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1. ISRAEL GOVERNMENT ACTIONS & STATEMENTS

1.1. South Korea Becomes First Asian Country to Sign a FTA with Israel

Israel and South Korea signed a free trade agreement (FTA) earlier this month, which is expected to increase trade between the countries to more than $3 billion. South Korea, which has the 11th largest economy in the world, becomes the first Asian country to sign such a deal with Israel. Economy Minister Peretz and South Korean Trade Minister Ms. Yoo Myung-Hee signed the agreement in Seoul.

Under the agreement, Israel will increase exports to South Korea and exempt from customs duties vehicles and spare parts, electrical products and air conditioning systems imported into Israel. The countries will enjoy reciprocal tariff reductions on most products imported and exported, along with improved trade in services. With regard to exports, Israeli industry is also expected to receive a boost with the encouragement of activity within the Korean market. Israel's exports to South Korea totaled approximately $890 million in 2020, while imported goods - largely cars and electrical items - were some $1.5 billion. The two sides also signed an agreement to double the budget of KORIL-RDF, a joint research and innovation fund for Israeli and South Korean companies. (i24NEWS 20.05)

2. ISRAEL MARKET & BUSINESS NEWS

2.1. PTC & Technion Enter Into a Long-Term Collaboration Agreement

PTC has entered into a long-term strategic collaboration agreement with Haifa's Technion – Israel Institute of Technology, under which PTC will establish a research and development center and invest NIS 15 million ($5 million) into the Technion's main campus in Haifa. Under the terms of the agreement, PTC and the Technion will jointly research and upgrade learning processes relating to advanced manufacturing technology. PTC's Haifa development center will relocate to the Technion.

PTC has also allocated an annual budget for joint research in industrial IoT, augmented reality, simulation, and generative design. The allocation supports Technion faculty by providing software products; awarding scholarships and incentives to students and researchers; initiating hackathons and contests, and sponsoring educational programs.

Announced in 2014, the initial agreement between PTC and Technion jumpstarted a robotics and digital content program for the Science and Technology department, including a teaching laboratory for industrial IoT, computer-aided design, manufacturing, and augmented reality, among other STEM topics. As a result of the long-standing collaboration, Technion alumni have joined PTC to lead the company's Haifa development center, PTC's second-largest center outside the U.S.

Boston's PTC enables global manufacturers to realize double-digit impact with software solutions that enable them to accelerate product and service innovation, improve operational efficiency, and increase workforce productivity. (Technion 03.05)

2.2. BeyondMinds Works With AWS to Make Its AI Platform Available Globally

BeyondMinds is now a member of the Amazon Web Services (AWS) Partner Network (APN). BeyondMinds' engagement with the APN comes as the company aims to dramatically increase its international footprint. Joining the APN will also create greater visibility for BeyondMinds, whose fully managed solutions are designed to help enterprises accelerate AI adoption and can drastically shorten the path to AI impact. BeyondMinds, which has been using AWS since 2018 as one of its cloud services

providers, has already implemented AI solutions for Microsoft, Samsung, KPMG, and numerous leading companies in manufacturing, banking and financial services.

The company aims to flip the failure rate of AI projects in production with its robust, end-to-end AI platform, enabling rapid build of AI solutions, and scalable management of these in production. BeyondMinds takes a new approach that focuses on solving the barriers of real-world AI, creating technologies that handle small amounts of data, stabilizing AI solutions in production where the data is dynamic and noisy, enhancing trust, and more; in this way BeyondMinds achieves a fast, sustainable, and guaranteed path to AI impact with multiple use cases across industries.

Founded in 2018, Tel Aviv's Beyond Minds has built the first enterprise AI system that is universally applicable and easily adaptable. They deliver hyper-customized, production-ready AI solutions enabling enterprises to overcome the massive failure rate in AI adoption while delivering rapid ROI.   (BeyondMinds 31.05)

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2.3. Authormize Secures $16 Million in Series A Funding

Authormize announced the close of $16 million in Series A funding. Innovation Endeavors led the round with participation from return investors Blumberg Capital, Entree Capital and M12 - Microsoft's venture fund. Less than a year after officially coming out of stealth, the company has raised $22 million in total funding. This latest injection of capital will accelerate Authormize's delivery of the industry's first Identity and Security Management platform (IDSM) and continued growth across product development and go-to-market, including the expansion of its partner network. Authormize plans on doubling its headcount across research and development, marketing, and sales staff in both the US and Israel.

