THE ISRAEL DEMOCRACY INSTITUTE | ECO PEACE MIDDLE EAST | STARTUP NATION CENTRAL

Regional Climate Collaboration

Leveraging Innovation to Foster Climate Collaboration in MENA Region

Gary Soleiman | Inbar Brand | Erez Sommer

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Professional Advisors:

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STARTUP
NATION
CENTRAL

Climate change knows no borders, impacting communities across our region and beyond. Through this collaborative report, we aim to spotlight how regional cooperation in climate tech can foster resilience and drive impactful change. Israel's spirit of innovation, which we call Impatient Innovation, has empowered local entrepreneurs to pioneer solutions across the climate tech sector. At Startup Nation Central, we are committed to fostering regional development and partnerships that strengthen ties across borders. Through these efforts, we strive to build a future where shared knowledge and innovation advance a sustainable, resilient world for us all.

Avi Hasson

CEO, Startup Nation Central

Startup Nation Central is a free-acting NGO providing global solution seekers frictionless access to Israel's bold and impatient innovators to help tackle the world's most pressing challenges.

ECO PEACE MIDDLE EAST

The MENA region is particularly vulnerable to the impacts of climate change, facing severe threats including extreme heat, water scarcity, and rising sea levels. Recognizing that collaborative efforts are essential for building regional climate resilience, EcoPeace Middle East has dedicated the past three decades to fostering solutions for shared environmental challenges. As a testament to this commitment, EcoPeace Middle East is proud to participate in the Regional Climate-tech Collaboration Task-force, aiming to strengthen ties between communities across the region, enhancing collective climate resilience and ensuring a sustainable future for all.

Gidon Bromberg

Co-Director, EcoPeace Middle East Israel office

EcoPeace Middle East is a unique Jordanian-Palestinian-Israeli organization that seeks to advance cooperative efforts to protect our shared environment, promote sustainable regional development and climate security, and create the conditions for lasting peace in our region. For three decades, EcoPeace has adopted top-down and bottom-up approaches and exemplified that regional cooperation over shared environmental issues advances climate resilience, regional peace, and concrete solutions that can change national policies and bring tangible benefits to communities on the ground.

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Two of the greatest challenges facing the State of Israel today are the climate crisis and the complex geopolitical situation in our region. The proposed cooperation offers a significant opportunity and presents a substantial policy challenge. Beyond the economic benefits, a joint regional response to the climate crisis will allow us to strengthen and bring stability and substance to our relationships with neighboring countries—fostering positive impact, contributing to economic prosperity, and supporting wise geopolitical advancements, especially in light of the past year's circumstances.

At the Institute, we have been actively working alongside Israeli stakeholders in recent years to advance climate policy legislation that will benefit Israel and its neighboring countries over the long term. Guided by the Institute's core values, we are committed to being at the forefront of addressing these critical issues to create a sustainable, secure, and prosperous future for our region.

Yohanan Plesner

President, The Israel Democracy Institute (IDI)

The Israel Democracy Institute (IDI) is an independent center of research and action dedicated to strengthening the foundations of Israeli democracy. IDI works to bolster the values and institutions of Israel as a Jewish and democratic state. A non-partisan think-and-do tank, the institute harnesses rigorous applied research to educate decision makers and help shape policy, legislation and public opinion. The institute partners with government, policy and decision makers, civil service and society, to improve the functioning of the government and its institutions, confront security threats while preserving civil liberties, and foster solidarity within Israeli society.

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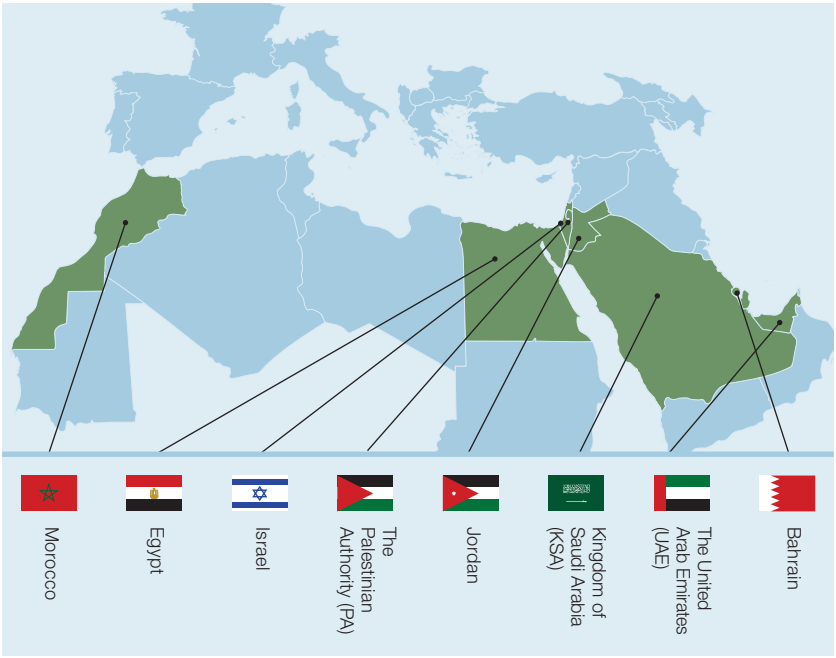

The Middle East & North Africa (MENA) region faces critical economic and social challenges which are exacerbated by the climate crisis, particularly due to its arid and semi-arid climate zones. With temperatures rising faster than the global average,[1] the region has seen intensified drought conditions, threatening already scarce water resources essential for agriculture and human consumption. Countries like Jordan are grappling with diminishing water supplies from rivers, further strained by upstream dam

1 UNICEF. "Climate Change in MENA." UNICEF, https://www.unicef.org/mena/climate-change-in-mena#:~:text=child%20rights%20crisis.-,The%20Middle%20East%20and%20North%20Africa%20is%20among%20the%20world's,compared%20to%20pre%2Dindustrial%20temperatures

constructions and political conflicts. Additionally, coastal cities such as Alexandria and Tel Aviv are at risk from rising sea levels, which threaten infrastructure and displace communities. The Gulf States, among the hottest areas globally, are experiencing temperatures exceeding the global average, increasing health risks and straining energy demands for cooling. These patterns exacerbate socio-economic disparities and political tensions, particularly in economies reliant on oil revenues that are grappling with the transition to sustainable energy sources and economic diversification. While the climate crisis presents a multifaceted challenge, it also presents an opportunity to enhance regional MENA collaboration by developing and sharing innovative solutions. It is our deepest belief that no one country will solve all its neighbors' problems. Yet by harnessing the different advantages and capabilities of each country, the region will achieve climate resilience.

Climate-tech innovations can significantly mitigate the climate crisis's risks in the Middle East. Regional players invested $5 billion USD[2] in climate technologies globally in 2023, seeking advanced solutions in renewable energy, water conservation, and sustainable agriculture. With over 900 startups addressing various environmental challenges, Israel's climate-tech ecosystem is rapidly expanding, supported by the country's culture of innovation. Total investments (mostly private) reaching beyond $8.5 billion USD[3] between 2018 and 2023, reflect confidence in the sector's potential to drive meaningful change. This confidence is bolstered by government support, academic institutions, and a vibrant venture capital community. Nevertheless, as this report argues, regional integration is key to ensure sustainable economic growth for the sector.

