

## ISRAEL AND ENERGY

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# CLEANTECH INVESTING IN ISRAEL

NEWS AND COMMENTARY ON ISRAEL'S GROWING CLEAN TECHNOLOGY INDUSTRY.

MONDAY, FEBRUARY 2, 2009

## **Bronfman and Gillerman reexamine cleantech-focused Israel Opportunity Fund**

The global financial crisis is affecting the Israel Opportunity Fund, the cleantech-focused VC fund founded last year by Canadian-American businessman [Matthew Bronfman](#) and former Israel Ambassador to the UN [Dan Gillerman](#). The fund was [established](#) last fall to invest in Israel-related renewable energy and water technology companies.

The plan was to raise \$100 million, with [Bronfman Fisher Investment Ltd.](#) committed to invest about 20% of the sum raised. However, today at the [World Economic Forum](#) in Davos, Gillerman told [Globes](#), "We are reexamining both the size of the investment and the size of the fund."

Gillerman added. "The timing of our fund was undoubtedly unique. We founded it when it was already clear that the economic world was not what it was. What wasn't clear was the scale of its severity. The first round of fund raising from investors we carried out in London during one of the stormiest weeks of the global economy the week that Lehman Bros. collapsed."

# CLEANTECH INVESTING IN ISRAEL

NEWS AND COMMENTARY ON ISRAEL'S GROWING CLEAN TECHNOLOGY INDUSTRY.

**Tuesday, January 27, 2009**

## **[BrightView raises \\$6 million from Israel Cleantech Ventures and Hasso Plattner Ventures](#)**

[BrightView Systems Ltd.](#), a solar photovoltaic startup based in Petah Tikva, Israel, announced today that it has recently finalized a \$6 million Series A round of financing. Eyal Harel, formerly Co-President of [Orbotech](#), has become BrightView's Chairman of the Board of Directors.

[Israel Cleantech Ventures \(ICV\)](#) financed BrightView Systems in mid 2008 and was later joined by [Hasso Plattner Ventures \(HPV\)](#), a Germany-based venture capital fund whose limited partners include [CMEA Ventures](#), [Shai Agassi](#), [Arnon Katz](#) and [Hasso Plattner](#), the co-founder of SAP. [Glen Schwaber](#), partner at ICV, is now a director of BrightView Systems.

"BrightView is focused on perfecting the production process of photovoltaic-based solar-cells," said [Benny Shoham](#), BrightView's co-founder and CEO. "Our tools are designed to deliver a solution suite that uniquely addresses some key production gaps while optimized to meet the particular needs of the most advanced solar-cells manufacturers. The current investment will enable us to introduce our first solution to the market during 2009."

"Headquartered in Potsdam (Germany), Hasso Plattner Ventures is well positioned to support BrightView's access to the European market and particularly to Germany, which is by far the most developed solar photovoltaic market in the world today, both in solar deployments and in investments in advanced photovoltaic production," said [Eran Davidson](#), President and CEO of Hasso Plattner Ventures. "We believe that BrightView is addressing an essential key segment that is still insufficiently developed in the photovoltaic industry's value chain."

"BrightView exemplifies our strategy of investing in entrepreneurial teams that leverage Israeli technology know-how to solve major bottlenecks in cleantech markets," noted Glen Schwaber, Partner at Israel Cleantech Ventures. "The company's competitive advantage stems from applying Israel's recognized leadership in the Semiconductor and Flat Panel Display industries to the growing market for solar process equipment."

Ambassador Koll: Cooperation needed on Alternative Energy  
16th October, 2008

The instability in world economy and the energy market will hopefully teach us all to cooperate internationally and to develop affordable alternative energy, said H.E. Arthur Koll, the Ambassador of Israel to Serbia. Koll spoke during the second day of the seminar “Energy Management & Control and Renewable Energy Sources” in Belgrade, organized by the [Energy Efficiency Agency](#) and the [Serbian Chamber of Commerce](#) in cooperation with [Galilee College](#) from Israel.



(Click to enlarge)

Ambassador Koll emphasized that during the first energy crisis in 1974 oil suppliers created an artificial crisis in order to increase the prices. On the other hand, this year’s crisis is not defined by shortage in supply but by rocketing prices. “The first crisis should have served as a warning in order to invest in R&D and to create reliable alternatives of renewable energy sources that haven’t been utilized to its utmost”, stressed Mr. Koll. He emphasized the importance of creating a partnership between government, private companies and the academic community. “We are given a second chance and we shouldn’t miss it” added Koll.

The participants of the seminar will have opportunity to learn about technical aspects, economic evaluation, environmental aspects, future trends and recommendation for implementation in Serbia. Lecturers are well known Israeli experts with international experience in this kind of trainings, solar and solid waste energy and other renewable and alternative energy sources.

The seminar consists of two modules while lectures are held 15-17 October and 10-12 November 2008 in the Serbian Chamber of Commerce in Belgrade.

## DEMOCRACY

### Al Gore: Israel can lead the way in renewable energy

By Karin Kloosterman May 26, 2008

A star-studded cast of environment academics, policy makers and clean technology experts graced the campus of Tel Aviv University last week to kick off the country's first conference on renewable energy.

Renewable Energy and Beyond, was the title of the conference, but its benign name more closely resembled a call to arms: The conference's most eminent guest, climate change evangelist Al Gore stood up on the podium last Tuesday night and warned the Israeli and international audience about the life-threatening dangers of climate change.

Painting a bleak future -- if we don't act within the next 10 years it might be too late, said Gore, who was also in town to collect a prestigious \$1 million Dan David Prize, housed at the Tel Aviv University campus, for his work on educating the world about the dangers of global warming.

However, Israel with its cleantech know-how and geographical position, he encouraged, could lead the way by developing effective cleantech and solar energy solutions, he said: "What we need is sufficient political will. But as the people of Israel know, sufficient political will is a renewable resource," said Gore.

Last Wednesday, prominent guests from around the world met for nuts and bolts seminars on renewable energy under topics such as geopolitics, opportunities in the business sector, R&D challenges, and lastly on Israel's road to energy independence.

Opening the conference the previous night, Gore said: "Why should not Israel play the leading role in this historic shift to renewable energy? Israel can, and Israel should. The people of Israel stand in my moral imagination as guardians of the proposition that we as human beings are answerable to moral duties, that there are ethical laws that should guide our decisions and choices.

"At this moment in history when, for the first time, all of the people of this earth have to make a clear, seemingly difficult but really quite simple moral judgment about our future, the people of Israel can lead the way to a renewable future," he said.

