, automatic waste separation, construction and demolition recycling, biogas production and green gas recycling, as well as water treatment for wetland areas are integrated with one another.

Afterwards, the delegation received an insight into the waste separation facility supplied by the Israeli company ArrowEcology, which uses a technology called ArrowBio to separate organic waste from non-organic waste by using water as well as the relative density and properties of different components of waste. According to the company's general manager, **Yair Zadik**, from the waste that enters the system 80 percent ends up being reused, while only 20 percent ends up in the landfill.



Children being taught about the bond between quality of life and ecological responsibility at the Environmental Education Center in Hiriya

For the rest of the day, the delegation members had the opportunity to get in direct contact with Israeli companies and to figure out areas of possible cooperation. For this purpose, NUMOV had organized a conference and bilateral business meetings supported by the Manufacturers Association of Israel and the Union of Local Authorities of Israel at the delegation's hotel.



Participants of the Conference opening Israeli-German Bilateral Business Meetings on 3rd May 2011 in Tel Aviv

At the beginning, a first welcome address was given by Volker Timmermann, Head of the Economic Department of the German Embassy, who referred to the long-standing, excellent political, economic and socio-cultural relations between Germany and the State of Israel and invited all participants to continue these relations on a bilateral business basis. Volker Timmermann's address was followed by a presentation of Dan Catarivas, Director of the Division of Foreign Trade and International Relations of the Manufacturers Association of Israel, who gave an overview of the Israeli economy and who stressed the good timing of the delegation's visit to Israel for doing business and looking for investment and cooperation. A third welcome address was given by **Moshe Sinai**, Mayor of Rosh Ha'ayin and Head of the International Committee of the Union of Local

organizers of the conference in the name of the delegation and asked the delegation members to introduce themselves with the companies they were representing and the projects and contacts they were looking for. Then, all the participant company representatives used

a lively and fruitful discussion about potential assistance given by the German company representatives to the Jerusalem municipality to solve the city's waste problems.

Afterwards, the delegation was received at the Ministry of Environmental Protection by **Ayalet Rosen**, Acting Director of the Division of International Relations, and **Adam Schamlitzek**, Foreign Relations Coordinator. Whereas the latter gave a presentation on recent developments and future prospects of environmental policies in Israel, Ms. Rosen stressed the importance of



f.l.t.r. Herbert Snell, Managing Director of PRS GmbH / Plastic Recycling Solutions and Head of Delegation, Moshe Sinai, Mayor of Rosh Ha'ayin and Head of the International Committee of the Union of Local Authorities of Israel, Dan Catarivas, Director of the Division of Foreign Trade and International Relations of the Manufacturers Association of Israel (MAI), Volker Timmermann, Head of the economic Department of the German Embassy in Israel

the opportunity to start intensive bilateral talks and discussions about possibilities and ways of fruitful cooperation.

The last day of the delegation visit on 4th May 2011 brought the delegation participants to

German-Israeli cooperation in that field and expressed her support for any possible exchange and collaboration between the two countries and their businesses.

Finally, the delegation had an interesting visit to Nesher Israel Cement Enterprise in Ramla meeting **Itzak Merkado**, Vice President of Operations, and Project Manager **Avi Lior**. Nesher is the leading cement producer in Israel and the only cement company that was awarded by the United Nations for its efforts in environmental protection. The main focus of the company's efforts currently lies in a plant project for RDF (Refused Derived Fuel) at the Hiriya site near Tel Aviv-Jaffa, which aims to use specified household waste as supplementary fuel or power generation fuel at cement plants.



Bilateral Business Talks

Authorities of Israel. Mayor Sinai pointed out that Israel and its municipalities should not be underestimated by giving his own city as an example: Rosh Ha'ayin is small in size but is home to 300 high-tech companies. With regard to the challenges in the field of environment and waste management, he called on all participants to use this window of opportunity and seize the chance for cooperation and development.

The Head of the Delegation Hebert Snell expressed his gratitude to all participants and the

Jerusalem where they first met with **Deputy Mayor Naomi Tsur**, who for years has been engaged in strengthening the environment and sustainability in the city. In her speech, Deputy Mayor Tsur mentioned the necessity and the potentials of a German-Israeli cooperation for the environment and she gave insightful information about the challenges of waste management in Jerusalem. Together with members of her staff, she elaborated on the problems of finding an appropriate way for treating and recycling the municipal waste. The speech was followed by



Meeting at the Jerusalem Municipality, at the front end Deputy Mayor Naomi Tsur

Economic Seminar on Israel

by Lea Tomppert

The Economic Seminar on Israel organized by NUMOV, the German Near and Middle East Business Association, on behalf of the German Federal Ministry of Economics and Technology, took place on 25th March