2 "Middle East Climate Tech Report 2023." PwC, https://www.pwc.com/m1/en/sustainability/insights/2023-middle-east-climate-tech-report.html#:~:text=Funding%20for%20locally%20based%20climate,spend%20on%20climate%20tech%20globally

3 "Sustainability in the Middle East." USRFiles, https://9347c43a-7708-4acd-a78b-0abe07befd21.usrfiles.com/ugd/9347c4_a6853892f1a6450b8a24d2d80cba622f.pdf

The Regional Climate Collaboration project was launched in July 2023 as a joint collaboration between the Israel Democracy Institute (IDI), Startup Nation Central (SNC), and EcoPeace Middle East. The goal of the project is to identify opportunities for collaboration, based on climate innovation, between Israel and seven countries in the MENA region (namely, Bahrain, Egypt, Jordan, Morocco, the Palestinian Authority, Saudi Arabia, and the UAE). The project gathered a working group of over 100 representatives of the climate community from the Israeli private, public, and civil society sectors to share knowledge and learn from each other. Over 40 interviews were conducted to collect information and data, completed by extensive market research and resources from the three organizations leading the project.

The primary objectives of this project are:

Introduce stakeholders in the MENA region to Israel's ecosystem of climate innovation, showcasing its solutions to climate challenges.

Familiarize Israeli stakeholders with opportunities, key institutions, and cultural considerations in MENA country's business environments.

Identify effective collaboration opportunities, including in areas like desalination, hydrogen, and agrivoltaics, as well as governmental and business mechanisms such as bilateral pilot agreements.

* * *

The outbreak of war on October 7, 2023, led to a chill in diplomatic and business relations between Israel and countries in the MENA, shifting most activity to be 'under the radar'. Despite the challenges in obtaining information from non-Israeli regional stakeholders, the Regional Climate Collaboration project continued, focusing primarily on learning from Israeli and international stakeholders who already had established deep relationships with their Arab and MENA counterparts. This report proceeds from the view that political disputes play a large role in chilling civilian relationships in the MENA, but that regional collaborations can arise whenever economically sound. Moreover, the situation has created a variety of new opportunities, such as the potential for rehabilitating and reconstructing the Gaza Strip in the post-war period using elements of climate innovation. This reconstruction effort could be supported by a regional coalition to finance these initiatives, showcasing the transformative power of climate-tech collaboration. In any case, it should be noted that Israeli-Palestinian relations remain the cornerstone for any large-scale effort to improve regional MENA collaboration.

Following the publication of this report and its recommendations, our findings will be presented to prominent stakeholders in Israel and the MENA region.

By engaging key decision-makers, industry leaders, and policy influencers, the project aims to advise on the implementation of its outlined recommendations.

Chapter 1

Israel's Contribution & Sought Outcomes

Introduction

Israel's climate-tech ecosystem is rapidly expanding, with over 900 startups addressing various climate challenges.

The country has developed world-leading technologies especially in **agriculture, water management, and energy**, making it a crucial contributor to regional collaboration with MENA countries facing similar issues.

Supported by **research institutes, government backing, and a strong entrepreneurial culture**, Israel is well-positioned to lead in these sectors.

However, it still faces significant hurdles in **regulatory issues, scaling, and capital access**, which highlight opportunities for international partnerships to overcome these barriers.

In the sections that follow, we mention examples of innovative solutions which are leaders in their domains and have engaged with countries in the MENA region, and/or are part of this project's working group. Importantly, the companies mentioned here are merely a sample of the startups active in Israel's dynamic climate tech landscape. Additional examples of climate-tech solutions are available on Startup Nation Central's Finder platform.[4]

4 https://finder.startupnationcentral.org/

Map of Israel's Climate Tech Startup Ecosystem (2023)[5]

Over 900 innovative companies in Israel
with solutions that address climate change

5 https://startupnationcentral.org/media/2023/03/Start-Up-Nation-Central-Climate-Tech-Landscape-Map-2023.pdf

Food & Land Use

Sustainable farming

NITROFIX · EQUINOM · Seed-X · climate crop · Ground work · SupPlant · cropx · Bloom · BEEWISE · BeeHero

Sustainable proteins

Plantish · MEALA · remilk. · yo! · REDEFINE MEAT · ChickP Protein Got Better · Pigmentum · GreenOnyx · ALEPH FARMS

Carbon Tech

Carbon analytics, earth data, & fintech

Momentick · TierraSpec · TSL · bimmatch · AYLO · Planet Watchers · Continue AI · Wiliot · SGGO · meteologic · clearly · viridian · EMNOTION

Carbon capture, storage, sequestration, utilization

airovation technologies · REPAIR · GIGATON · CARBON BLUE · Rewind · BlueGreen WATER TECHNOLOGIES

Transportaion and Logistics

Ev infrastructure & platforms

BAHERI · Urban Aeronautics · ct · Make My Day

Mobility optimization & logistics

MARINE EDGE · NewRocket · Via Cool · optibus · Bringoz · GRIVO

Water Solutions

Water for industry and residential uses

BEAIR · drizzleX · ASTERRA · Watrix your water sentry · wint Water Intelligence · IOSight · nakAI · SIGHTBIT

Israel's Contribution to Climate Challenges

Water scarcity, food security, and the need for sustainable energy solutions are among the most urgent climate challenges to address, particularly in arid and semi-arid regions like Israel and its neighboring countries. These issues are interlinked and directly affect each other, necessitating holistic solutions. With its proven track record in overcoming resource constraints, Israel has developed innovative climate technologies in these areas. Beyond these core areas, novel sustainable solutions emerging in Israel in **sustainable industrial manufacturing, mobility**, and **carbon capture and utilization** all hold high potential for collaboration with regional partners.

1. Food & Agriculture

Israel has a long history of agricultural innovation driven by necessity. Today, 97% of Israel is arid, yet its main region for growing exports is the Arava desert.[6] 76% of Israel's agricultural exports are sent to the EU, and Israel exports over $150 million worth of seeds, fruit and spores each year.[7]

6 Food and Agriculture Organization of the United Nations. https://www.fao.org/fsnforum/10-fascinating-facts-about-israels-agricultural-sector

7 TrendEconomy. "Israel Export Data: Agricultural Products (1209)." https://trendeconomy.com/data/h2/Israel/1209

8 "Startups in the Climate Tech Sector." https://finder.startupnationcentral.org/startups/search?&days=30&sectorclassification=kENOo6CntFsUWimInrM3HPxzoF0xu2DqAyz6QoQKnf1H9k3T0x2K8p&null=on&status=Active

Key technologies include:

- **Crop enhancement**: Over 40 Israeli companies, such as ***Salicrop and Groundworks Bioag*** develop technologies to boost crops' resilience to salinity, droughts, and extreme temperatures while improving yields.
- **Precision agriculture**: Technologies developed by companies like ***CropX*** use Internet of Things (IoT) and Artificial Intelligence (AI) to preemptively detect problems and optimize water and fertilizer efficiency, increasing yields while minimizing environmental impact.
- **Supply chain optimization**: Around 33% of food produced in the MENA region is wasted, costing the UAE alone an estimated $3.5 billion annually. Shelf-life extension and innovative supply chain solutions such as ***Clarifruit*** can help reduce this waste, improving both economic and environmental outcomes.
- **Agrivoltaics**: Combining solar panels with agriculture allows dual land use, providing energy while optimizing crop growth through shade control. Israel is a pioneer in the field, with over 160 government-backed pilots of agrivoltaics systems.
- **Food-tech**: Another path to ensuring sustainable food security, food technologies aim at supplying nutritious food to a growing population while tackling one of the world's largest emitting industries – cattle (responsible for 6% of global emissions).[9] The two technological approaches to do it are (1) alternative proteins: companies such as ***Redefine Meat*** are using sustainable ingredients (such as plants, mushrooms, etc.) to produce alternatives to meat products with similar taste and texture, and (2) cultivated meat: growing meat out of single cells, using advanced molecular biology techniques, as done by ***Aleph Farms***, a company backed by the UAE government.

9 "Report on Food Security in MENA." https://openknowledge.fao.org/server/api/core/bitstreams/7fffcaf9-91b2-4b7b-bceb-3712c8cb34e6/content

2. Water Management

Water scarcity is a critical issue in the MENA region, and Israel has transformed itself from a water-stressed nation into a world leader in water technology.