On Wednesday, international guests at Tel Aviv University included Harvard's climate change expert Michael B. McElroy, who spoke about the potential of solar and wind energy as an opportunity for alternative energy. There was Michael Idelchik, the VP for advanced technologies at General Electric, who talked about energy technologies of the future, and Prof. Yogi Goswami from the University of South Florida, who explored solar energy opportunities, and feasibility around the world.

Also mixing in the crowd was Israeli Isaac Berzin, a super-star in the US for his work with algae for biofuel. As one of *Time Magazine's* most influential people of 2008, Berzin was recently recognized for his work in the US company GreenFuel which he founded, and his leadership role in the global movement to end the world's dependence on oil.

Now back in Israel to live, Berzin will remain consulting GreenFuel, and told ISRAEL21c that he plans on building a GreenFuel-type project in Israel, but 10 times larger. "The center of excellence is already here," said Berzin, who is now a senior fellow at the Interdisciplinary Center in Herzlyia, where he is establishing an Institute for Alternative Energy Policy. He currently lives in Jerusalem with his wife and three children.

And Tel Aviv University, playing host to the event, had some of its own Israeli research news to report. Prof. Avi Kribus, from the School of Mechanical Engineering, showcased some of Israel's best solar, fuel conservation and biofuel projects.

"Israel for a long time has been a leader in solar energy," said Kribus. "Clearly we do not have resources like the United States or Spain, but we do have renewable resources like motivation, energy and brainpower which we will continue to use to create renewable energy," concluded Kribus.

# THE JEWISH JOURNAL

July 2, 2008

## Israel invests in clean tech as energy crunch looms

By **Dina Kraft**

[http://www.jewishjournal.com/israel/article/israel\\_invests\\_in\\_clean\\_tech\\_as\\_energy\\_crunch\\_looms\\_20080702/](http://www.jewishjournal.com/israel/article/israel_invests_in_clean_tech_as_energy_crunch_looms_20080702/)

At a lab in Rehovot, the man who developed the Arrow missile is consumed with his next mission: making Israel energy independent by using cheap solar power.

"The issue of energy is the greatest danger to Israel, because in 30 years there will be no energy means, no oil and no gas, and the use of coal will be prohibited," said Dov Raviv, now the CEO of MST, an Israeli renewable energy company. "Without energy Israel cannot survive, and we must find a substitute and find it fast. That is what I am trying to do."

Raviv's company is working to reduce the high price of solar power, which is not yet competitive with the price of conventional energy sources like oil, by more efficiently harnessing solar energy through a method of concentrating sunlight on a matrix of single solar cells.

MST is one of dozens of alternative energy start-ups across Israel seeking solutions to the global energy crisis.

Among the innovations under development are a gear system that dramatically boosts the efficiency of wind turbines, a device that would reduce gas emissions from trucks, the generation of bio-fuels from desert plants and various techniques to generate energy from unlikely sources, including seaweed and sewage water.

Entrepreneurs say Israeli solutions can help not only Israel but also the world.

"Israel has the minds, the R&D, the technology and the entrepreneurship, but we are lagging behind in terms of actual deployment," said David Schwartz, the chairman of MyPlanet, an Israeli consortium of companies involved in energy and security issues. "This is impeding reaching our full potential as a source of alternative energy for the world."

Israel's leadership in the development of alternative energy also can have security benefits. If the world is weaned from its overwhelming dependence on oil, the oil-rich autocratic regimes that surround the Jewish state, including Iran, will have less oil revenue to pay for their anti-Israel activities -- whether the development of nuclear weapons or the funding of fundamentalist terrorist groups.

During a recent visit to Israel to accept the \$1 million Dan David Award for promoting environmental awareness, Al Gore asked a question many Israelis have been pondering themselves: "How is it here, in the land of the sun, there is no widespread use of solar energy?"

Alternative energy is "good for the Jews," Gore told a conference on the subject at Tel Aviv University.

Industry observers say more aggressive government policies, such as underwriting renewable energy initiatives and granting more land for power plants, are needed to bolster the development of alternative energy.

"Europe and the U.S. have made incredible strides," Schwartz said. "Israel has not."

Meanwhile, Israel has an energy shortage looming. Israel's supply capacity is 10,600 megawatts per day, and the country has come dangerously close to exceeding that demand on especially hot and cold days.

With limited energy reserves to accommodate for surges, and as the country's population and energy use grows, the problem is becoming more acute.

The head of the Israel Energy Forum, Yael Cohen-Paran, says some relatively simple measures could significantly reduce the load on the energy grid: cash rebates for those who purchase energy-efficient air conditioning and heating units, and government encouragement of energy-saving building practices.

The long-term solution, however, may require more of a shift.

At the Tel Aviv energy conference, Israel's infrastructure minister, Benjamin Ben-Eliezer, responded to criticism of government policy on the issue by announcing a commitment to increase the share of such energies to 15 percent to 20 percent of Israel's total energy use by 2020, double that of previous targets.

He also pledged to adopt a plan to build one new solar station per year for the next 20 years and introduce a bill to make the Negev Desert and southern Israel a "national preference region" for renewable energies. Tax breaks and other incentives would be part of the package.

Yossi Abramowitz, the president of Arava Power, wants to install 62,500 solar panels by year's end on the sun-drenched sands of Israel's deserts. He says his company has found investors to pay for solar power stations that would be capable of supplying up to 500 megawatts of electricity for the country -- nearly 5 percent of Israel's daily energy needs during daylight hours.

The project relies on the use of photovoltaics, or PV, a relatively expensive technology that uses a fraction of the silicon used in conventional solar panels to convert sunlight-generated photons into energy.

But for this energy to be competitive on the open market, the government needs to double its current rate of subsidy, Abramowitz says, bringing Israel more in line with the levels of subsidy in countries such as Germany and Spain.

Ben-Gurion University of the Negev recently announced a new deal with Israeli start-up Zenith Solar to license solar energy technology developed by its researchers that could revolutionize the way solar power is collected and drastically reduce its price.

The new method, a form of "concentrated PV," would use fewer of the expensive silicon solar cells to create energy. Instead it would use low-cost glass mirrors to collect sunlight and then focus it onto a relatively small amount of those solar cells to generate power.

The Israeli founder of an algae fuel company called GreenFuel, Isaac Berzin, who was named by Time magazine as one of its Top 100 people in the world for 2008, says Israel is too small of a country to keep such technology to itself.

"Israel should be a catalyst for change," Berzin said. "Israel is a very small market, a very small place in the middle of nowhere, but it has here what it takes in terms of technology, the know-how to change the world."

