



Appendix VIII – Guiding Principles for choosing a Locality for the Establishment of a MAOF Business Center

The choice of a locality in which to establish a business center will be made according to one or more of the following criteria in order of importance:

1. Government decision - a relevant government decision, such as a specific locality, affiliation to the population, geographical area, etc.
2. Target Population - designated funding from budgets intended for populations with special participation rates such as: Arab, ultra-Orthodox, Druze, Bedouin populations, etc.
3. Budget dispersal and geographical distribution among clusters and various operators, in accordance with the tender for business centers.
4. Population size - a criterion that is indicative of the potential number of new SMEs and entrepreneurs to whom the business center is designated. The size of the population will be measured in two ways - the number of residents in the locality and the number of residents within a radius of 5 kilometers as the crow flies.
5. A reasonable distance away from an existing business center, taking into account the existing distribution of business centers - this is indicative of whether there is a business center in close proximity to a locality (town/village). This will be measured by the travelling distance.
6. Distance from the center of the country - the Agency would prefer to establish business centers in outlying areas away from the center (Tel Aviv) since the closer you get to the center of the country the greater the business density, and thus the greater the chances of finding a similar solution for an SME / entrepreneur that is not state funded.

In general, it should be emphasized that after deciding to establish a business center in accordance with the above criteria, the location of the center in the area adjacent to the location decided upon for the establishment of the center shall be examined (but not necessarily in the locality where it was decided that there is a need to set up a center), and this depending on the existence of relevant structures for the establishment of this center (in accordance with the Agency's specifications with regards the structure of the required center, as well as taking into account the need for proximity to commercial and industrial areas).