Authormize already secures millions of identities and tens of millions of assets across a range of organizations, industries, and regions worldwide. Authormize is continuing to expand its global reach with this momentum to help customers manage and control security risk and operational burden in today's virtualized and distributed environments. Authormize delivers continuous protection and ensures adherence to security and compliance standards, instantly mitigating security risks, while reducing IT burden.

Tel Aviv's Authormize is the first Identity and Security Management (IDSM) platform that automatically manages and secures identities, access, and privileges across multi-cloud and hybrid environments. Authormize is backed by Innovation Endeavors, Blumberg Capital, Entree Capital and M12 (Microsoft's venture fund). (Authormize 13.05)

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2.4. UBQ Materials & Plastics App Partner for Sustainable 3D Printing Functionality

UBQ Materials announced a partnership with Plastics App to launch a novel filament with a significantly reduced carbon footprint so as to enable sustainable and eco-conscious manufacturing. UBQ Materials converts unsorted landfill-destined waste into a sustainable, climate-positive and cost-competitive thermoplastic (UBQ) that substitutes oil-based resins for manufacturing. Plastics App has developed UBQ inside filaments, which, when applied to 3D printing, expand sustainable application to functional uses such as jigs, fixtures and spare parts.

UBQ has already been adopted by large multinational enterprises, having been incorporated into end products across various industries. Now that the material is being used to create prototypes, manufacturers can better match the look, feel and performance of these prototypes with their end products. UBQ will be incorporated into four types of carbon reduced sustainable filaments. Perform Q is a high-performance, UBQ / Polypropylene filament suitable for standard applications; Perform QCF, which has Carbon Fibers, is a reinforced UBQ / Polypropylene-based filament suitable for demanding applications. Both grades are available either on virgin PP or PCR PP carriers.

Megiddo's Plastics App leads the way for applicative innovation in the field of plastics and polymers. Its mission is to develop plastics related solutions and technologies. Plastics App presents development capabilities, theory and practice, using compounding and other unique technologies coupled with production capacity for tailor-made and off-the-shelf industrial filaments used in 3D printing thus delivering value-added solutions to its customer.

Tel Aviv's UBQ Materials has developed an advanced conversion technology, patenting the world's first bio-based material (UBQ) made entirely of unsorted household waste; a revolutionary way to divert municipal solid waste from landfills and transform it into a sustainable substitute for oil-based plastics. (UBQ Materials 12.05)

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2.5. Walmart to Buy Virtual Fitting Room Company Zeekit

Walmart has announced that it is acquiring Zeekit, a startup that has developed a dynamic virtual fitting room platform. Walmart says that Zeekit will help improve customer digital experience when purchasing clothing on line. No financial details about the deal were disclosed. Zeekit has raised $9 million to date according to Start Up National Central. Walmart said that Zeekit's founders will be joining the company.

Combining fashion and technology, Tel Aviv's Zeekit has developed the first dynamic virtual fitting room, giving every person the chance to see themselves in any item of clothing found on-line. Based on real-time image processing technology, Zeekit uses its patented technology to map a person's image into thousands of segments. Clothing is processed in a similar manner and the equivalent points of the two are re-mapped into one final simulation, showing a person dressed taking into account body dimensions, fit, size and the fabric of the garment. (Globes 14.05)

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2.6. Innoviz & Sensagrate Partner to Enable Smart City Applications

Innoviz Technologies and Scottsdale, Arizona's Sensagrate, a leader in Smart City technology, data analytics, and reporting products that enable real-time traffic, pedestrian and cyclist safety on roadways, announced a partnership to integrate InnovizOne LiDAR sensors with SensaVision, Sensagrate's computer vision software.

The addition of InnovizOne to the SensaVision suite will enable a variety of applications that improve pedestrian and automobile safety, preventing near-miss collisions at intersections, collecting unique data for root cause analysis of pedestrian related incidents through intelligent data collection and predictive analytics. LiDAR-based intelligent traffic decisions will improve traffic flow and reduce traffic congestion, leading to a decrease in fatalities and emissions. They believe the collection of precise data, derived with InnovizOne on Sensagrate's system, will advance city planning by allowing predictive models to be built over time that help cities have safer roads while reducing congestion.