## Israel electric car project aims to wipe out oil

### Sell them like mobile phones, kill oil by 2020

By [John Lettice](#) • [Get more from this author](#)

Posted in [Environment](#), 22nd January 2008 14:20 GMT

[Whitepaper: Rethink Virtualization in Business Terms](#)

**DLD08** Israel today announced backing for Project Better Place, intended to switch motor transportation from oil to electric, and by a massive coincidence one of the project's prime movers, Shai Agassi of Better PLC, was evangelising at the DLD (Digital Life, Design) show in Munich. His objective, he says, is to "take one country off oil in a way that is repeatable." Israel is that country.

And the model is the mobile phone. Really. The point of choosing Israel, says Agassi, is that doing it in a chaotic country is important, and he claims Israel is the most chaotic nation he knows. Plus there are helpful limits to how far you can drive in Israel - the endurance of an electric car on one 'fill up' is about 200km, and that easily covers the furthest you can go within Israel.

He takes a pretty rational view of how far people are prepared to go to save the planet, and when it comes to cars that's not very far. It's got to be *your* car, no shares, with performance and size at least equivalent to today's models. It's got to be affordable (which includes image and cred, so lose points for non 'green' Hummers), and it's got to be fairly easy to 'fill up'. That last one's one of the gotchas of electric, and it's Agassi's primary point of attack. So you've got a vehicle that allows people to be green without it actually costing them anything to do so, and you've got the 'filling stations'.

Which work this way. Israel will be blanketed with a network of battery exchange stations and roadside charge points which allow the cars to be charged whenever they're parked. Agassi suggests there will be about 500,000 of these, and points out that it's doable, because they've got them in Sweden, Norway and parts of Canada, where if you don't plug in when you stop your engine freezes. Charge points and swap stations mean there's no need for lengthy charge periods, so 'filling up' should take no more time than it does currently at a petrol station.

Israel's helping with the economics. It currently taxes electric vehicles at 10 per cent and petrol at 72 per cent, and the government has promised to keep the electric car tax at that level until at least 2015. The switchover to electric vehicles is where the mobile phone model comes in.

Say the motorist pays the equivalent of their current annual petrol bill for a mileage plan, they could be given the car to use, and it would become theirs after four years. Other mobile plans could operate - all you can eat unlimited mileage, pay as you go, and so on. The plan is to have the first of the cars on the road in 2009, 100,000 in 2010 and Israel off oil within ten years.

Vehicles are being produced by Nissan and Renault, and significantly Agassi suggests France as another possible target, helped by French government policies. London, which already operates a world-famous congestion charge, he mentions as a possible single city target market. But he possibly underestimates the London Livingstone regime, which takes a

somewhat more hair-shirted and autophobic view of green issues. Something that perpetuates these instruments of death and undermines the bendy bus programme surely won't fit the picture. Project Better Place is also backed by Israel Corp, the major local refinery operator. As Israel has no oil, flexibility probably makes sense to the outfit.

Gotchas? The mobile phone model requires a pretty high hardware refresh rate, and if the auto makers are to be kept in the game they're going to want people to be moving up every few years. Cheaper cars, which the electric ones could effectively be, would also tend to induce people to refresh more often, so there are recycling issues to be addressed, and the carbon costs of manufacturing to be factored in. It's green without pain, but maybe when the maths is done it'll turn out less green than you might think, and maybe you end up with even more cars on the roads.

And where does the electricity come from? How green is that? That's not Agassi's department, but it could be a big boost for Professor David Faiman of Ben-Gurion University, who has a cunning plan involving the Negev desert, huge mirrors and solar energy. He was also at DLD, so more on this later in the week. ®



## India, Israel to collaborate on renewable energy

*Industries from India and Israel will collaborate in developing renewable energy technologies, the Confederation of Indian Industry (CII) announced here Wednesday at the conclusion of a seminar on the subject.*

New Delhi, Delhi, India, 2008-04-09 20:45:05 (IndiaPRwire.com)

Industries from India and Israel will collaborate in developing renewable energy technologies, the Confederation of Indian Industry (CII) announced here Wednesday at the conclusion of a seminar on the subject.

Leading Israeli companies involved in solar power, wind energy and others were in India to exchange views with their Indian counterparts as part of the seminar, organised by the Department of Science and Technology (DST), the Ministry of New and Renewable Energy, the Global Innovation and Technology Alliance (GITA), the Israeli Industry Centre for R and amp;D (MATIMOP) and the CII.

The seminar was a follow-up to Science and Technology Minister Kapil Sibal's 2005 trip to Israel, when it was decided that the two countries would collaborate in the fields of environmental technology, water management, space technology, biotechnology and nanotechnology.

DST Secretary T. Ramaswami told the seminar that there was great potential for joint research and development in the area of renewable energy technologies.

Israel has now mandated that at least 10 percent of energy must come from renewable sources by 2020, said Raul Goldemann, director, Asia and Pacific international cooperation programme, MATIMOP.

Senior director CII and head of technology GITA Anjan Das hoped the seminar and meetings would lead to a number of good proposals and then to fruitful collaborations.

# Green technology attracts Israeli investments

By: Veronica Placintescu | Date: 2008-11-17

**He finds Romania to be a challenging and a constantly developing country. Nonetheless, His Excellency Oren David believes that more investments in renewable energy can boost the country's economy, especially in the given critical worldwide context.**

**Officially appointed as Israel's Ambassador to Bucharest on July 31, 2007, David confessed that he was "struck by Romania's level of development." "I expected the country to be more developed than at the beginning of the 1990s, but not to the extent that I found last year", he acknowledged in an exclusive interview for BBW.**

**Underlining the Embassy's objectives to increase cooperation between the two countries, Oren David laid stress upon the fact that his native country can bring a new type of know-how to the Romanian market, especially in renewable water and infrastructure management.**

"We had nine Israeli water companies among the participants at a trade show organized in Bucharest in June. On the occasion, a special seminar was held in order to introduce themselves and present the new approach that Israel can bring to the Romanian water infrastructure", he said. The ambassador added: "We invented the drop irrigation system. The system is present in many countries such as the USA, China and Mexico and it is highly successful in Romania as well. Israel was bound to excel in water management as its water resources are limited. We cannot afford any losses in the pipelines. Our average water losses reach 9.7%, which we consider to be a high percentage. Nonetheless, if we consider the world average water losses of around 30%, you can see that Israel is using this natural source very reasonably", the ambassador explained.