Israel **reuses**

85% of its water

vs OECD average **14%**

About 20% of Israel's total water consumption* **derives from desalination**

* Including household, industrial and agricultural use

Water loss in Israel averages 7% vs global average **30%**

"In Israel, water is a scarce resource. We tend to treat it more like gold than like air."

Ravid Levy, WaterEdge IL

Israel leads in the following areas:

- **Desalination**: Israel desalinates **20% of its total water consumption**, with advanced reverse osmosis systems developed by companies such as ***IDE***.
- **Water transportation and reuse**: While water loss during transportation averages up to 30% globally, Israel has reduced this loss to 7% thanks to innovations developed by companies like ***Mekorot***. Additionally, **Israel recycles about 85%** of its wastewater, the highest rate worldwide, far surpassing the 14% average among OECD countries.[10]
- **Water monitoring and management**: Companies like ***Asterra*** or ***Takadu*** use satellites and other sensors to monitor water infrastructure and detect leakages, while ***Kando*** develops wastewater intelligence systems to optimize water treatment and prevent contamination.
- **Irrigation**: Israel has developed a variety of irrigation technologies that enhance water efficiency in agriculture. These include drip irrigation systems pioneered by companies like ***Netafim***, which help deliver water directly to plant roots, minimizing waste and improving crop yields.
- **Water generation**: Companies such as ***Watergen*** can produce water from atmospheric moisture in remote areas. The company's system produces up to 6000 L/day of drinking water from air moisture, offering solutions for off-grid locations.

These water technologies, along with Israel's focus on improving water infrastructure and management, provide essential tools for other water-scarce nations in the region.

10 OECD. The Future of Regional Development and Public Investment in the Western Balkans. OECD Publishing, 2023, https://www.oecd-ilibrary.org/sites/0175ae95-en/1/3/1/index.html?itemId=/content/publication/0175ae95-en&_csp_=e943bdf57a39ecd221e4b71d47dad0a9&itemIGO=oecd&itemContentType=book

3. Energy

While multiple MENA countries leveraged their abundant energy resources to develop integrated energy companies playing a central role in the global market, Israel focused on energy-tech innovation. The combination of innovative solutions on the one hand and scale, operation, and industry know-how on the other hand places its energy sector as central in regional collaboration.

- **Hydrogen**: Virtually all countries in the region have committed to developing a hydrogen industry, capitalizing on abundant resources for green hydrogen generation. Israel's integration in the regional hydrogen industry relies on its strategic geographical interface between large potential clean hydrogen generators such as the KSA and Europe. Israel has the opportunity to plan infrastructure that will facilitate the transportation of large volumes of hydrogen. It can also serve as a provider of innovative solutions to produce, store, and transport clean hydrogen. There are 12 startups developing solutions for the hydrogen industry spanning from green ammonia, to green hydrogen generation (such as ***H2Pro***), storage (such as ***Electriq global***) and utilization. These startups have collectively raised more than $315 million USD. ***H2Pro*** has pioneered a cost-effective method of hydrogen production, which is critical for future energy storage and decarbonization.

- **Renewable energy**: While solar PV is today a mature technology, innovation remains important in auxiliary technologies such as optimization (e.g. via ***SolarEdge's*** smart inverters), maintenance (***Bladeranger***) or formats (***Apollo Power***).
- **Grid modernization**: Innovations like ***Prisma Photonics***' smart grid technologies help improve grid efficiency and facilitate the integration of renewable energy sources.
- **Storage**: Israel is advancing energy storage technologies to address the intermittency of renewable energy. Companies like ***Phinergy***, or more recently ***Baromarare*** develop innovative solutions for short- and long-term energy storage, crucial for ensuring a stable and reliable renewable energy supply.

Carbon Capture, Utilization, and Storage (CCUS): Israeli startups raised over

$190 million

in 2023 for CCUS technologies, becoming the fastest growing sector of climate solutions (55% increase from 2022).

Companies like ***Carbon Blue*** are plugging into existing infrastructure such as desalination plants to capture carbon from the sea while reducing energy costs.

4. Industrial Manufacturing

While industrial manufacturing is **responsible for about 30% of global emissions** (covering steel, cement, chemicals manufacturing and more), only a small share of climate-tech investments goes to companies developing sustainable alternatives.[11] This gap does not exist in Israel where **sustainable industrial manufacturing startups represent about 30% of all the climate tech startups**.

In 2024, 33% of the private investments in Climate Tech in Israel went to Industrial Manufacturing solutions:

- **Circular economy**: Driven by one of the world's most advanced capabilities in biotechnology and material sciences,[12] Israel is home to more than 30 companies focused on circular economy.[13] One of them, ***UBQ Materials***, transforms unsorted waste into reusable materials, reducing reliance on traditional plastics.
- **Advanced manufacturing**: Innovations from startups like ***Augury*** offer real-time monitoring of industrial machinery and processes, enhancing efficiency and in turn, carbon emissions.

Because energy intensive industries tend to develop where fossil fuels are abundant, many companies ranging from petrochemicals to cement, steel, or aluminum are in the MENA region.

These industries present significant opportunities for Israeli companies to offer process optimization and sustainable alternatives, while also serving as strategic partners for startups due to their proximity and scale.

11 "Market Hits Pause in 2023: A 30% Drop." *Climate Tech VC*, https://www.ctvc.co/32bn-and-30-drop-as-market-hits-pause-in-2023/

12 Luzzatto, Bar-Zohar & Co. "Israel's Advantage in Biotech." https://www.luzzatto.co.il/en/israels-advantage-in-biotech/

13 Startup Nation Central. "Israeli Startups Database." https://finder.startupnationcentral.org/

5. Supply Chain & Transportation

As global and regional supply chains expand, the MENA region is emerging as a key logistics hub. Major projects like NEOM in Saudi Arabia, along with established players like DP World and national airlines in the UAE and Qatar highlight this strategic shift. This positioning creates a demand for integrated, sustainable supply chain solutions. Israel offers a range of innovations in fleet monitoring, traffic management, digital logistics platforms, and support for EV transitions, all aimed at improving efficiency and reducing environmental impact. For instance, the Israeli company ***Trucknet***, a digital logistics marketplace, has partnered with companies in Saudi Arabia (via Bahrain), the UAE, and Egypt to enhance logistics services across the region, optimizing routes and reducing carbon emissions. It started moving cargo in December 2023, following the Houthi threat in the Red Sea, which led to operational disruption of the Suez Canal and the need to find an alternative route.

The Ecosystem of Innovation

Israel's climate-tech sector thrives due to a well-developed innovation ecosystem that bridges research, government support, and entrepreneurial drive. While there are many elements that make this ecosystem successful, three stand out as particularly valuable to the local **climate-tech ecosystem**:

Research Institutes and Tech Transfer Offices (TTOs)

Israel's top universities, such as the ***Technion*** or ***Weizmann Institute***, are at the forefront of deep-tech research, crucial for climate technologies. Tech Transfer Offices (TTOs) play a key role in turning research into commercial products by securing patents and forming industry partnerships. This connection between academia and industry ensures that innovations are market-ready and scalable.

From the **Technion** alone,

17 climate-tech startups

were created from deep tech research via T3, the university's dedicated Tech Transfer Office.

58

more technologies developed at the university have climate applications.

Government Support

The ***Israeli Innovation Authority*** **(IIA)** is crucial in funding climate innovation. In 2024 alone:

The IIA invested over $26 million

to launch **9 regional innovation centers**

6 of which focus on

Climate-related Technologies

These centers, along with **5 existing government-backed incubators**, provide climate-tech startups with access to capital, mentorship, and testing facilities.