Rosh HaAyin's Innoviz is a leading provider of technology that will put autonomous vehicles on roads. Innoviz's LiDAR technology can "see" better than a human driver and meets the automotive industry's strict expectations for performance, safety and price. Selected by BMW for its fully autonomous car program, Innoviz's technology will be deployed in BMW's consumer vehicles. Innoviz is backed by top-tier strategic partners and investors, including SoftBank Ventures Asia, Samsung, Magna International, Aptiv, Magma Venture Partners and others. (Innoviz Technologies 18.05)

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2.7. Salto Secures $42 Million in Series B Funds to Unlock Value Across SaaS Applications

Salto announced that it has raised a $42 million Series B led by Accel, with significant participation from existing investor Salesforce Ventures, and continued participation from Bessemer Venture Partners and Lightspeed Venture Partners. That brings the total funding to $69 million to date, following its Series A in October, and underscores the demand for a new way to improve the productivity of SaaS administrators. At the same time, enterprises are calling for a more unified way to configure, analyze, and ensure compliance for their standalone SaaS (software as a service) applications.

Today, companies have SaaS applications for every conceivable purpose and each application is maintained and supported separately. This results in an operational challenge of hidden, often irreversible dependencies, changes, and recursive updates between apps. The damage is apparent in many organizations using SaaS applications today—business process breakdowns that bring operations to a halt. Salto's platform, in essence, offers companies a better return on the dozens of SaaS licenses they already pay for. It also lays the foundation for an, until now, unimaginable level of change management efficiency. Customers are seeing the advantages of immense time savings with improved trackability and auditability.

With the new funding, Salto will rapidly expand its capacity to configure more business applications. Early customers expressed their need for Salto to extend its software approach and methodology beyond its initially supported SaaS applications - Salesforce, NetSuite and HubSpot. Salto plans to expand its support to a total of 10 applications by the end of 2021. With a global view of all SaaS applications, it provides insight long thought impossible.

Tel Aviv's Salto is the leading solution for configuring your top business applications. By applying innovative software development concepts and practices, Salto provides both an open source and an enterprise SaaS product to simplify, automate and unite configuration, testing, analysis, and compliance across business applications. (Salto 19.05)

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2.8. Visionary.ai Raises $4.5 Million to Help Revolutionize Digital Imaging in Poor Light

Visionary.ai has closed a $4.5 million Seed Round led by Ibex Investors with the participation of Spring Ventures of Aviv Refuah, Capital Point of Yossi Tamar, and additional investors. Their mission is to enable high-quality digital imaging in all circumstances and conditions, and especially in situations in which visibility is currently limited (low light, fog, WDR, etc.).

The company has entered into major contracts and has a robust pipeline with major players from various sectors in both Israel and the US. The edge computing market CAGR is expected to reach 37% between now and 2027 which will rapidly accelerate the adoption of this new technology. Over the next year, Visonariy.ai intends to invest heavily in its product and algorithms and expand its R&D team to change how and what we see today.

Tel Aviv's Visionary.Ai develops next-generation prediction-based Image Signal Processing (ISP) to exponentially improve the quality and detection of images and videos. (Visionary.ai 19.05)

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2.9. Twine Solutions Raises $28 Million in an Investment Round

Twine Solutions has raised $28 million in an investment round led by Menorah Mivtachim Holdings, Meitav Dash and Analyst. Existing shareholders New Era Capital, Landa Ventures, Gefen Capital, and others also participated in the financing round, which will support the company's acceleration of global installations of its newly released TS-1800 Gen2.

The Fortnightly may also be found at: https://atid-edi.com/category/fortnightly/

Beyond the attractive value proposition that Twine brings with it, its revolutionary solution will help make one of the most polluting industries in the world cleaner. The investors believe in the management of the company and in its ability to carry out its business vision. The investment was supported by Barak Capital Underwriting.

Petah Tikva's Twine Solutions is a technology startup that has developed a proprietary and revolutionary digital on-demand thread dyeing system and a digital dye-to-match color application. Twine's system continuously dyes a single raw off-the-shelf white thread to any requested length and in any color, with a choice of millions of colors and shades as well as color gradients. Its disruptive technology is revolutionizing the thread, fabric and garment industries by eliminating the long, messy, cumbersome conventional bulk dyeing of thread that is common practice today. (Twine 18.05)

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2.10.   Lightrun Named a 2021 Gartner Cool Vendor

Lightrun announced that Gartner has recognized it as a Cool Vendor based on their April 2021 report titled "Cool Vendors in Monitoring, Observability and Cloud Operations." Lightrun enables developers to connect to live applications from their integrated development environments (IDEs) and define what type of data and metrics the application should be generating during runtime, to help improve application observability and performance. With Lightrun, developers can define new logs and application code traces to a live application, providing line-by-line visibility to understand how code behaves during runtime.