While emphasizing that developing the use of renewable energy is Israel's main concern, the Ambassador explained that the Israeli know-how in wastewater treatment and solar energy could be successfully applied in Romania. "What Israel can offer is the system of waste treatment and its conversion into energy. For example, we are recycling and reusing waste water for agriculture. Most of our agriculture is irrigated with treated wastewater. We believe that this system can also be implemented in Romania. Moreover, we patented a special device that makes use of the solar energy. Israel was also bound to excel in this field. As it is the only natural resource that Israel has in large amounts, solar energy has been used so we can preserve conventional energy and make more use of the sun. This system can be implemented especially in Dobrogea and the southern part of Romania", underlined the ambassador.

While he admits to have witnessed a change in the approach on green technology in Romania, Oren David emphasized that the Embassy plays a significant role in arranging

bilateral meetings between business representatives in the two countries. Thus, he expressed his satisfaction with including Romania in this year's edition of the Israel Gateway Exhibition, whose purpose is to promote economic relations. Organized as part of the annual international Prime Minister's conference in Israel, the exhibition took place last week, November 11-13. "In the 'Water & Energy Nexus' section, Romania was represented by companies in the water field, authorities in charge of water, a delegation from the Romanian Water Association (ARA) and a delegation from the Romania - Israel Chamber of Commerce. They were headed by Silviu Stoica, Secretary of State with the Ministry of Environment and Sustainable Development, who also met with the Israeli Minister of Environment. The Romanian representatives held a special seminar to introduce themselves and allow the Israeli companies to assess their offer and identify the opportunities present on the Romanian market", said the Ambassador.

Officially announcing a rough 2 billion USD investment figure at the end of 2007 and 5.619 Israeli companies registered by the end of August this year, His Excellency specified that Romania's accession to the EU represented a big step towards tighter bilateral collaboration. "Romania started to implement the European standards. It has become easier for Israeli companies to come here, while the ones that are already present on this market have started consolidating their activities. In 2007, 1.145 new Israeli companies were registered here and in the first eight months of 2008 another 500 were registered. Moreover, we removed visa requirements for Romanians visiting Israel in March this year. Thus, over January - August, 24,870 Romanian tourists visited Israel, accounting for a 114% increase compared to the same period of last year", he said.

Mentioning companies such as Solel Boneh Building and Infrastructure Ltd. and Tahal Consulting Engineers Ltd, Oren David said Israeli companies are already working on implementing efficient water infrastructure in Romania. "Solel Boneh and Tahal are big companies which operate worldwide. They cooperate in Romania and many projects have been underway in Transylvania, for example, thanks to the collaboration between the two," he acknowledged. Moreover, Oren David believes that Romania's workforce is seen as a valuable asset by Israeli investors. "Alvarion, one of our main telecommunication companies, moved most of its R&D activities in Romania in 2000. They identified the opportunity and have been successfully using the educated and skilled workforce here," he added.

With a career in diplomacy of 25 years, Israel's Ambassador to Bucharest believes that Romania is "very diverse and attractive". His Excellency enjoys traveling to areas outside Bucharest, such as southern Transylvania, and admiring the scenery at Moeciu and Fundata.

November 26, 2008

## **US & Israel To Launch Energy Cooperation Agreement**

Eilat, Israel [RenewableEnergyWorld.com]

The Eilat-Eilat International Renewable Energy Conference, announced that the US-Israeli Energy Cooperation Act, passed two years ago by the U.S. Congress, is expected to launch at the upcoming Eilat-Eilat energy conference, to be held from February 17-19 in Eilat, Israel.

The [cooperation act](#) will fund eligible joint ventures between U.S. and Israeli businesses, as well as establish the International Energy Advisory Board. Hezi Kugler, Director General of the [Ministry of National Infrastructures](#) will be leading the delegation of National Infrastructure representatives who will be in attendance at the conference.

"The Ministry of National Infrastructures views with high import the development of the Eilat-Eilat Region as a center of renewable energy solutions, and we not only fully support them in this pursuit, but we ourselves are very involved in advancing their initiatives," Kugler said. "The conference is an important step towards developing the alternative energy capabilities of this region, and will certainly push us forward in becoming an alternative energy world leader."

## [Upcoming Green Design Conference: The Jerusalem Seminar in Architecture](#)

Jan 11th, 2009 by [James Murray-White](#)



During these tough [times](#) in the [south of Israel and Gaza](#), it's heartening to discover that some events are continuing, and that the determination to green things up, either by accident or design, continues apace.

Here at Green Prophet, we've kept a keen eye on green design and [sustainable architecture](#), both [here](#) and abroad. I was cheered this weekend to discover that the **Jerusalem Seminar in Architecture** is planning its annual conference shortly, and its to be held here in Jerusalem this month, from the 25th to the 27th, with the theme of 'Green Design - from theory to practice.'

A distinguished panel of practicing architects and experts, chaired by Dr. Ken Yeang, will explore an array of current projects and technological advancements in the field. Bringing together architects from the US, the UK, Holland and Malaysia and several other nations as well as Israel, this conference promises much in the way of green thinking and reflections upon how [the natural world](#) can and should influence our buildings and structures.

According to [printed](#) material on the conference: “The need to save our environment for future generations is one of the greatest challenges that humankind must address today; this task is fuelled by the growing realization that if we maintain our current rate of growth, consumption and way of life, this may be our last millennium on Earth. The singularly most compelling question for any designer is: how do we design for a sustainable future?”

“Just as much as this question concerns the design professions, it is also a question that concerns industry - many corporations now anxiously seek to understand the environmental consequences of their current activities and attempt to envision what their impact might be if their business were sustainable. The most committed businesses must seek ways to realize their vision through ecologically benign strategies, new business models, production systems, materials and processes.

“Vital issues include how energy will be a major factor influencing our architectural design and planning. It is no longer a matter of design for low-energy or for zero carbon, but whether our designed systems can generate their own energy locally.

“An ecologically responsive built environment will undoubtedly change not only the way we design our built environment, but also how we work and the currently ecologically profligate way of life pursued by many of us in the developed and developing countries.

“In response to these imperatives, the 7th Jerusalem Seminar focuses on the state of green design and planning, and within this overall theme, the seminar will encompass the theoretical work done in this field and the range of technical solutions. The seminar will inform and give an assessment and overview of the work that is carried out worldwide today.”

Visit the [conference website](#) or contact the Jerusalem Seminar in Architecture (Jersemar) at 02-5665107. This Green Prophet writer hopes to be there, and will be posting more about the conference and its speakers.

January 25, 2009

OP-ED COLUMNIST

## This Is Not a Test

By [THOMAS L. FRIEDMAN](#)

Stop me if you've heard this one before. "Guy walks into a bar ..." No, not that one — this one: "This is the most critical year ever for Palestinian-Israeli diplomacy. It is five minutes to midnight. If we don't get diplomacy back on track soon, it will be the end of the two-state solution."