2011 at the representative office of the Free State of Thuringia in Berlin. The seminar was part of the preparation for the German Economic Delegation to Israel from 1st to 5th May 2011 (see article page 1) and brought together entrepreneurs active in the recycling and waste management sector from all over Germany. The intention was to make the participants familiar with Israeli economy, law and culture. The event was opened by **Ludwig Schulz**, NUMOV, who had undertaken a journey to Israel preparing the meetings with Israeli companies and government representatives for the German delegation. In his introduction, Ludwig Schulz told the participants about his experiences, which were very positive. Throughout his trip he was met by strong willingness and interest in cooperating with German companies.

Inon Elroy, Counsellor for Economics and Trade Affairs, Director of the Israel Trade Center, greeted the participants of the seminar and highlighted how important close ties between Germany and Israel are. He added that economic cooperation was beneficial for both sides and that the time was right for establishing and deepening German-Israeli ties in the recycling sector.

Speaking on behalf of the German Federal Ministry of Economics and Technology was **Dr. Alexander Tettenborn**, Head of Division Northern Africa and Middle East, who gave an overview on German-Israeli economic relations. Germany is still the third most important trade partner of Israel and German money has already been invested in various sectors, but mostly in the field of solar energy. And in 2010, Israel was the biggest investor in Germany. Dr.



Dr. Alexander Tettenborn, Head of Division Northern Africa and Middle East, German Federal Ministry of Economics and Technology, Ludwig Schulz, NUMOV, Inon Elroy, Counsellor, Economics and Trade Affairs, Director Israel Trade Center

Tettenborn stressed the opportunities for German entrepreneurs in Israel stating that German technology and knowledge were highly appreciated in Israel.

Henning Ellermann, Trade Officer of the Israel Trade Center introduced the participants to the current economic situation in Israel and the newest developments in the recycling and waste management sector. He pointed out Israel's strengths in the High Tech sector and stated that Israel was the second most important high tech cluster after Silicon Valley. Other strong sectors were bio- and water technology, renewable energy and security technology.

Concerning the recycling sector, Ellermann said that 6 million tons of waste was produced in Israel per year, 4.2 million tons coming from households, and stressed that the waste problem in Israel was worsening by 5% per year. 75% of the waste is being deposited and only a very small amount is being recycled. Nevertheless, Israel's recycling sector is now booming compared to the 1990s, where only 3% of waste was being recycled. In 2008, this number had grown to 21%. With the new packaging law (in effect since January 2011), the support programme for waste separation laid the foundations for extensive changes and developments in Israel in this sector. The law says that the responsibility for recycling lies with the producers and importers and sets the goal that by 2015, 60% of packaging materials will be recycled. By 2020, the goal is to recycle up to 50% of all waste produced. Until now, the Israeli government has invested in sorting technology, the introduction of refundable bottles, information campaigns and aid money for the local authori-

ties. Thus Ellermann concluded, the Israelis were now in need of consulting services concerning the question of how their waste could be assorted and used.

Finally, the seminar's participants

were introduced to Israeli law by advocate **Zvi Tirosh** who spoke about the general legal conditions in Israel concerning German-Israeli cooperation and contracts and said that economic collaboration with Israel was unproblematic compared to collaboration with other countries in the MENA region. But he pointed out that many business terms do not correspond to their respective counterparts and that there was need to circumscribe them in order to prevent misunderstandings. He explained that it was possible for German investors to choose between Israeli and German law, the two jurisdictions and the place of conclusion of contract. Tirosh stressed that it was possible for German companies to conclude contracts in Israel that were liable to German law.

In conclusion, it can be said that the seminar descriptively prepared the participants for their delegation trip to Israel and showed them Israel's potential for German investment in general, and in the recycling and waste management sector specifically.



Presentations:

Economic Seminar on Israel

- Aktuelle Wirtschaftslage in Israel und neueste Entwicklungen im Abfall und Recyclingsektor - Henning Ellermann, Israel Trade Center
- Rechtliche Rahmenbedingungen für Geschäftstätigkeit in Israel - Zvi Tirosh, Arnecke Siebold Rechtsanwälte

For NUMOV members these presentations are available in German language. Please contact numov@numov.de.

Israel's economic development

by Lea Tomppert

As of 2010, Israel has the 24th largest economy in the world and ranks 15th among 169 world nations on the UN's Human Development Index, which places it in the category of "Very Highly Developed".