Lightrun launched in 2019 with seed funding from Gilot Capital Partners and leading engineering executives from several Fortune 500 companies. Today the company's continuous debugging and observability platform is used by industry leaders such as ad-tech giant Taboola, security leaders WhiteSource and Tufin, data analytics powerhouse Sisense, and e-Commerce platform Yotpo and others.

Tel Aviv's Lightrun is transforming the developer experience, bringing a developer-native observability platform. The company is the first to bring "shift left" observability, giving developers deeper insights into running applications by allowing them to insert logs, metrics and traces and more during runtime. Boasting the richest set of observability pillar tools for observing applications directly from within the IDE, Lightrun simplifies every aspect of incident resolution. (Lightrun 210519)

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2.11.   Ramon.Space Raises $17.5 Million in Series A for Supercomputing in Space

Ramon.Space has raised $17.5 million in Series A funding. The round includes StageOne Ventures, Deep Insight, WorldQuant Ventures, UMC Capital and existing investor Grove Ventures. The capital will be used to continue development of the company's computing solutions, support its rapidly expanding US and Israel operations, and expand the team globally.

Ramon.Space builds space resilient super-computing systems that revolutionize the way software is written, applied and processed in space. The use of software in space has been limited because the hardware needed to support it could not function in such harsh conditions. Ramon.Space aims to transform the way software and hardware are used in space so applications can be developed, updated and adapted in real-time, creating infinite possibilities for new space satellite payloads and deep space missions. The company's computing and storage platform leverages ground-breaking Manycore ML/AI/DSP processing technology to power next generation earth observation, communications and data processing applications, bringing them to unprecedented levels of advancement.

Intelligent systems in space need advanced computing and storage capabilities. Computing systems on the market today are unable to withstand the high radiation levels and polarizing temperatures in space, causing them to deteriorate or malfunction. Ramon.Space uses virtual radiation-hardened technology that doesn't just withstand the harsh conditions of space, it thrives in it. Aiming to revolutionize orbital services,

Ramon.Space technology transforms satellites to smart and autonomous, drastically extending the effective lifetime of satellites by providing service agility in the form of in-orbit upgrades that adapt to services and applications.

Yokneam's Ramon.Space builds space-resilient supercomputer systems that bring supercomputing to space. Powered by its unique AI/ML processors, Ramon.space's software-defined systems enable the realizations of earth-like computing capabilities in space. The company's proven technology is already deployed in space and used in many satellites and more than 50 space missions across the solar system - with zero failures. (Ramon.Space 25.03)

2.12.   Forter Raises $300 Million for a $3 Billion Valuation

Forter announced it has raised $300 million in Series F funding led by Tiger Global Management, with participation from Third Point Ventures and Adage Capital Management. Existing investors also participated including Bessemer Venture Partners, Sequoia Capital, March Capital, NewView Capital, Salesforce Ventures and Scale Venture Partners. The announcement comes six months after the company completed its $125 million Series E round, almost tripling the valuation to $3 billion, and making Forter the most valuable privately held company ever in the fraud prevention industry. Forter will use the additional funding to continue expanding its global ecosystem of trust, enabling retailers, e-commerce platforms, issuing banks and payment providers to fight fraud together, boosting confidence and improving shopper experience across the entire purchasing journey.

While Forter has benefited tremendously from the industry trend towards digital transformation that resulted from pandemic effects, Forter's unprecedented growth has also been driven by product innovation and new partnerships with leaders across banking, payments and e-commerce. Earlier this year, Forter partnered with Capital One to launch Trusted Authorization, one of the first solutions enabling merchants to increase authorization rates and decrease false declines by sharing Forter's fraud insights with issuing banks to make more informed decisions. Forter also launched its Fraud Prevention Platform for Payment Service Providers (PSPs), announcing deals with FreedomPay, Nuvei, and most recently Flutterwave to increase approval rates and offer the best fraud prevention to more than a million merchants globally.