I've heard that line almost every year for the last 20, and I've never bought it. Well, today, I'm buying it.

We're getting perilously close to closing the window on a two-state solution, because the two chief window-closers — Hamas in Gaza and the fanatical Jewish settlers in the West Bank — have been in the driver's seats. Hamas is busy making a two-state solution inconceivable, while the settlers have steadily worked to make it impossible.

If Hamas continues to obtain and use longer- and longer-range rockets, there is no way any Israeli government can or will tolerate independent Palestinian control of the West Bank, because a rocket from there can easily close the Tel Aviv airport and shut down Israel's economy.

And if the Jewish settlers continue with their "natural growth" to devour the West Bank, it will also be effectively off the table. No Israeli government has mustered the will to take down even the "illegal," unauthorized settlements, despite promises to the U.S. to do so, so it's getting hard to see how the "legal" settlements will ever be removed. What is needed from Israel's Feb. 10 elections is a centrist, national unity government that can resist the blackmail of the settlers, and the rightist parties that protect them, to still implement a two-state solution.

Because without a stable two-state solution, what you will have is an Israel hiding behind a high wall, defending itself from a Hamas-run failed state in Gaza, a Hezbollah-run failed state in south Lebanon and a Fatah-run failed state in Ramallah. Have a nice day.

So if you believe in the necessity of a Palestinian state or you love Israel, you'd better start paying attention. This is not a test. We're at a hinge of history.

What makes it so challenging for the new Obama team is that Mideast diplomacy has been transformed as a result of the regional disintegration since Oslo — in three key ways.

First, in the old days, Henry Kissinger could fly to three capitals, meet three kings, presidents or prime ministers and strike a deal that could hold. No more. Today a peacemaker has to be both a nation-builder and a negotiator.

The Palestinians are so fragmented politically and geographically that half of U.S. diplomacy is going to be about how to make peace between Palestinians, and build their institutions, so there is a coherent, legitimate decision-making body there — before we can make peace between Israelis and Palestinians.

Second, Hamas now has a veto over any Palestinian peace deal. It's true that Hamas just provoked a reckless war that has devastated the people of Gaza. But Hamas is not going away. It is well armed and, despite its suicidal behavior of late, deeply rooted.

The Palestinian Authority led by Mahmoud Abbas in the West Bank will not make any compromise deal with Israel as long as it fears that Hamas, from outside the tent, would denounce it as traitorous. Therefore, Job 2 for the U.S., Israel and the Arab states is to find a way to bring Hamas into a Palestinian national unity government.

As the Middle East expert Stephen P. Cohen says, “It is not enough for Israel that the world recognize that Hamas criminally mismanaged its responsibility to its people. Israel’s longer-term interest is to be sure that it has a Palestinian partner for negotiations, which will have sufficient legitimacy among its own people to be able to sign agreements and fulfill them. Without Hamas as part of a Palestinian decision, any Israeli-Palestinian peace will be meaningless.”

But bringing Hamas into a Palestinian unity government, without undermining the West Bank moderates now leading the Palestinian Authority, will be tricky. We’ll need Saudi Arabia and Egypt to buy, cajole and pressure Hamas into keeping the cease-fire, supporting peace talks and to give up rockets — while Iran and Syria will be tugging Hamas the other way.

And that leads to the third new factor — Iran as a key player in Palestinian-Israeli diplomacy. The Clinton team tried to woo Syria while isolating Iran. President Bush tried to isolate both Iran and Syria. The Obama team, as Martin Indyk argues in “Innocent Abroad: An Intimate Account of American Peace Diplomacy in the Middle East,” “needs to try both to bring in Syria, which would weaken Hamas and Hezbollah, while also engaging Iran.”

So, just to recap: It’s five to midnight and before the clock strikes 12 all we need to do is rebuild Fatah, merge it with Hamas, elect an Israeli government that can freeze settlements, court Syria and engage Iran — while preventing it from going nuclear — just so we can get the parties to start talking. Whoever lines up all the pieces of this diplomatic Rubik’s Cube deserves two Nobel Prizes.

# Safed coffee factory runs on coffee

February 3, 2009 - 8:28 PM by [Harry](#)



Coffee-inspired energy is only becoming increasingly fashionable. Back in June, a team at the University of Leeds experimented with the same process used for roasting coffee beans as a method of releasing energy from a host of other crops, including wheat straw and certain types of grasses. [The study concluded](#) that this method has the potential boost the energy output of biomass power by up to 20%.

But what about using coffee itself? The concept of [using coffee to obtain energy](#) is hardly a new one, and here in Israel, where [new energy sources](#) are always an especially welcome discovery, coffee - especially the [iconic Elite-brand instant](#) - is a way of life.

Recently, Strauss Elite's 1956-inaugurated instant coffee plant in Safed implemented a series of green measures, at an estimated expenditure of NIS 10 million, [Haaretz](#) reports. The measures include extending the height of the mill's smokestack and upgrading filtration systems, with estimated efficiency increases resulting from the measures expected to pay for themselves within four years. But perhaps the most remarkable measure is that now the factory uses coffee regs to power itself:

At the beginning of this week, large furnaces were installed to burn the coffee beans at high temperatures to create steam. According to Strauss vice president Pini Kamari, the move will cut the factory's shale consumption in half.

"This creates a direct connection between being 'green' and being efficient," Kamari explained. "Motivation for the change came from our desire to cut costs, reducing energy costs and transportation costs for both the shale and the waste. At the same time, emissions will be much lower, both from the smokestacks and from the trucks [formerly needed to bring in fuel]. We will create less waste and need to bury less garbage. Noise will also be reduced."

Image of Israeli coffee beans courtesy [gkamin](#) from Flickr under a Creative Commons license.

## **Progress, frustration at TA renewable energy conference**

Jan. 31, 2009

Ehud Zion Waldoks , THE JERUSALEM POST

Traditional and alternative energy specialists convened in Tel Aviv on Thursday to discuss how to integrate renewable energy into the Israeli market.

Featuring speakers from the public and private sector, the annual conference sponsored by The Israeli Institute of Energy and Environment and the Renewable Energy Companies Union of Israel took a wide-ranging look at the issues surrounding alternative energy.

Dr. Ilan Suleiman, deputy head of the Public Utility Authority - Electricity (PUA) gave a brief update regarding tariffs for solar and wind energy.