The Israeli economy was ranked as the world's most durable economy in the face of crises by IMD's World Competitiveness Yearbook rankings, due to the resilience it showed to the late-2000s recession. In addition, in 2010 Israeli economy managed to produce strong economic growth. In 2009 a diminution of GDP was avoided and in 2010 the GDP rose by 4%.

There are several reasons behind this economic resilience, for example, the fact that the country is a net lender rather than a borrower nation and the government and the Bank of Israel's generally conservative macro-economic policies. For 2011, the Central Bank forecasts a GDP growth of 3.8%. The economic development will depend on the development of the world trade, which plays a major role in the export-oriented Israeli economy. Furthermore the Israeli economy is highly influenced by geopolitical developments.

Trade:

In September 2010, Israel joined the OECD. Israel has also signed free trade agreements with the European Union, the United States, the European Free Trade Association, Turkey, Mexico, Canada, Jordan, Egypt, and on 18th December 2007, became the first non-Latin American country to sign a free trade agreement with the Mercosur trade bloc. In real domestic prices, the value of the trade of goods and services grew by 9.8% in 2010 which nearly counterbalanced the drop of 13.3% in 2009. Imports grew in 2010 by 10.6% (real) after they had decreased in 2009 by 9.1%. Exports grew by 9.1% which did not suffice to counterbalance the deficit of the previous year (-12.5%).

Sectoral outlook:

Mechanical- and plant engineering: The engineering industry recorded a slight increase in output of real 1-2% in 2010, after it had sustained production loss of 5% in the previous year. The sector continues to be influenced by

the industrial economy's slowly increasing propensity to invest. Israeli mechanical engineers are specialized on certain market segments and look for an opportunity of growth mostly in the export business.

Automobile industry: Israel does not have its own automobile production except for the installation of local car bodies onto imported chassis frames. The development of electronic backup systems for the car industry seems

Gross Domestic Product (composition according to sectors in Mio. NIS)			
Economic Sector	2008 1)	2009 1)	Change in % 2)
GDP at market rate	725,142	766,118	0.7
1. Condominium	76,954	88,314	2.6
2. Public Service	116,061	120,518	3.7
3. Benefit of Industrial Economy	532,126	557,286	-0.2
4. Net Tax on Products (industrial economy)	82,26	85,349	-0.2
5. Benefit of Industrial Economy to Parameter Costs	449,866	471,937	-0.2
5.1 Agriculture and Forestry, Fishery	11,46	11,036	0.0
5.2 Processing Trade and Mining	115,455	115,67	-6.0
5.3 Building and Construction Industry	32,531	31,496	-1.0
5.4 Energy- and Waterindustry	12,075	11,823	-5.5
5.5 Trade, Catering- und Hotelindustry	71,578	69,241	-1.5
5.6 Transport, Storing and Telecommunication	46,531	45,269	-4.0
5.7 Finance- and Business Services	176,483	185,65	3.9
5.8 Private and Other Services	15,631	15,947	-0.3
5.9 Calculatory Bank Services	16,729	16,9	0.4
5.10 Error and Omission	15,149	2,705	-

Source: Central Bureau of Statistics of Germany

Important Supplier Countries (Import in Mio. US\$)					
Rank (1st half of 2010)	Country	2008	2009	1st half of 2010	Change to 2009 in %
1	United States	8,034.4	5,849.1	3,137.8	7.2
2	China	4,244.0	3,521.1	2,191.0	37.2
3	Schweizland	3,973.6	3,290.0	1,861.9	26.4
4	Germany	3,940.5	3,361.8	1,815.3	28.0
5	Belgium	4,250.3	2,567.8	1,776.9	58.0
6	Italy	2,553.7	2,126.0	1,137.4	13.9
7	United Kingdom	2,519.9	1,907.2	1,124.6	30.5
8	Netherlands	2,465.3	1,885.4	1,026.2	16.4
9	India	1,648.8	1,157.4	925.4	90.1
10	Turkey	1,825.3	1,387.7	907.1	35.7

Source: Central Bureau of Statistics of Germany

promising worldwide, for example systems for recognition of driver's inertia. For the total year 2010 a new import record for the automobile sector is estimated.

Chemical industry: In 2010 the chemical industry grew by about 30% after it got off lightly during the crisis year 2009 with a decline of only 7.8%. Imports in this sector grew by 18.6% after a decline of 15.9% in the previous year. For 2011 a positive sales development is expected. Developments in the chemical industry are considerably influenced by the growing environmental standards of the last years. The severe standards have caused a wave of investments in clean technology and environmentally friendly production plants.