Entrepreneurial Culture

Israel's entrepreneurial ecosystem is marked by **resilience and collaboration**. Entrepreneurs are encouraged to take risks and learn from failure, and many successful founders from fields like cyber and fintech are now launching climate-tech ventures. This shift, driven by a desire for impact, accelerates the growth of the climate-tech sector. Moreover, even conservative industries like energy project development are innovating. Doral Group, for example, is building the largest solar farm in the U.S. and has established a corporate venture capital arm to invest in energy startups.

Desired Outcomes of Collaboration

Despite its successes, Israel's climate-tech sector faces several key challenges including regulatory uncertainties and a need for supportive financing.[14] These also represent opportunities for collaboration with regional partners:

1. Regulatory and Bureaucratic Hurdles

Israel's regulatory framework for climate-tech can be slow and cumbersome, particularly for sectors like water and energy that require significant pilot testing. The lack of a **regulatory sandbox** hinders startups' abilities to test new technologies in real-world environments. MENA countries, with more flexible regulatory frameworks, could provide fertile ground for joint pilot projects and technology trials.

2. Access to Capital and Scaling Up

Israeli startups often struggle with early-stage funding, particularly during the "valley of death" phase when companies need to move from pilot projects to commercial scale. While the limited size of the Israeli market means startups are seeking global expansion from day one, foreign investors often see local implementation as a must. Regional collaboration can provide access to larger and globally integrated sites to help startups reach scale and secure funding.

3. Industry Connections and Mentorship

Many Israeli climate-tech startups could benefit from guidance from global industry leaders. Additionally, the limited adoption of green standards in Israel makes it difficult for startups to showcase their technologies locally.

Collaboration with MENA countries, particularly in sectors like energy, logistics and industrial manufacturing, can provide the mentorship and market access needed to accelerate scaling.

14 "Assessment of Climate Innovation Barriers in Israel." Israel Democracy Institute, https://www.idi.org.il

Chapter 2

Selected MENA Countries - Contributions & Sought Outcomes

This chapter presents a preliminary mapping of the central climate problems, goals, strategies, and relevant entities in each of the studied countries: Bahrain, Egypt, Jordan, Morocco, the United Arab Emirates (UAE), the Kingdom of Saudi Arabia, and the Palestinian Authority (PA). It highlights areas these countries may focus on when considering collaborating with Israel, based on their needs, their assets, and their national strategies. *Please refer to the full Regional Climate Collaboration report for a comprehensive mapping of each country.*

Based on interviews, success stories, and market research, we find that the most urgent climate needs across the region are also the ones which present the greatest opportunities for collaboration, and have solutions in various stages of development already in progress. Three primary areas of focus in **renewable energy, water conservation and monitoring, and agriculture and food security** were identified as priorities and opportunities for collaborative ventures across all countries in this report, with many examples of already existing joint-ventures as a testimony that collaboration was increasing between the years 2021 to 2023. Since the massacres of October 7th and the war that followed, most activity has continued 'under the radar', creating a challenge in tracking progress in collaboration.

While current political circumstances set many burdens for Israeli-Palestinian collaboration, in a post-war reality, the political map may (and likely will) change drastically, especially regarding Israeli-Palestinian relations. We assume that most post-war scenarios will include some significant changes and reforms within the PA, requiring a future update to the content of this chapter. This might signal new opportunities for broader collaboration in the field of climate technologies and climate resilience.

Sectors for High-Potential Collaborations

1. Renewable energy

Energy is a central industry for most countries in the MENA region, due to their natural resources and climatic conditions. Indeed, while much of the Middle Eastern economy has been built on the exploitation of fossil fuels, the oil exporting countries have recognized the inevitability of the energy transition and the opportunity in investing in it sooner than later. For the Gulf Cooperation Council (GCC) countries, the energy transition aligns with adapting to market demand in countries who have already begun to diversify their economies, namely, Europe's need for clean energy year-round. For emerging economies, renewable energy increases energy security as energy sources (sun, wind, hydro, waste) are unaffected by geopolitics, and unlocks sources of financing, namely from Development Finance Institutions (DFIs). All of the countries of interest in this project are signatories of the Paris Agreement (i.e. they committed to emissions reductions) and have developed national strategies to expand their renewable energy generation.

Hydrogen is perhaps the most significant opportunity for regional collaboration. The region has extensive land and optimal climatic conditions year-round to produce clean hydrogen. Israel develops innovative technologies to produce, transport and store hydrogen and is strategically positioned to connect the supply (e.g. from Saudi Arabia) to the nearest dominant market, Europe.

Saudi Arabia will invest **$2.5 billion** as part of the Middle East Green Initiative to make 50% of its electricity consumption dependent on renewable sources by 2030 (one of PIF's thirteen strategic sectors).

In 2021, **UAE's Masdar** and **EDF Renewables Israel** signed a strategic cooperation agreement. Masdar will invest upward of **$100 million** in renewable energy projects in Israel and will become the strategic partner of EDF Renewables Israel.

Morocco's mega project Xlinks testifies to its competitive advantage in wind and solar radiations, inexpensive land, and accommodating regulation. Connecting the UK to Moroccan solar and wind farms, it exemplifies the potential to export energy to Europe, which can be replicated elsewhere in the MENA, and reflects Morocco's plan to be a regional hub and connector of Europe to North Africa.

2. Water Security

In an increasingly arid region suffering from droughts, increases in temperature, reduced rainfall, and extreme heat waves, MENA countries are extremely interested in improving their water security. Although the UAE and Saudi Arabia already desalinate water at an impressive scale, given Israeli expertise in innovation and MENA resources in this realm, collaboration on water technology projects shows promise in both public and private sector eyes.

To cope with water demand, countries in the region have historically focused on augmenting water sources (mainly by desalination and overexploitation of existing sources) rather than optimizing the management of existing sources. Indeed, water price subsidies are a sensitive issue[15] and upsetting the status quo can prove dangerous for governments in the region.

15 "Saving a Water-Stressed Middle East." *The Cairo Review of Global Affairs*, https://www.thecairoreview.com/essays/saving-a-water-stressed-middle-east/

With most water consumption going to agriculture,[16] drip irrigation solutions can dramatically reduce the water footprint of MENA countries. Leaders like ***Netafim*** (subsidiary of Orbia) already have activities in most countries, including **Jordan**, **Egypt** or the **UAE**, and even opened a factory in **Morocco** in 2023. Nevertheless, further development of drip irrigation in the region is heavily dependent on the improvement of national water policy.

Focusing on policy advisory and infrastructure projects, ***Mekorot*** (Israel's national water company) already signed agreements with several countries in the region, including **Bahrain** (2021) and **Morocco** (2023).

A prominent example of multilateral collaboration for better water security is the Prosperity Project. Signed in 2022 between **Israel**, **Jordan**, and the **UAE**, the project includes a 600MW solar plant in Jordan to supply clean energy to Israel and a desalination project in Israel to provide 200 million cubic meters of water annually to Jordan. While the war forced negotiations between the parties to halt due to the political tensions, the acute interest of all in the benefits of these projects remains the same. Thus, it is hoped that as soon as the political situation allows it, negotiations will resume as well.

16 International Water Management Institute. "Where We Work: MENA." IWMI, https://www.iwmi.org/where-we-work/mena/

3. Agriculture and Food Security

Derivative of water scarcity and rising temperatures is food insecurity. MENA countries will require increasingly innovative solutions to agricultural difficulties arising from extreme weather events such as droughts and heatwaves. Well-known necessity and the preexistence of efforts to use agricultural technology across the region make this a worthwhile arena for fruitful cooperation.

Israeli advancements in agricultural technology, such as drip irrigation and sustainable farming practices, can significantly enhance productivity and efficiency in many countries in the region where agriculture still holds a significant share of the GDP. For example, **Morocco's** agricultural sector employs 40-45% of the population and accounts for around 14% of GDP, and can test or deploy technology on a much larger scale than is available in Israel.