Tel Aviv's Forter is the leader in e-commerce fraud prevention, processing over $250 billion in online commerce transactions and protecting more than a billion consumers globally from credit card fraud, account takeover, identity theft and more. The company's identity-based fraud prevention solution detects fraudulent activity in real-time, throughout all online consumer experiences. (Forter 25.05)

3.   REGIONAL PRIVATE SECTOR NEWS

3.1. Rizek Raises $10 Million in a Series A Investment

Rizek has raised a $10 million Series A funding round, led by Peak Investments and ADQ, with participation from a number of family offices from the UAE and Saudi Arabia. The latest venture capital funding brings Rizek's total financing to more than $15 million.

Rizek usually works with freelancers and SME service providers to improve their skills and help them land more opportunities. Rizek will use the investment to increase the platform's presence by integrating new services, improve customer experience and expand into Saudi Arabia and Egypt in the coming months, it added.

Abu Dhabi's Rizek is an online marketplace where freelance service professionals across a range of industries can be connected directly to end consumers looking for these services. It delivers value by through disintermediation, i.e., removing the middleman (and the associated corporate overhead costs),

and furthermore through a well-defined vetting and quality rating system it provides the end consumer with higher quality services at lower prices. (Rizek 24.05)

3.2. C³ Partners with Kitopi to Expand its Tech-Enabled Food Platform into the UAE

Los Angeles' C3 (Creating Culinary Communities), a tech-enabled food and beverage platform, announced planned expansion into the global marketplace through a partnership with Kitopi, the largest managed cloud kitchen platform. As part of the initial launch, C3, a leader in the virtual ghost kitchen space, will license 10 of its digital restaurant brands to Kitopi including Umami Burger, Sam's Crispy Chicken and Krispy Rice. This strategic partnership marks C3's first international development, introducing the company's popular concepts to consumers in the UAE, with additional markets to come through Kitopi's network throughout the Middle East and Asia. All C3 concepts available through Kitopi's cloud kitchens will be powered by CITIZENS GO, a revolutionary mobile app developed by C3 and Lunchbox which enables users to group orders from multiple C3 brands into a single cart, without any hidden delivery fees.

The partnership with Kitopi cements C3 as a key player in the global culinary marketplace, making all of C3's brands available in Kitopi's cloud kitchens across the UAE, KSA, Kuwait and Bahrain, to start with. The first 65 locations will roll out within the next six months, each offering menu items from all 10 of C3's popular brands. C3's alignment with Kitopi follows a series of strategic partnerships executed within the last 12 months, allowing C3 to multiply the reach of its digital-first brands through hotels and residential properties, and a collection of marquee food halls slated to launch in the coming months.

Dubai's Kitopi is the world's leading managed cloud kitchen platform. Founded in January 2018, Kitopi partners with restaurants and F&B concepts to help them expand beyond borders in as little as 14 days. Tech-powered and customer obsessed, Kitopi's mission is to satisfy the world's appetite. (C3 13.05)

3.3. Mamo Raises an $8 Million Pre-Series A Investment

Mamo has raised $8 million in a Pre-Series A funding round led by Global Ventures, with participation from 4DX Ventures, AlRajhi Partners, Olive Tree Capital, and prominent Fintech-focused Silicon Valley investors. Mamo will use the funds initially to developing its service offerings, increasing utility for its customers, and enhancing its Mamo Business product, in addition to further expanding growth in the UAE and Saudi market, as well as focusing on making strategic new hires to support its expansion.

Mamo's customer-centric Fintech platform allows users to send and receive payments through their smartphone instantly, securely and free of charge. The company prides itself on exemplary user experience, directly and frequently running focus groups with its users. Their recently launched service, Mamo Business is testament to this, which allows freelancers and small businesses to receive online payments from their customers, without the burden of expensive and complex gateway and merchant integrations. Registration on the platform typically takes a single day, which is an enormous improvement over the industry standard of two to three months – a life line for small businesses given the current global situation. In addition to joining Visa's Fast Track Program, the company has also secured principal regulatory approval from the Dubai Financial Services Authority to operate under its Innovation Testing License.