Building and construction industry: Israel is experiencing a stagnation of investment in the construction sector which is certainly not due to weak demand. It is expected that in coming years a significant increase of construction activity will take place. The Israeli market offers foreign contractors and investors growing business opportunities for the short and medium term.

Electro technology and electronic industry: In 2010 the manufacture of electronic engines and devices for the distribution of energy increased by 7 to 8%. Contrary to most sectors, the electronic industry managed to extend its exports in the crisis year 2009 by 50.1%. This high standard was roughly kept in the first 10 months of 2010 (-4%). Imports in the sector were also positively influenced by the growing domestic demand and recorded an increase of 32.1% after declining by 15.8% in 2009.

Environmental technology: The 2009 support program for the clean tech-sector concentrates on the support of applied research and development. According to the Ministry of Industry, Trade and Labor of Israel the clean tech programme met with growing interest of foreign companies mainly in the domains of photovoltaic, water quality, waste water recycling and water desalination.

Tourism: In 2010 a new tourism record was set in Israel with about 3.3 mio. foreign visitors. According to the Israel Ministry of Tourism, the number of foreign guests shall be extended to 5 mio. people by 2015. But the rapid growth of the tourism sector has led to ever higher demands on the tourist infrastructure. Thus, the inventory of hotel rooms will have to be extended by 40%.

German Export to Israel (in Mio. Euro)				
Goods	2008	2009	1st half 2010	Change *)
Total	2,718.7	2,425.7	1,397.9	35.2
Food Products	76.0	61.7	38.2	26.4
Chemicals	164.1	105.6	73.3	55.1
Pharmaceutical Products	97.9	98.9	59.4	28.4
Plastics	133.9	105.4	60.2	24.8
Paper, Paperboard	80.1	78.2	52.1	61.6
Textiles and Clothes	35.1	25.3	14.4	16.2
Iron and Steel	36.8	29.7	17.8	24.7
Non-ferrous Metal	40.1	26.9	15.9	15.5
Hardware	73.1	59.7	36.1	32.3
Machines	441.7	461.5	218.4	35.1
Elektronics	222.5	213.5	119.7	15.0
Electrotechnology	196.8	213.6	123.6	45.8
Cars and Spareparts	453.5	291.2	221.8	78.8
Measurement and Regulation Technology	134.1	122.2	62.7	5.3
Optical Devices	42.3	34.9	20.2	22.1

*) Change in comparison to previous year in percent

Source: Central Bureau of Statistics of Germany, calculated by Germany Trade and Invest

German Import from Israel (in Mio. Euro)				
Goods	2008	2009	1st half of 2010	Veränderung *)
Total	1,536.2	1,335.0	805.0	13.9
Food Products	152.9	158.4	121.9	11.0
Raw Materials	63.0	43.5	30.3	13.3
Crude Oil	15.6	14.1	8.2	18.0
Chemicals	75.7	57.5	23.5	-17.4
Pharmaceutical Products	123.9	151.2	80.5	-0.6
Plastics	59.0	53.8	31.4	21.4
Paper, Paperboard	1.9	1.7	1.1	22.9
Textiles and Clothes	49.6	39.7	23.7	17.4
Iron and Steel	5.5	4.7	2.6	9.8
Non-ferrous Metal	13.8	5.7	5.7	126.4
Hardware	77.0	47.3	30.7	24.7
Machines	112.9	73.2	48.8	23.1
Electronics	150.9	146.9	75.7	11.6
Electrotechnology	154.7	123.4	74.3	33.1
Cars and Spare parts	11.7	8.6	4.1	-10.9
Measurement and Regulation Technology	143.3	91.6	32.9	-36.9

*) Change in comparison to previous year in percent

Source: Central Bureau of Statistics of Germany, calculated by Germany Trade and Invest

Investment:

In the past few years there has been an unprecedented inflow of foreign investment in Israel, as companies that formerly shunned the Israeli market now see its potential contribution to their global strategies.

In 2006, foreign investment in Israel totaled USD 13 billion, according to the Manufacturers Association of Israel. The gross asset investments have regained their pre-crisis level. After the decline in the previous year by 5.8%, they grew in 2010 by 6.2%.