Suleiman said they were looking at a feed-in tariff of NIS 1.6 per kilowatt hour for medium sized solar power fields from 50KW to 5 MW. Several companies have been eagerly awaiting this specific tariff to begin planning massive solar energy fields in the Negev and Arava. Suleiman said the tariff would be released for public comments in the "coming days."

PUA has also been working on a tariff for wind energy, he said. It would be a similar regulatory set-up to solar power and they hoped to get it off the ground in the first quarter of 2009. However, the tariff was not at all clear yet and there might even be different levels of tariffs, Suleiman said.

Dr. Eli Ben-Dov bitterly complained about Israel's obsession with solar energy at the expense of wind energy. Ben-Dov started measuring wind speeds all over Israel for the Israel Electric Company (IEC) in 1980. After a career with the company, he moved to the private sector and set about trying to build wind farms.

However, using a metaphor of Noah trying to build an ark in the modern regulatory age, he contended that Israeli red tape had stifled what could be the serious potential of wind power to generate megawatts of electricity all over the

country. After 30 years of trying, just six MW are produced from wind in Israel, he lamented.

Over and above the introduction of renewable energy, the IEC has to be able to plan for it and utilize it. IEC Planning Branch head Dr. David Elmakias had some pointed things to say about the drawbacks of alternative energy.

Even if you produced all the power you wanted from solar and wind energy, it would still not be as reliable as coal or natural gas, because it is not constant, he said. Without a storage mechanism, the IEC cannot count on it as a reliable source and therefore has to factor in backups and reserves to compensate, he added.

Elmakias said there would be no other option but to build either another coal or a nuclear power station to meet Israel's rapidly increasing energy demands. However, he added the company was investing \$1.5b. over the next decade to install technology which would reduce emissions from coal plants very significantly.

"Sulfur emissions will be reduced by 70 percent and we will get to very low levels of emissions from the noxes (pollutants) as well," he told the packed conference hall at the Land of Israel Museum in Tel Aviv.

Elmakias also mentioned that they were in the process of planning the energy market for the next 30-50 years. Such long term planning is unusual in Israel and contrasts sharply with the utter lack of long term planning which plagues another essential economy in Israel - water.

One of the highlights of the conference was an award presented to the "father of Israeli solar energy," Dr. Harry Zvi Tabor.

In 1949, David Ben-Gurion sent his personal aide to England to recruit the young British scientist. Tabor then went on to make two breakthroughs in solar panels which paved the way for today's industry. He also built an electric car in the mid-1970s before anyone had begun thinking about the potential of such types of vehicles.

Tabor's breakthroughs created the solar water heating market in Israel. In 1980, the government passed a law requiring all new buildings to be outfitted with the

solar boilers. A whopping 4% of Israel's energy is saved through this single invention.

American Jewish Congress Israel Director Daniel Grossman presented the lifetime achievement award to Tabor in the presence of Environmental Protection Minister Gideon Ezra.

After receiving the award, Tabor, still active and sharp at 91, said, "We cannot miss the opportunity to eliminate our reliance on oil and take the plunge towards renewable energy." Rounding out the conference from the academic and private sectors, Ben-Gurion National Solar Energy Center Director Prof. David Faiman gave a fascinating analysis of exactly how much alternative energy would need to be produced merely to keep fossil fuel use at current levels.

According to the Ben-Gurion University of the Negev professor and entrepreneur's calculation, demand grows by two billion kilowatt hours (two million MW) per year. Therefore, alternative energy must generate that number each year just to freeze fossil fuel use.

Current government goals come nowhere near that number. Even by 2020, alternative energy goals are in the thousands of megawatts rather than millions.

Faiman also championed concentrator photovoltaics (PV) as the technology of the future. Several Israeli companies, Zenith Power and MST, have begun working on technology developed by Faiman and others at the Solar Energy Center. Concentrator PV concentrates the sun's rays so that when it hits the solar panel it is much more intense and thus produces much more electricity.

MST head Dov Raviv explained that his goal was to take over the Israeli energy market with their technology and with EnStore's storage systems. He outlined an extremely bold plan to produce 100 billion kilowatt hours within 15-30 years. He said the cost would be \$22b. over 20 years.

Raviv is perhaps better known as the father of the Arrow missile system.

## **Israel's renewable-energy dreams set to awaken at Eilat parley**

Feb. 1, 2009

WESLEY PINKHAM and MATTHEW KRIEGER , THE JERUSALEM POST

It is not news that the US government has consistently supported Israel as its primary economic and diplomatic partner in the Middle East. But the reasons for continued investment in the region are based on more than lofty democratic and ideological similarities. American dollars sent to Israel have resulted in stable and significant returns on investment. That this economic partnership is now expanding into the field of alternative energy comes as no surprise.

From the wispy, year-round winds in the North to the sun-drenched desert in the South, Israel's climate and technological ingenuity are proving to be successful launching points for a widespread and sustainable green-energy movement. The US government and private investors - Americans and Israelis - have taken note of this and have already begun investing deeply, both monetarily and politically.

In July 2006, the US House of Representatives voiced its approval for HR 2730, the United States-Israel Energy Cooperation Act, which will authorize funding for joint ventures between US and Israeli businesses in the alternative-energy sector. The cooperative partnership is expected to be launched at the Eilat-Eilat International Renewable Energy Conference this February 17-19. It seeks to invest millions of US dollars in "research, development, or commercialization of alternative energy, improved energy efficiency, or renewable energy sources."

The conference will serve as a forum for local and international sustainable-energy leaders to plan the future of the renewable-energy market. It will feature local Israeli businesses, including: Arava Power Company, a firm that is trying to get 10 percent of Israeli households powered by solar technology, primarily through alliances and land owners; and AORA, a leading developer of applied ultra-high-temperature-concentrating solar power (CSP) technology.

AORA recently announced that it has begun construction on the world's first gas-turbine solar thermal-power station in Israel at Kibbutz Samar in the Arava. The company's modular energy-generating system is designed to require less land while generating more usable power and heat at a lower cost than other solar-

energy systems; its revolutionary hybrid approach enables the system to run on solar-radiation input and almost any alternative fuel, including biogas, biodiesel and natural gas, guaranteeing an uninterrupted green-power supply 24 hours a day.

During the conference, AORA will conduct an exclusive tour of its Samar power station, which is scheduled to be completed by the end of March. The power station is situated on two dunams of land in the Arava and consists of a field of 30 tracking mirrors (heliostats).

Each heliostat will follow the sun and direct its rays toward the top of a 30-meter-high tower housing a special solar receiver along with a 100-kilowatt gas turbine. The patented receiver will use the sun's energy to heat air to a temperature of 1,000 degrees Celsius and direct this energy into the turbine. The turbine will in turn convert this tremendous thermal energy into electric power that will be fed directly into the national grid.