Dubai's Mamo is a mobile and web application that enables individuals and groups (and communities) to transfer, collect, pledge and sell through mindful micropayments. More explicitly Mamo proposes to change the paradigm of sending, splitting and requesting money between friends and family, increasing Transferability, Traceability, Transparency (TTT) from liberating financial information, trends and habits to help people and the world organize its assets. (Mamo 17.05)

3.4. Quali & BEACON RED Partner for Innovative Cyber Solution for the GCC

Austin, Texas' Quali, the Infrastructure Automation at Scale company, and BEACON RED, an EDGE Group firm that provides solutions to tackle complex national security threats, have entered into a relationship to provide cybersecurity and services for governments, military and critical infrastructure projects in the six-member Gulf Cooperation Council countries (GCC). Under the terms of this partnership, BEACON RED and Quali will deliver a joint solution that enables customers to set up complex cyber range and interoperability testing scenarios for GCC area customers, which will strengthen cybersecurity support for critical deployments and management of secured environments.

In addition, Middle East customers will now have access to Quali products through BEACON RED's implementation team, providing safe and supported infrastructure deployments to address current threats, like cyberattacks and remote working conditions that make environments more prone to vulnerabilities. BEACON RED also employs one of the region's most distinguished cybersecurity subject matter experts, who can deploy Quali software for cyber range and interoperability use cases.

BEACON RED, an EDGE Group Company, is a United Arab Emirates-based defense company that tackles complex national security threats. They innovate and disrupt conventional ways of thinking, helping national security leaders develop the people, processes, and technologies that ensure preparedness for future challenges. (Quali 25.05)

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3.5. Foloosi Raises $2 Million in a Pre-Series A Investment

Foloosi has raised a $2 million Pre-Series A funding round, led by angel investors from Abu Dhabi, with participation from other investors. Enabling consumers to make payments in seconds by tapping their card against vendors' smartphone, which primarily acts as a POS terminal. Foloosi focuses on eliminating swipe machines and POS terminals. The startup has partnered with UAE bank Network International and accepts the bank cards of Visa / MasterCard for online payments directly in the UAE marketplace. Foloosi will use the investment to work on launching their flagship "Tap on Phone" service and expanding to Saudi Arabia, Oman and Qatar.

Dubai's Foloosi is a fintech startup facilitating consumer-to-business card payments by enabling the business to display QR code, Payment Link and API integrations for the customer to scan & pay. Foloosi offers a complete technically advanced digital solution, which seamlessly connect consumers with businesses to provide actionable flow of events resulting in a fast and secure way of making payments based on QR codes and card networks. Foloosi enables businesses in the UAE to get paid using QR code technology without the need of POS machine or any additional hardware. While the payment is deducted instantly, the merchant can also receive instant payment notifications. (Foloosi 23.05)

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3.6. Gathern Secures $6 Million in Series A Funding

Riyadh's Gathern, a Saudi Arabia-based peer-to-peer (P2P) rental marketplace, closed a $6 million Series A funding round, led by STV and joined by existing investors Vision Ventures, 500 Startups, and ARG Limited.

Through Gathern, anybody can rent a villa, apartment, farm, caravan, room, chalet, camp, or yacht, among other options, directly from an individual owner. While property owners usually require an individual rental license to rent out their property, Gathern allows them to list their properties for rent through their website and application without having to obtain this license – removing a significant hurdle in the P2P rental market.

The Fortnightly may also be found at: https://atid-edi.com/category/fortnightly/

Gathern will use the funds towards developing its product and further deepening its geographical footprint within Saudi Arabia, where it is currently already active in 100+ cities, including Riyadh, Jeddah, Dammam, Abha, Al-Baha, Taif, Al-Ula and Umluj, among others. (Gathern 23.05)

3.7. Japan's UD Trucks are Being Assembled in Saudi Arabia

UD Trucks, the leading Japanese truck manufacturer, with a range of medium and heavy duty vehicles that provide comprehensive solutions are now being assembled in Saudi Arabia at Zahid Group's Arabian Vehicles & Trucks Industry (AVI) facility in the King Abdullah Economic City (KAEC). AVI is now the only facility in the world that assembles Volvo Trucks, Renault Trucks and UD Trucks on the same production line; an achievement that showcases Zahid Tractor, AVI and Zahid Group's creating jobs for Saudi Arabian nationals.