Israel's Economic Situation

Gross Domestic Product (GDP, nom.) (billion New Israeli Shekel)	748.3 (2010 est.)
Gross Domestic Product (GDP, nom.) (billion US\$)	217.1 (2010 est.)
GDP per capita (US\$)	29,500 (2010 est.)
GDP composition (%)	agriculture: 2.4, industry: 32.6, services: 65 (2010 est.)
Real economic growth (%)	4.6 (2010) 3.8 (2011 est.)
Industrial production growth (%)	5.7 (2010 est.)
Inflation rate (%)	2.7 (2010) 3.0 (2011 est.)
Gross fixed investment (% change)	16.7 of GDP (2010 est.)
Unemployment rate (% change)	6.7 (2010) 5.5 (2011 est.)
Average income (NIS/month)	8,172 (May 2010)
Budget balance (% of GDP)	-3.7 (2010) -3.1 (2011 est.)
Foreign trade volume (billion US\$)	Import: 59.1 (2010); change: +24.7% Export: 58.4 (2010); change +21.9% 50.7 (2010)
Import goods (excluding diamonds; billion US\$)	
Important supply countries (% of total Israeli import)	US 11.3, China 8.0, Germany 6.2, Belgium 6.0; Switzerland 5.4 (2010)
Important buyer countries (% of total Israeli export)	US 31.7; Hongkong 6.7; Belgium 5.3; Germany 2.9 (2010)
Export goods (excluding diamonds; billion US\$)	42.0 (2010)
Foreign debt (billion US\$)	89.68 (2010 est.)
Foreign exchange and gold reserves (billion US\$)	66.98 (2010 est.)
Relations between EU and Israel (billion Euro)	Import (EU): 11.08; change to 2009: 24.4% Export (EU): 14.46; change to 2009: 26.2%

Relations Germany – Israel

Foreign trade volume (million Euro)	Import goods from Israel: 1.702; change: +27.5% Export goods to Israel: 2.879; change: +18.5% (2010)
German import goods (% of total import)	Chemical products 22.6; electronic equipment 19.5; food 10.7; pharmaceutical products 9.2; machines 6.2; measurement and regulation technology 5.9
German export goods (% of total export)	Chemical products 21.7; machines 15.6; cars and spare parts 15.4; electronic equipment 8.8; electro technology 8.7; others 24.6
Rank 2009 (2008)	47 (52) German import; 44 (45) German export
German direct investment in Israel (million Euro)	151 (31-Dec 2008)
Israeli direct investment in Germany (million Euro)	802 (31-Dec 2008)
Investment assistance treaty	signed June 24 th , 1976 and applicable at present
Double taxation agreement	signed July 9 th , 1962, in effect since August 21 st , 1966

Sources: German Central Bureau of Statistics, Germany Trade and Invest, Bank of Israel

Tenders

Second tender for Ha'emek railway project

The Israel National Roads Company (INRC) has published the second of a total five infrastructure tenders for the Ha'emek railway project, running between Haifa and Beit She'an.

This tender concerns the building of the infrastructure to accommodate 4km of railway track from Haifa bay to Nesher plant. The project completion date is set for 2016.

Construction of double 5km tunnel under Gilon mountain

The Israel National Roads Company (INRC) has published a tender for the construction of the Gilon tunnel, which will be over 5km in length and must be completed in less than four years. The tunnel will accommodate the Acre-Carmiel railway.

Construction of interchange at Golani junction

INRC released a tender for the construction of an interchange at Golani junction, along road 77; it's the first of 7 interchanges planned. Duration is set at 3 years.

Construction of central section of road 531 project

INRC has published a tender for the construction of the 4km-long central section of the road 531 project. The construction will also include a bus rapid transport system (BRT).

Third tender for Ha'emek railway project

This INRC tender includes the construction of the infrastructure necessary for the Haifa to Nesher plant section of the project, including bridges with totalling 2km in length. Estimated completion is 2016.

Reply to E-Mail: numov@numov.de or Fax: 0049 (0)30-20 64 10-10

- ☐ I / We would like to receive further information to the following tenders: Nr.
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ITM- 17th International Mediterranean Tourism Market Fair
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ISPRINT- Exhibition for the printing industry

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Amir Marom – Business Consulting

Contact: Mr. Amir Marom
6 Mivtza Uvda St., Modiin Israel 71720, Israel

Phone: +972-50-5665512

E-Mail: amirmarom@bezeqint.net

Amir Marom is a well respected business consultant with wide managerial experience who offers business development services and representation to global companies, business men, and entrepreneurs who wish to penetrate the Israeli market.

A.S.C.C. – Avihai. Supply. Center. Connect

Contact: Mr. Avihai Yehuda
17 Ahva St., Haifa 35418, Israel
Phone: +972-54-5575629

E-Mail: Ascc10@walla.com

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Contact: Mr. Meir Shavit
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Contact: Ms. Shosh Feldman
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Phone: +972-54-6815616

E-Mail: latfoodltd@gmail.com

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Phone: +972-9-7447382

E-Mail: paula_b@netvision.net.il

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