On the other hand, countries with more strategic capabilities to fund long term investments took interest in cellular farming as a path towards food security. **Abu Dhabi** holding company ADQ's investment arm DistruptAD participated in a **$105 million** Series B funding round for Israeli startup Aleph Farms in 2021. Since then, Aleph Farms received a letter of intent to build a facility there and is awaiting regulatory approvals.

As most of the countries in the region have access to the sea, aquaculture draws a particular interest. In October 2022, during the International Summit on Food Technologies from the Sea and the Desert taking place in Eilat, the agriculture ministers of Israel and **Bahrain** signed a first-of-its kind agreement of cooperation in the field of agriculture, livestock and food security.

Sub-Regional Groupings and Current Collaboration Examples

In this report we classify the MENA countries of study into three broad groups:

1
The Gulf Cooperation Council:


Bahrain


Kingdom of Saudi Arabia (KSA)


The United Arab Emirates (UAE)

2
Emerging Economies:


Egypt


Jordan


The Palestinian Authority

3
North African Hub:


Morocco

1 The Gulf Cooperation Council: Bahrain, Saudi Arabia, and the United Arab Emirates

The Gulf Cooperation Council (GCC) countries, such as Saudi Arabia, the United Arab Emirates, and Bahrain, maintain abundant energy resources, allowing them to develop a robust and globally integrated energy industry. Apart from generating revenues, this allows them to invest substantially in infrastructure projects like desalination. They have demonstrated a capacity for long-term strategic planning facilitated by their hierarchical governance structures, but this structure also stifles grassroots innovation, making the cultivation of a dynamic startup ecosystem a critical priority for these nations.

One of the strategic objectives of the UAE is to position itself to become a regional and global hub. As such, it is attracting global brands and large companies to establish their headquarters, mainly in Dubai. In recent years and under the leadership of Mohammed bin Salman, the Kingdom of Saudi Arabia has nurtured a similar ambition. Since 2024, companies seeking to contract with Saudi government agencies, institutions, and funds are required to have their regional headquarters in Saudi Arabia, aiming to foster its local development.

The GCC countries share a business culture traditionally shaped by large scale projects that usually address broad challenges such as ‘food security’ rather than targeted challenges (for example pollination for berries), requiring large investments in the scale of hundreds of millions of dollars. These investments are characterized by a notable aversion for risk taking, especially technological risk, rather seeking long term return (often over ten years). Hierarchy is central to the business culture, and key private sector institutions and decision makers are highly intertwined with the public sector. This is especially true when it comes to entities addressing climate challenges (water and energy utilities and infrastructure, agriculture, mobility, large industries etc.). Business interactions are highly interpersonal, with emphasis on building trust through long term processes and repeated personal connections.

Most countries in the GCC have published their long term national strategies, which are significantly addressing climate challenges. These include:

Bahrain's National Renewable Energy Action Plan, aiming to reach 20% renewable energy sources by 2035.

Mekorot, Israel's national water company, signed in 2021 an agreement to develop and upgrade the water economy of the **Kingdom of Bahrain**. Under the agreement, signed with the Bahrain Electricity and Water Authority, Mekorot is providing consulting, planning, and support services in several water-tech fields.

Saudi Arabia as the largest date producer in the world, with large amounts of unused land, can partner in continued agricultural innovation and improvement of desert farming technology with Israel.

Saudi Arabia invests heavily in solar desalination plants, increasing its self-sufficiency in water security. It is a world leader in desalination technology and implementation.

The **UAE**, where 80% of the land is desert, is developing a strategy to increase and diversify food production. It includes Agri-tech accelerator programs, a national food security strategy, and the currently running Food and Agriculture Entrepreneurs Program

The **UAE** Water Security Strategy 2036 aims for a 21% reduction in total water demand and 69% increase in production, with 42% of its total water today coming from 7 desalination plants.

2 Emerging Economies: Egypt, Jordan, and the Palestinian Authority

Egypt, Jordan, and the Palestinian Authority (PA) are emerging economies rich in youthful populations that could drive innovation, but often rely on external funding to finance critical climate projects. Business culture places a strong emphasis on personal relationships, trust, and respect, requiring significant networking and face-to-face interactions. Decision-making is often hierarchical and formal. Regulation is cumbersome, and processes are slow. For example, some companies complained that in Egypt, the central bank requests a credit letter from any local company trying to import commodities or equipment in an attempt to regulate the foreign currency policy, which significantly hinders trade. Ventures of any size can encounter ministerial bureaucracy, with small companies often under substantial regulation, making startup founding a difficult enterprise.

It should be also noted that due to the unstable nature of the contemporary relationship between Israel and Jordan, Egypt, and the PA, times of political tensions tend to undermine and halt most aspects of collaboration. When working with the PA, there is a unique need for heightened sensitivity to the political context and the impact of travel restrictions on Palestinians. These restrictions can complicate meetings, limit access to markets, and affect timelines, making it crucial for Israelis to approach business engagements with an understanding of these challenges. On the other hand, the tight ties between the Israeli and the PA economies, as well as the geographic accessibility of all three countries' markets to Israel, create various unique opportunities for collaboration.

Areas of focus include:

Israel's precision agriculture developed by companies like Netafim, can enhance **Jordan's** agricultural productivity under arid conditions. Implementation of innovative practices in water-efficient farming can offer practical insights and data for Israeli technologies that look for a testing field located in a highly climate impacted area. For example, collaborative research on drought-resistant crops can lead to more resilient agricultural practices, benefiting farmers in both countries.

Jordan's strategic location and existing solar investments, like the Shams Ma'an Solar Project, provide ideal conditions for large-scale renewable energy projects.

Egypt announced plans to construct 15 desalination plants in 2025, in addition to its existing 100 of various desalination capacities, to reduce its current 90% dependence on the Nile River as its fresh water source. The reliance on the Nile waters is increasingly problematic as Ethiopia's Renaissance dam makes progress.

Currently the majority of Israel's trade with **Egypt** stems from a $15 billion deal to import gas from Israel's NewMed Energy (formerly Delek). Existing infrastructure and right of way could be leveraged to harness future potential in hydrogen.

The "**Palestinian** National Adaptation Plan" focuses on improving water resource management through initiatives such as enhancing water harvesting techniques, rehabilitating existing water infrastructure, and promoting efficient irrigation systems.

3 North African Hub: Morocco

Finally, Morocco has a relatively liberal economy in which raw materials is one of its pillars. The national mineral company OCP, one of the world's largest phosphate suppliers, is one of the main engines of growth and innovation of the country. In addition, Morocco is increasingly positioning itself globally as an ideal location to develop renewable energy projects, due to its climatic conditions (extensive wind and solar radiations), relatively inexpensive land, accommodating regulation, and proximity to Europe. Hydrogen is a particular area of interest—Morocco's ambition is to promote local job development and relocalize manufacturing industry, instead of exporting energy to industries in Europe. Morocco also aspires to be gateway to sub-Sharan African, remove for Westerners to do business in the area. Developing projects in the Western Sahara is a geostrategic way for Morocco to increase its legitimacy in the region.

Morocco boasts a highly educated workforce and an ideal geographical position for renewable energy exports to Europe, yet it struggles with brain drain and requires innovative financing mechanisms to fully leverage its potential. Foreign project developers are often expected to find external sources of finance to complement government expenses since the government prefers supporting its local population over foreign project developers. Business processes are slow and require patience for both building long-term relationships as the foundation of trust in business, and for long bureaucratic processes.

Areas of focus include:

The ministers of environmental protection in Israel and **Morocco** signed a framing agreement in 2023, with both countries investing heavily in renewable energy sources.

In 2023, **Morocco's** National Office for Electricity and Drinking Water signed an MoU with Israel's Mekorot.

