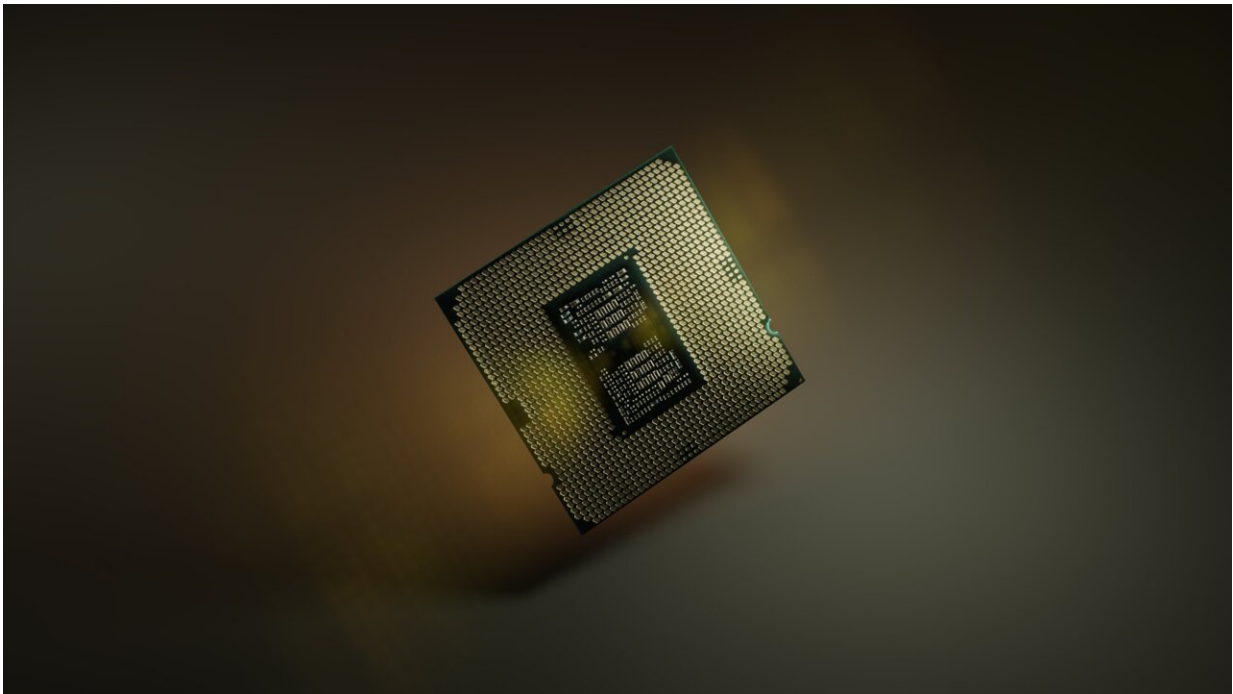


# Intel to invest \$25 bn in new Israel plant: government

June 18 2023

---



Credit: Unsplash/CC0 Public Domain

US chip giant Intel will spend \$25 billion on a new plant in Israel, officials said Sunday, with Prime Minister Benjamin Netanyahu calling it the country's single largest foreign investment.

The "agreement in principle" would see the semiconductor firm build the facility in southern city Kiryat Gat that would open by 2027 and

operate at least until 2035, Israel's finance ministry said.

As part of the deal, Intel's taxes to Israel would rise from five to 7.5 percent, the finance ministry said in a statement.

Intel in return would receive a grant of 12.8 percent of its outlay, the ministry said, in line with Israel's capital [investment](#) encouragement law.

Netanyahu said the new plant would constitute "the largest investment in Israel".

"This is a great show of confidence in Israel's economy, and shows the strength of the free economy we built here and the technological economy developing here," the Israeli leader said.

The two sides would begin finalizing the deal in a process expected to take a number of weeks, according to the ministry.

A spokesman for Intel in Israel had no immediate comment.

Intel has been operating in Israel since the 1970s with development centers and a production site that employ some 12,000 people out of the company's global work force of 130,000, the finance ministry said.

In 2017, Intel acquired Israel-based Mobileye, which makes technology for automated driving systems in vehicles, for just over 15 billion dollars.

© 2023 AFP

Citation: Intel to invest \$25 bn in new Israel plant: government (2023, June 18) retrieved 3 May 2024 from <https://techxplore.com/news/2023-06-intel-invest-bn-israel.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.