

Weekly Commercial Media Report for the period 21-28 February 2025

A.Israel-Internal

Tel Aviv master plan sees 600,000 residents by 2035

The Tel Aviv District Planning and Building Committee has approved for deposit the TA/5500 master plan for Tel Aviv-Yafo. The plan will allow the city to grow to 600,000 residents by 2035 from its current population of 495,600 by building 52,500 new apartments and bringing the total amount of office space in the city to 9.1 million square meters.

<https://en.globes.co.il/en/article-tel-aviv-master-plan-sees-600000-residents-by-2035-1001503225>

Bol keeps rate unchanged for ninth consecutive time

The Bank of Israel Monetary Committee, headed by Governor Prof. Amir Yaron, has announced that it has kept the interest rate unchanged at 4.5%, as expected. This is the ninth consecutive time that the Bank of Israel has left the interest rate unchanged, after cutting it from 4.75% in January 2024. Analysts expect the Bank of Israel to begin cutting the interest rate in the second half of 2025.

<https://en.globes.co.il/en/article-boi-keeps-rate-unchanged-for-ninth-consecutive-time-1001502913>

Metro dispute over station entrances to delay tenders

In 2026, NTA is due to publish the tenders for the Infra 1 phase, which includes digging tunnels and stations, and a year later it is due to publish tenders for the the Infra 2 phase, which includes installation of systems, ordering equipment and trial runs. In 2028, according to the schedule, excavation work in the field will begin.

However, there is concern that tenders due to be published next year will be delayed. This is because the Israel Planning Administration set that there will be 2-5 exits from each Metro station, but NTA interpreted this as a maximum guideline, and has planned one exit at many stations.

The issue was brought to the National Infrastructure Committee, which was surprised to see NTA's planning, and ordered it to re-plan a large part of the stations again, so that there would be more exits and entrances from them, except where there is an engineering problem to do so.

<https://en.globes.co.il/en/article-metro-dispute-over-station-entrances-to-delay-planning-1001502898>

The difficulty of getting a mortgage is approaching an all-time high.

A 10.8% jump in the equity required to purchase an apartment in 2024 and a 4.5% increase in the monthly repayment amount bring the indicators closer to the peak recorded in early 2023. The main cause of the deterioration in the situation of buyers: the rise in apartment prices.

In annual terms, the average equity (required so that the mortgage repayment does not exceed 30% of the average net income of a household) increased by an average of 10.8%, meaning an increase of about 152 thousand shekels (from 1.413 million shekels to 1.565 million shekels).

<https://www.calcalist.co.il/real-estate/article/bjkmer29kx>

Finance: High-tech workers are responsible for 35% of income tax in the economy

In 2021, employees in high-tech paid income tax on their salaries in the amount of approximately NIS 23.8 billion, which is approximately 35% of the total income tax revenue from salaries for employees in the economy. In the same year, employees in high-tech paid approximately NIS 14.3 billion to National Insurance, which is approximately 21% of the total revenue from collecting National Insurance tax. In the same year, employees in high-tech also paid an additional NIS 5.3 billion for exercising options and shares, which is approximately 35% of the state's total income from income tax from non-salaried employers.

According to the Chief Economist, employees in high-tech make up only 7.7% of all workers in Israel, so their share in taxation is 4 times their share in the labor force, while the tax payment of a high-tech employee is 6 times that of the average worker.

https://www.calcalist.co.il/local_news/article/rkm400ecqkg

B.Israel-Multilateral

Microsoft: Exempt Israel from AI-chip export restrictions

In a [blog post](#) today, and first reported by "The Wall Street Journal," Microsoft vice chair and president Brad Smith calls for Israel, India, Switzerland and other countries to be added to the list of countries exempt from the restrictions on exports of US-produced AI chips. The restrictions, known as the Diffusion Rule, are due to come into force in May, and could limit the ability of cloud computing giants such as Microsoft, Amazon and Nvidia to ship graphics processors to countries that are considered US allies but are still subject to restrictions on exports of chips used in developing AI models.

<https://en.globes.co.il/en/article-microsoft-exempt-israel-from-ai-chip-export-restrictions-1001503409>

Israeli co Quantum Machines raises \$170m

Israel advanced quantum control solutions company [Quantum Machines](#) today announced the completion of a \$170 million in an oversubscribed Series C financing round led by PSG Equity with participation from Intel Capital, Red Dot Capital Partners, and existing investors. This brings the total amount raised by the company to \$280 million.

<https://en.globes.co.il/en/article-israeli-co-quantum-machines-raises-170m-1001502993>

Quantum Machines raises \$170M at a \$700M valuation as quantum computing surges

Israeli quantum computing startup Quantum Machines has raised \$170 million in a Series C funding round, bringing its total investment to \$280 million. Most of the funds will go directly into the company's operations. According to estimates, the round values the company at \$700 million. Quantum Machines stated that the round was significantly oversubscribed.

<https://www.calcalistech.com/ctechnews/article/h1jgtesq1l>

ICL Reports Fourth Quarter and Full Year 2024 Results

ICL's expanding trade with India highlights a strengthening partnership, driven by increased potash and phosphate exports. In 2024, India imported **1.2 million tonnes** of potash from ICL, a **50% rise** from the previous year, surpassing China's declining imports. Competitive pricing and a **five-year supply agreement** with Indian Potash Limited (IPL) further solidify ICL's commitment to India's agricultural sector. Additionally, rising demand for **DAP and phosphoric acid**, with prices at **\$634 per tonne CFR** and **\$1,060 per tonne P₂O₅**, respectively, demonstrates India's growing reliance on ICL's high-quality fertilizers. This trade expansion ensures stable agricultural inputs for India.

<https://www.businesswire.com/news/home/20250224694694/en/ICL-Reports-Fourth-Quarter-and-Full-Year-2024-Results>

In good news for the high-tech industry, the Tax Authority publishes for public comment a draft of a new procedure to increase tax certainty for multinational technology companies

The Tax Authority is today publishing for public comment [a draft of a new procedure](#) that will provide tax certainty to multinational technology companies operating in Israel and invites interested parties to submit comments in order to advance the procedure.

The draft procedure is intended to remove barriers to the activities of multinational high-tech companies in Israel and attract new companies, by increasing certainty in taxation aspects. The procedure will provide a clear and uniform framework in the taxation process for both multinational companies that already operate R&D centers in Israel and for companies that will establish new R&D centers through the acquisition of Israeli companies.

<https://www.gov.il/he/pages/sa270225-1>

The Treasury is working to issue a Chevron from Tamar or Leviathan.

The Ministry of Justice and the Competition Authority tend to support removing Chevron from operating one of the reservoirs in order to increase competition, but the Ministry of Energy opposes. The American company operates Leviathan and holds a 40% stake in it and operates Tamar and holds a 25% stake in it — and thus operates about 90% of the gas reserves. The cost to the public of non-competition in the industry: NIS 45 billion by 2040.

https://www.calcalist.co.il/local_news/article/sy6ymltqjx

C. Tenders

Company	Contact	Description	Submission Date
Israel Electric Company	Liran Dar <u>liran.dar@iec.co.il</u>	161 kV 2000 mm ² Power cable, Accessories, Supervision and Training <u>https://iecontent.iec.co.il//media/osffe0ig/tender-103842440.zip? _gl=1*_1upd0ae*_ ga*MjEwMjQ0NDY5OC4xNjk5OTQ2OTIx*_ g_a_YV0HLRMFQY*MTc0MDczMzMzMi4xMDYuMC4xNzQwNzMzMzMzMyLjAuMC4w</u>	23.04.2025