Additional areas of collaboration between Israel and the other countries in the region are detailed in the full Regional Climate Collaboration report and include:

Technological Innovation

Sustainable Urban Planning

Green Hydrogen

Progress in each of these three areas specifically will require the challenging yet rewarding involvement of public sector partners collaborating with private sector innovators across countries The success of such collaborations will depend on the partners' willingness to accommodate each other's constraints and cultural needs.

Chapter 3

Insights & Opportunities for Collaboration

Every country in the MENA region has successfully leveraged its competitive advantage to achieve climate impact. Nevertheless, each faces challenges in maximizing its impact both domestically and across the region. To bridge these gaps, structured regional and bilateral collaborations present valuable opportunities. Israel is home to several initiatives which illustrate the amplifying power of collaboration.

Existing projects like ***Project Prosperity*** (the "green-blue" deal for water and solar energy between Jordan, Israel, and the UAE) or the ***Arava Institute's*** cross-border environmental programs highlight the potential for effective partnerships. Outside the MENA region, Israel collaborates internationally through programs like ***EIT Horizon*** in Europe and ***BIRD*** and ***USAID MERC*** in the United States, which support joint research and technology development. Additionally, Article 6 of the Paris Agreement is an emerging tool that could unlock cross-border green investments, facilitating climate action through cooperative international frameworks.

Drawing on the contributions and challenges of Israel and other MENA countries presented in the first two chapters, **this chapter outlines three categories of opportunities and recommendations for enhancing Israel's collaboration within MENA:**

Government focus and assets allocation

Market access strategies

Bridging structural gaps between business cultures

1. Government Focus and Asset Allocation

For Israel to maximize its regional influence and climate impact, the government should align its strategies and resources with regional needs, focusing on specific sectors and technologies that offer the greatest potential for collaboration.

Recommendations for Israel:

Align Israeli strategy and asset deployment with regional climate needs

1. **Develop a National Strategy for Regional Collaboration**: A clear, governmental strategy to promote regional collaboration based on climate innovation needs to be produced, including measurable outcomes. Once defined, promoting it will require greater synergy between local Israeli stakeholders promoting regional collaboration—economic attaches, embassies, export institute, IIA communities, chambers of commerce, research institute exchanges, and civil and private sector institutions (SNC and the like).
2. **Prioritize Sectors for Regional Collaboration**: Sectors with high collaborative potential,[17] such as hydrogen production, food security solutions, or waste-to-X technologies should be prioritized. Concentrated government efforts in these areas will enhance Israel's profile and relevance in regional climate initiatives.
3. **Rebuild Trust**: The government should promote more bilateral framing agreements between relevant ministries. These help strengthen the confidence of both parties when large deals are negotiated and can also help bypass the need for public tenders which are likely to be won by global leaders from outside of the MENA. The 'day after' the Israel-Hamas war will hold several climate opportunities for reconstruction involving the regional and international community. Climate-tech companies will have a significant role in rebuilding modern and sustainable infrastructure.

17 PwC Middle East. Tackling Climate Change: A Global Leadership Role for the Middle East. PwC, https://www.pwc.com/m1/en/publications/tackling-climate-change-global-leadership-role-the-middle-east.html

4. **Public Endorsement of Technologies**: MENA countries often seek a formal endorsement from the Israeli government as part of their risk assessment. Although the Israeli government avoids “picking winners,” official bodies like the Israeli Innovation Authority (IIA) can play a role by providing a "stamp of approval" on selected technologies.
5. **Expand Pilot Opportunities**: Israeli startups face significant challenges in conducting local pilots due to regulatory barriers and limited pilot sites. Coordinating bilateral or multilateral pilot programs could help Israeli climate-tech companies demonstrate their technologies under real-world conditions. Establishing regional "beta sites" with regulatory sandboxes would foster faster innovation and adoption.
6. **Invest in National Labs and R&D Centers**: Creating a network of national laboratories and R&D centers, similar to the U.S. Department of Energy’s National Renewable Energy Laboratory (NREL) model, will accelerate the growth of early-stage startups. This infrastructure would provide local startups with state-of-the-art resources, attract international researchers, and catalyze innovation. In a later stage, opening these facilities to attract regional researchers and innovators would be an efficient strategy to drive collaboration.
7. **Grid Interconnections**: Enhancing energy grid connectivity with neighboring countries such as Jordan and Egypt—and potentially Saudi Arabia—could unlock collaborative opportunities in energy innovation. Project Prosperity serves as a valuable model for such initiatives (see Chapter 2, Water Security).

2. Expanding Market Access Strategies

Some MENA countries represent relatively new markets for Israel due to recent or unexploited normalization. Establishing market access in these countries requires a clear understanding of local climate strategies, stakeholder mapping, and engagement tactics.

Recommendations:

Comprehensive Mapping and Tools for Access

To facilitate better access, a comprehensive mapping of MENA's key climate stakeholders and sectors is essential. The following steps are recommended:

1. **Mapping stakeholder priorities**: Identify the main stakeholders, including end-users, distributors, government agencies, and industry leaders, while understanding their roles, interests, and mandates.
2. **Outreach and engagement**: Tools such as webinars, online platforms, and knowledge hubs can help Israeli companies connect with MENA counterparts and share insights on national priorities and market demands.

A preliminary mapping of national climate strategies and key climate-related institutions in the MENA features in the full Regional Climate Collaboration report. Once the map of interests is clear, two additional notes are necessary:

3. **The 'Double Bottom Line' Approach**
   Clearly identifying the strategic interest of one's partner, beyond the transaction, increases the chances of success. This interest often aligns with the nation's strategic objectives. Israeli organizations which have clearly identified the underlying, broader objective of their counterpart and have then successfully addressed it created a deeper sense of understanding, commitment, and collaboration. For example, Watergen established a joint venture in the UAE by aligning with Abu Dhabi's goal of localizing production, facilitating its market entry.

4. **Utilizing the International Community**

   International institutions such as multilateral development banks (MDBs), think tanks (the Wilson Center, Milken Institute), development agencies (the German GIZ, French AFD, etc.) and even governmental entities (the State Department, EU Commission) share a keen interest in regional collaboration and can be leveraged to facilitate bilateral and multilateral connections. In some instances the commitment can be backed by facilitating access, and sometimes even financial contributions. Emerging economies in the MENA region, namely, Egypt, Jordan, Morocco and the Palestinian Authority, often expect external sources of funding to finance projects. Understanding international development finance mechanisms is key to getting a 'foot in the door' of emerging markets.

   Despite uncertainty from recent political changes of the United States presidential administration, international collaboration remains a helpful approach for Israel and countries in the MENA to tackle regional problems and mitigate climate uncertainty.

3. Bridging Structural Gaps between Business Cultures

Structural and cultural differences between Israeli and MENA business environments create challenges for collaboration. Israel's startup ecosystem is fast paced, focused on rapid iteration, and characterized by relatively small investment ticket sizes and high risk tolerance. In contrast, MENA countries, especially the Gulf Cooperation Council (GCC), favor large-scale, long-term infrastructure projects with a more hierarchical, risk-averse approach, particularly around technology.

Recommendations:

The 'Third-Party Integration Model'

A third-party intermediary entity between Israeli startups and stakeholders in MENA countries can provide the buffer needed to bridge the gap between their business cultures. These entities can take various forms including:

1. **Israeli project developers** who are familiar with local innovation solutions and can integrate them into their projects in the MENA. They can serve as integrators who aggregate multiple innovative solutions to address a wider challenge.

   Example: Combining a waste-to-protein startup to feed fish from a second aquaculture startup, whose water is supplied by a third water-tech startup.

2. **Venture Capital (VC) funds** which can secure funds from larger financial institutions as LPs (Limited Partners) and then invest in high risk startups in Israel.

   Example: Rather than having a sovereign wealth fund investing directly in a startup, the fund will invest in a VC familiar with the Israeli startup ecosystem and experienced in managing high risk investments, thus diversifying their portfolio while externalizing the operation.