The international business community has also taken notice, with names such as Google-backed eSolar and German-based Concentrix attending. Last week, Deutsche Bank, one of the world's largest and most well-respected financial institutions, formally announced its intention to seek renewable-energy partnerships and investments with both local and international companies who will be attending the event.

"We enthusiastically support the future growth of the Israeli renewable energy industry and very much look forward to taking an active role in its development," said Boaz Schwartz, Deutsche Bank's managing director for Israel. "I strongly believe that the combination of efficient utilization of natural resources and advanced technologies, coupled with Deutsche Bank's know-how and experience, is a win-win proposition for the renewable-energy markets here in Israel and around the world."

Deutsche Bank is very active in the global renewable-energy arena and has been involved with numerous energy projects as a financial advisor and an equity investor.

The news was met with much excitement, with renewable-energy leaders hailing it as a landmark moment for the development of the country's local energy market.

"Through their pursuit of investments in Israeli infrastructure and Israeli technology, Deutsche Bank is underscoring its commitment to advancing the local renewable-energy industry," said Shimon Klein, managing partner of Jerusalem-based EZKlein Partners, a leading renewable-energy service provider. "To have a company such as Deutsche Bank actively invest in the growth of the Israeli energy market is a very significant and important milestone for the local sector."

The Deutsche Bank announcement follows the statement released last week by SCHOTT Solar, another large German-based corporation, which said it would use the event to officially launch its Israeli operations. With more than 50 years of experience in the solar market and 18,000 employees, SCHOTT Solar has targeted Israel and its history as a technological pioneer as a great opportunity to expand its business.

The conference also will focus on the development of the Timna Renewable Energy Park initiative, a huge undertaking that will be this country's "alternative-energy Silicon Valley."

Israel suffers from hostile relations with many oil-producing countries, and a consistent flow of oil and natural gas is of great concern. These same geopolitical issues have become critical for Western countries. Major resources are held at the whim of tumultuous regimes. The war in Iraq was at least partially motivated by this fear of limited resources.

Sustainable, alternative energy has become so widely accepted as the way of the future in the US that even writing about its importance has become cliché. In Israel, we are slowly coming to the realization that alternative energy is a major stabilizing force, both outside and inside the Middle East.

By developing a sustainable-energy infrastructure and market, Israel can be freed from the shackles of foreign oil and further develop its own economic independence. The recent issuing of the country's first solar licenses is a sign that the government is finally catching on to the importance of harnessing and developing the country's renewable energy resources.

Israel currently boasts more than 600 companies in the clean-tech industry, many of which have already made significant advances in solar energy, utilization and management of water resources, geothermal technologies, energy management and conservation and desertification. These advancements are

partly attributable to Israel's academic institutions, which boast the highest number of PhDs per capita.

Like its desertification efforts, Israel continues to create something out of nothing, to sustain the unsustainable. These efforts will take a major step forward at the conference. While Israel may be lacking in water resources, the southern part of the country is drenched almost year-round with an abundance of sun. Harnessing this natural resource presents the country with both a unique challenge and immense opportunity.

"Let there be light."

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## Middle East Times

Israel's electric car will cut oil needs

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On Jan. 21 the Israeli government announced its support of an ambitious plan to install the world's first electric car network in Israel by 2011. The initiative is aimed at addressing global dependence on foreign oil from undemocratic regimes and mitigating the health and environmental damages caused by emissions from gas-burning vehicles.

"Today is a new age with new dangers and the greatest danger is that of oil. It is the greatest polluter of our age and oil is the greatest financier of terror," said Israeli President [Shimon Peres](#).

In a joint venture, Project Better Place, owned by Israeli-American entrepreneur Shai Agassi, will provide lithium-ion batteries and the infrastructure to refresh or replace them, while Renault and Nissan will build the cars. With the goal of making Israel a laboratory test for a new model of environmentally efficient transportation, Israel will offer tax incentives to purchasers.

The innovative model, developed by Agassi, would provide consumers with inexpensive cars, and they would pay a monthly fee for expected mileage, like minutes on a cell phone plan. Project Better Place will provide infrastructure including parking meter-like plugs on city streets or service stations along highways at which batteries can be replaced.

Peres, who was first exposed to Agassi's idea at a 2006 meeting of the Brookings Institution's Saban Forum, strongly promoted Israel's involvement.

"Oil is becoming the greatest problem of our time," he said. Not only polluting, but "it also supports terror and violence from Venezuela to Iran."

Idan Ofer, chairman of Tel Aviv-based industrials conglomerate Israel Corp., provided the initiative and half of its \$200 million funding. Building on the idea of Israel as an experimental laboratory for environmental technology, Ofer has begun targeting China and India, two countries with burgeoning oil consumption and attendant environmental hazards.

Ofer said that if Agassi's plan works in Israel, "it will work even better in China. Their pollution is killing them and the rest of us, too." And in Mumbai, he said, "you can't even see the sky."

Israel's noted innovations in energy technology may also be utilized in generating "green" electricity for the project, specifically a plan involving the Negev desert, huge mirrors and solar energy in development by professor David Faiman of Ben-Gurion University in southern Israel.

Israel's efforts to contribute environmental technologies also recently culminated in the passage of the American-Israeli joint [energy research](#) bill, signed into law by U.S. President [George W. Bush](#) in December 2007.

Speaking when the bill first passed in the House of Representatives, Israeli Prime Minister [Ehud Olmert](#) emphasized that "both our countries share a desire for [energy security](#) and prevention of global warming."

Israel has been on the forefront of developing alternative energy technology and is a significant center for alternative energy research and development. More than 200 Israeli firms have so far developed environmental or energy-related technology.

Israeli companies have been working to provide alternative energy in the United States for decades. From 1984 to 1991, Israeli technology built nine solar plants in southern California. The plants are still operational today, eliminating the need for nearly 2 million barrels of oil each year and providing electricity to millions of Americans. Today, an American and Israeli company are working together in Nevada to build the largest solar power plant since 1992.

Europe has already begun working with Israel on alternative energy research. On June 9, 2007, German Environment Minister Sigmar Gabriel pledged nearly \$2.2 million from his ministry to four separate German-Israeli alternative energy projects.

Israel's alternative energy expertise includes seven universities that produce a higher number of engineers and scientists per capita than any other nation. The country also has 67.5 square meters of solar collectors per 100 people, the highest per-capita rate of solar collectors in the world.