3. **Consortia of startups with local, larger corporates** who have prior experience interacting with counterparts in MENA countries.

   Example: An Israeli hydrogen startup seeking to approach a large industrial partner in another MENA country will look for Israeli energy related corporations which have had past experience with such partners.

4. Offering **vetted 'innovation bundles'** for global project developers operating in MENA countries.

   Example: A US-based project developer undertaking a water management project in a MENA country will be recommended a suite of Israeli solutions that can enhance his offering for the project.

Building Relationships

- Success stories shared by the Israeli companies in our interviews all pointed at the importance of extensive travel and sometimes the opening a local branch near their MENA collaborators. **Local physical presence and long-term partnerships** are key (ideally local branches, otherwise, recurring and long stays) to convey the importance of the impact of the venture on the country's development as well as on the bilateral relationship. MENA countries prefer sustaining a diverse range of contact points locally, rather than having all communications go through a single channel.

- **Post Oct. 7th**, bilateral relationships remain steady and future collaboration is unquestioned. However, there has been a slow down in present collaborations, sometimes for logistical reasons (Israelis serve on reserve duty, displaced staff, disrupted supply chain, etc.), and sometimes for more political or ideological reasons. The general sentiment amongst the Israeli stakeholders is one that seeks to restore dialogues and collaboration. When possible, slowly and consistently reinvesting in regional relationships is necessary and can be facilitated through the third-party groups described above.

Closing Remarks

Israel in an Integrated Pragmatic Regional Alliance

Dr. Eyal Hulata

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When IDI, EcoPeace and SNC embarked on this project in 2023, an encouraging air still hung over the Middle East. The Abraham Accords were flourishing, and Israel and Saudi Arabia were slowly inching towards normalization. Naturally, political differences and disagreements existed in the region, not least because of the political situation in Israel. But by and large economic ties were strengthening and opportunities for collaboration abounded.

On October 6th, 2023, I happened to be in Abu-Dhabi. A distinguished group of Israelis, Americans, and Emiratis gathered to commemorate the three-year anniversary of the Abraham Accords. We spoke openly and candidly about the transforming effect the Accords have had on the region and the prospect of what they could bring in the future if we were able to jointly fend off the extremists and radicals in our midst.

Regrettably, the following day was a striking reminder of the extreme, radical forces we are all up against. October 7th, 2023, was the darkest day in Israel's history, during which Hamas brutally killed, raped, and abducted more than 1,400 victims. The attack was a calculated attempt to reverse Israel's integration into the region and, ultimately, eliminate the Jewish state altogether. The Middle East was at its worst on October 7th. Every rational, pragmatic person recognized that immediately. The genuine shock and dismay on our Emirati hosts' faces was proof that the real fight is not between nations or religions—it is between the radical extremists who seek destruction and the rational pragmatists who seek stability and prosperity.

There are a number of fundamental lessons for all of us to internalize:

After decades of lower-intensity wars, Hamas on October 7th and later the joining of Hezbollah, the Houthis, and also the Islamic Republic of Iran posed a severe military risk to Israel. Though far from existential, Israelis' sense of security has been shattered. Israel was strong enough to rise, fight back, and regain the upper hand against Iran's ring of proxies: Hamas is decimated, Hezbollah is severely degraded, the Houthis badly hurt, and Iran rendered ineffective. However, restoring basic trust between the Israelis and their government will be long and hard. In my view, this won't be possible without the release of all hostages and dramatically improved border security arrangements. We must also deal with the root cause—Iran's ambition to eradicate Israel—and ensure one way or another that the regime can never possess a nuclear weapon.

Unfortunately, immediately after October 7th Israel was also severely attacked in the public sphere. Across the liberal world, the bare legitimacy of Israel's existence as the homeland of the Jewish people came under attack. While Israel may be successfully responding militarily on the battlefield, it is losing the battle for public opinion. The storm of incitement against Israel on social media, the global rise of antisemitism, and the harsh criticism Israel faces as it fights to defend itself are an unprecedented form of public sphere warfare.

It is too easy to justify these attacks in light of the current Israeli government, which is the most extreme in our history. I myself, having served as the National Security Advisor for the previous Israeli government, find it difficult sometimes to explain the current government's policies and actions. But it is impossible to ignore the fact that too many of Israel's critics indeed support the destruction of Israel itself, regardless of its leadership. Unfortunately, the resurfacing of Israel's delegitimization is a huge victory for the radicals.

The Abraham Accords, following the peace agreements with Egypt and Jordan, were all testaments of the regional acceptance of Israel in a joint pursuit of security, stability, and prosperity. I believe one of the foundations supporting the Abrahamic

dream is that the destabilizing threat of radical extremists is imminent for the entire region. The Sunni Islamic Brotherhood, Iran's umbrella of revolutionary Shi'ites, and the cooperation between the two are clear and present dangers for all of us. These extremists use the existence of Israel as justification for their aggression, but leaders of the pragmatic countries in the Middle East know this is only part of the picture. It is their nation's pragmatic way of life that the extremists seek to destroy as well.

All of us who understand the bigger picture and read the Middle Eastern strategic trends properly understand that this is not the final word on Israel's integration in the region. When the war eventually ends and the dust settles, there will be room again for rational decision making. At that point, what can the future of the region look like?

The Abraham Accords have given us a glimpse into what that future could be. The Accords were made possible by American vision and leadership and by courageous Arab leaders who recognized that their own national interests were aligned with Israel's more than ever before. That realization made way for enhanced diplomatic relations with Israel, the signing of trade agreements and the opening of markets and air-routes, the construction of the regional Negev-Forum, the creation of the MEAD regional defense collaboration, and the transfer of the IDF to CENTCOM.

October 7th may have halted the expansion of these relationships and paused the signing of new normalization agreements. But the signatories of the Accords have not halted their relationships with Israel, even as a war, longer and bloodier than ever before, still rages and as the political fissures within the Israeli government are deeper than ever before too. It is striking, for instance, that while U.S. airline companies stopped flying to Israel, Gulf countries continued to operate direct flights to and from Israel on their national carriers. Trade has not significantly shrunk, and security collaboration has tightened.

My plea is for all of us to therefore take a leap of faith into the future of Israeli integration in the MENA region. Regional collaboration to fend off joint threats and harness joint interests can transform the region completely.

There are many opportunities in enhanced economic regional collaboration. In the context of this report, we emphasize that as climate effects loom globally, there are substantial opportunities in regional collaboration to fend against expected shortages in energy, food and water supplies, as well as enhance natural and climate disaster relief. As mapped out in this report, there is a vast and rapidly growing ecosystem in the Israeli tech sector looking at developing solutions to these challenges. There are already regional connections both on the G2G, G2B and B2B levels, but they are clearly at a very preliminary stage.

How do we promote these important efforts?

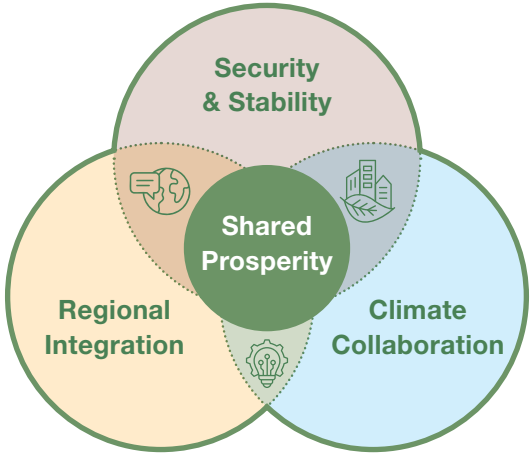
Indeed, such collaboration will be hard to achieve while the war in Gaza is still raging and the West Bank is violently bubbling. So, we should all collectively pursue our joint interests to bring the war to an end, to marginalize radical factions, and foster conditions for reconstruction by pragmatic regional alliances.

We should lean into the new Trump administration's motivation to enhance the Abrahamic alliance, broadening normalization efforts to include Saudi Arabia and later the rest of the pragmatic Muslim world. President Trump has already demonstrated his ability to exercise leverage and incentives in the region; this led to the resumption of the hostage release deal and hopefully will lead to its completion in the immediate future.

We should aim to convene a regional summit to fortify these principles and embark on a set of regional agreements that include, first and foremost, a Middle Eastern alliance to defend, deter, and as needed, counter regional threats. This process should produce a new regional initiative to promote security, stability, and prosperity for all countries and peoples, also formulating a new roadmap for addressing the Palestinian conflict and broadening normalization.

We should also embark on a broad initiative to implement regional economic projects, building upon the spirit of the Negev Forum, the I2U2 (Israel, India, UAE and U.S.) group, and the vision of a trans-Middle East corridor from India to Europe. These efforts should focus on energy, water, and food security projects. The Israeli-Jordanian-Emirati Prosperity project, which will provide desalinated water to Jordan and solar energy to Israel, should be a model for ambitious collaboration.

Finally, we should use every opportunity to bring together industry, entrepreneurs, and policymakers to foster better conditions for collaboration on advanced technologies, specifically on energy and climate. We should not ignore the urgency of this challenge, and should believe that by putting our joint efforts together, we can overcome it.



To the extremists—this vision for an integrated region may look like a nightmare. **To the cynics** or those in despair it may look unrealistic.

But to those who seek a better future for the next generation—this is the only path forward.

For Israel there is clearly no better way. The land of Israel is our homeland, and the Middle East is our neighborhood. We have no other.

Dr. Eyal Hulata serves as a professional advisor to the authors of this report and has provided guidance since its inception.

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The Regional Climate Collaboration project gathered a working group of over 100 representatives of the climate community from the Israeli private, public, and civil society sectors to share knowledge and learn from each other. Over 40 interviews were conducted to collect information and data, completed by extensive market research and resources from the three organizations leading the project.

Special thanks

Dr. Michal Yaari, Gulf States Researcher and Lecturer at The Hebrew University of Jerusalem

Nave Shachar, GCC & MENA Innovation Diplomacy Director at Startup Nation Central

Tal Aviram, Project consultant

We would like to thank the following participants for sharing their insights:

Amir Peleg (***TakadU***), Amit Mayer (***Clariter***), Amos Lasker (***EnergyCom***), Andrey Dobkin (***NAM Technology***), Anne Baer (***iKare Innovation***), Arod Belisa (***Deloitte***), Avi Brenmiller (***Brenmiller Energy***), Bar Rapaport (***Mitvim***), Carmit Oron (***Salicrop***), Dan Catarivas (***Israeli Federation of Bi-National Chambers of Commerce and Industry***), Daniel Schwab (***Brightmerge***), Didier Toubia and Lee Recht (***Aleph Farms***), Dorit Banet (***Eilat Eilot***), Doron Meller (***GrowingIL / Neter Center***), Eshel Lipman (***Ignite the Spark***), Galit Cohen (***INSS***), Gedalyahu Manor (***Airgreen***), Gil Shaki and Ofir Gomeh (***Capital Nature***), Gilad Sharon (***Katsa Europe Asia Pipeline Co.***), Hila Lipman (***IEI***), Irit Fidel (***Fidelity Energy Consulting***), Jennifer Schwartz (***Ecomotion***), Juliane Schubert and Ronny Halman (***Halman Alduby***), Karina Rubinshtein (***InNegev***), Keren Almoznino and Roni Sussman (***AquaculTech***), Milan Brotman and Nadav Tal (***EcoPeace Middle East***), Mor Yegerman (***Viridix***), Nachi Brodt (***Terra***), Noam Sonenberg (***PlaneTech***), Ofir Ben Nun (***Nostromo***), Oshik Efrati (***HomeBiogas***), Oshrat Maya (***Netafim***), Ravid Levy (***WaterEdge IL***), Rotem Arad (***H2Pro***), Shelly Zargari (***Gencell***), Shir Keren (***Agrint***), Steve Elbaz (***Watergen***), Uriel Klar (***Israel Innovation Authority***), Yonatan Mehunin (***III***), Yosef Abramowitz (***Energy Global Capital***), Zafrir Asaf (***Expert in Environmental Economics and Sustainable Finance***), Zafrir Yoeli (***Enlight / Gravity***), Zvika Klier (***Tigisolar***), and many more.

The Ministry of Agriculture of Israel: Yochai Tirosh, Raanan Amoya, and Galit Aber Harari

The Ministry of Defense: DR. Shira Efron

The Ministry of Economy and Industry: Aviad Tamir, Shai Zarivatch

The Ministry of Energy: Janet Shalom

The Ministry of Environmental Protection: Avital Eshet

The Ministry of Foreign Affairs of Israel: Raphael Morav, Roi Dvir, Netiva Cukorja, Ohad Horsandi, Ran Peleg, Gideon Behar

Ministry of Regional Cooperation: Alon Atkin

National Security Council: Victor Weis

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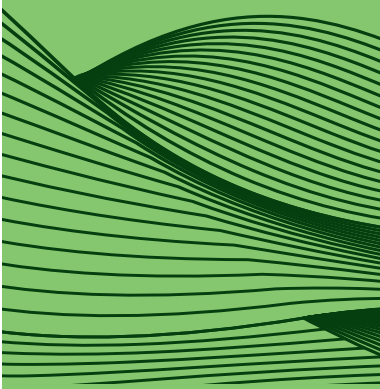

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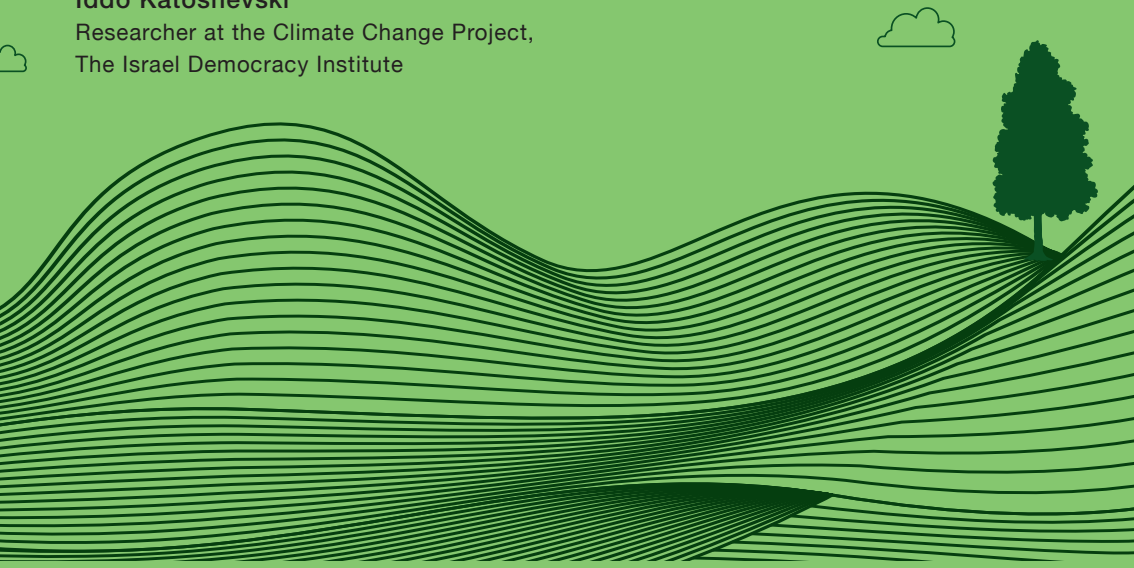

Photos: freepik, shutterstock
Graphic design: Navi Katzman