Additionally, Israel and the United States have a long tradition of working together to advance science. Those programs, which have led to many technological breakthroughs ranging from scientific theory to disease control and pesticide reduction, include:

- The U.S.- Israel Binational Science Foundation. The foundation has provided more than 3,000 grants to institutions in both America and Israel;
- The U.S.- Israel Binational [Agricultural Research](#) and Development Fund;
- The U.S.- Israel Binational Industrial Research and Development Foundation.

January 21, 2008

## Israel Is Set to Promote the Use of Electric Cars

By [STEVEN ERLANGER](#)

JERUSALEM — [Israel](#), tiny and bereft of oil, has decided to embrace the electric car.

On Monday, the Israeli government will announce its support for a broad effort to promote the use of electric cars, embracing a joint venture between an American-Israeli entrepreneur and Renault and its partner, Nissan Motor Company.

Prime Minister [Ehud Olmert](#), with the active support of President [Shimon Peres](#), intends to make Israel a laboratory to test the practicality of an environmentally clean electric car. The state will offer tax incentives to purchasers, and the new company, with a \$200 million investment to start, will begin construction of facilities to recharge the cars and replace empty batteries quickly.

The idea, said Shai Agassi, 39, the software entrepreneur behind the new company, is to sell electric car transportation on the model of the cellphone. Purchasers get subsidized hardware — the car — and pay a monthly fee for expected mileage, like minutes on a cellphone plan, eliminating concerns about the fluctuating price of gasoline.

Mr. Agassi and his investors are convinced that the cost of running such a car will be significantly cheaper than a model using gasoline (currently \$6.28 a gallon here.)

“With \$100 a barrel oil, we’ve crossed a historic threshold where electricity and batteries provide a cheaper alternative for consumers,” Mr. Agassi said. “You buy a car to go an infinite distance, and we need to create the same feeling for an electric car — that you can fill it up when you stop or sleep and go an infinite distance.”

Mr. Agassi's company, Project Better Place of Palo Alto, Calif., will provide the lithium-ion batteries, which will be able to go 124 miles per charge, and the infrastructure necessary to keep the cars going — whether parking meter-like plugs on city streets or service stations along highways, where, in a structure like a car wash, exhausted batteries will be removed and fresh ones inserted.

Renault and Nissan will provide the cars. The chairman of both companies, [Carlos Ghosn](#), is scheduled to attend the announcements on Monday. Other companies are developing electric cars, like the Tesla and Chevrolet Volt, but the project here is a major step for Renault, which clearly believes that there is a commercial future in electric cars.

Israel, where the round-trip commute between Tel Aviv and Jerusalem is only 75 miles, is considered a good place to test the idea, which Mr. Agassi, Renault and Nissan hope to copy in small countries like Denmark and crowded cities like London, Paris, Singapore and New York. London, which has a congestion area tax for cars, lets electric cars enter downtown and park free.

Project Better Place's major investor, Idan Ofer, 52, has put up \$100 million for the project and is its board chairman. He will remain chairman of Israel Corporation Ltd., a major owner and operator of shipping companies and refineries. "What's driving me is a much wider outlook than Israel," Mr. Ofer said. "If it were just Israel, I'd be cannibalizing my refinery business. I'm not so concerned about the refineries, but building a world-class company. If Israel will ever produce a Nokia, it will be this."

Mr. Ofer has his eye on China, with its increasing car penetration, oil consumption and environmental pollution, where he has interest from a Chinese car company, Chery, for a similar joint venture.

Renault will offer a small number of electric models of existing vehicles, like the Megane sedan, at prices roughly comparable to gasoline models. The batteries will come from Mr. Agassi. The tax breaks for "clean" electric vehicles, which Israel promises to keep until at least 2015, will

make the cars cheaper to consumers than gasoline-engine cars. “You’ll be able to get a nice, high-end car at a price roughly half that of the gasoline model today,” Mr. Agassi said.

He contends that operating expenses will be half of those for gasoline-driven vehicles, especially in Europe and Israel, where gasoline taxes are high. The company, and the consumers who use it, will normally recharge their batteries at night, when the electricity is cheapest, and they expect the batteries to have a life of 7,000 charges, though Mr. Agassi says he is counting on only 1,500 charges, which is roughly 150,000 miles, the life of the average car.

“Because the price of gasoline fluctuates so much during the life of a car, it’s hard to predict the cost basis for driving,” Mr. Agassi said. “But electricity fluctuates less, and you can buy it in advance, so I can give you a guaranteed price per mile, cheaper than the price of gas today.”

Mr. Agassi predicts that a few thousand electric cars will be on Israeli roads in 2009 and 100,000 by the end of 2010; Israel has two million cars on the road, and about 10 percent are replaced each year.

Mr. Agassi suggested this model for the electric car — concentrating on infrastructure rather than on car production — at a 2006 meeting of the Saban Forum of the [Brookings Institution](#), which Mr. Peres attended. He was enthralled by the idea.

Mr. Peres, who is sometimes dismissed as a dreamer by more cynical Israelis, has in the past embraced and helped to develop some successful notions — like Israel’s nuclear weapons program. He is a strong believer in Israel’s mission to better the world, he says, and not simply sell arms to it. Israel is the 11th-largest arms exporter, as measured by dollar sales, according to the Stockholm International Peace Research Institute.

Mr. Peres, who knew Mr. Agassi’s father, said in an interview that after hearing Shai Agassi speak: “I called him in and said, ‘Shai, now what?’ I said that now is the time for him to implement his idea, and I spoke to

our prime minister and other officials and convinced them that this is a great opportunity.”

“Oil is becoming the greatest problem of our time,” Mr. Peres said in an interview in his office. Not only does it pollute, but “it also supports terror and violence from Venezuela to Iran.”

“Israel can’t become a major industrial country, but it can become a daring world laboratory and a pilot plant for new ideas, like the electric car,” he said.

Mr. Peres sees this project as part of his “green vision” for Israel, arguing that what the nation may lose in tax revenue it will save in oil. He also supports a larger investment in [solar power](#), saying that “the Saudis don’t control the sun.”

Mr. Ofer wants profits, but also thinks the project will help the environment, especially in developing countries. “China is on a very dangerous march from bicycles to cars without any notion of what they’re doing to this planet in terms of air,” he said.

And in Mumbai, he said, “you can’t even see the sky.”

[James D. Wolfensohn](#), the former [World Bank](#) president, is a modest investor in the project.

“Israel is a perfect test tube” for the electric car, he said. “The beauty of this is that you have a real place where you can get real human reactions. In Israel they can control the externalities and give it a chance to flourish or fail. It needs to be tested, and Agassi is to be commended for testing it and the Israeli government for trying it.”