Zahid Tractor is a Zahid Group company. Zahid Group has successfully evolved over the course of the last century from its origins as a modest trading concern to become a multi-national organization encompassing a diverse portfolio of companies operating across 11 sectors. The Group's success is built on long-standing partnerships, associations with globally renowned brands and its adherence to the highest levels of professionalism and operating standards. (Zahid Group 23.05)

3.8. Telda Secures $5 Million in Pre-Seed Investment

Telda has raised a $5 million Pre-Seed funding round, led by Sequoia Capital with participation from Global Founders Capital and Class 5 Global. This marks the first investment for Sequoia in North Africa and GCC and the first investment by Global Founders Capital and Class 5 Global in Egypt. The startup also announced it has become the first company to receive a license from the Central Bank of Egypt under the new Banking Agents regulations, empowering it to issue cards and on-board customers to its digital app.

Cairo's Telda is a financial brand built for Millennials and GenZ to take the pain out of peer-to-peer payments. They are bringing a better way to send, spend and save to anyone who has ever sought an alternative to the traditional banking system. (Telda 17.05)

3.9. Bosta Secures $6.7 Million in Series A Investment

Bosta announced the close of a $6.7 million Series A investment round led by global VC fund Silicon Badia, with participation from 4DX, Plug and Play Ventures, Wealthwell VC, Khawarizmi VC and other investors. Bosta will use the investment to target delivering more than 15M parcels in Egypt in the next two years. Apart from serving more than 20,000 businesses, they will also expand their operations in the GCC.

Bosta exists to help businesses, especially small ones, grow profitably. The startup's tech product simplifies logistics and allows customers to have full control over the delivery process. Since its inception, Bosta has delivered more than 4M parcels for businesses, with 2.3M alone since the coronavirus outbreak. More than 2,200 businesses use Bosta daily for its last-mile delivery and guaranteed next-day delivery that covers all of Egypt.

Cairo's Bosta makes it possible for businesses to offer affordable same-day delivery for their customers using an algorithm that pool packages together and then create optimized routes for couriers, which results in a reduced cost by delivering multiple packages together. (Bosta 18.05)

3.10. Homzmart Secures $15 Million in Series A Funding

Cairo's Homzmart, a furniture and home goods marketplace platform, successfully closed a $15 million Series A fundraise led by MSA Capital and Nuwa Capital, with participation from investors including, Rise Capital, Impact46, EQ2 Ventures and Outliers Venture Capital.

Hard-launched in Q1/20, Homzmart's easy-to-navigate platform incorporates Artificial Intelligence to optimize furniture sellers' content, with intelligent tools helping customers with purchasing decisions. Homzmart has grown sales by over 30x in the last twelve months, and is tapping into the rapidly expanding 14 million customers in the region who search online for furniture each month. The platform showcases over 55,000 products from thousands of brands and merchants.

Homzmart's platform and its end-to-solutions enable both retailers – including the likes of IKEA and Home Centre by helping them easily reach customers – and also consumers who have a hassle-free, one-stop-shop shopping experience, with greater choice and flexible financing options. (Homzmart 19.05)

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3.11. Mozare3 Secures a Seven-Figure Pre-Seed Investment

Egyptian Agri-Fintech platform Mozare3 has closed a seven-figure pre-seed funding round led by Algebra Ventures and Disruptech Ventures, with participation from EFG-EV, and a group of reputable angel investors. Founded in 2020, Mozare3 is a platform that serves more than 20 million underserved, un-bankable smallholder farmers and their families in Egypt, by providing them with access to innovative financial products, markets and agronomy support.

The agriculture industry suffers from price opaqueness, supply fragmentation and high levels of fraud, to name a few of the challenges. Mozare3 believe that it is one of the segments of the Egyptian economy that can benefit the most from tech efficiencies. They had been looking at making an agritech investment for some time and are delighted to support this massive opportunity. (Mozare3 24.05)

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3.12. Tays Lands Seven-Figure Pre-Seed Investment

Egyptian networking app Tays has raised a seven-figure pre-seed investment from multiple angel investors, the startup announced, without disclosing whether the sum is in EGP or USD. The company's investors include Google Ireland, Re/max Middle East, O7 Therapy, and Ahly Capital. The startup will use the funding to launch its operations in Egypt and the MENA region. Cairo's Tays connects users based on their professional interests and aspirations through a machine learning algorithm, helping them to grow their professional networks and develop social relationships. (Tays 23.05)

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3.13. Egypt Venture Investment Report for 2020

Despite a year beset by a global pandemic, during the first 6 months of 2020, Egyptian startups saw 72% more funding in H1/20 compared to H1/19. The data indicates that startup funding in Egypt in H1/20 amounted to 88% of capital deployed in full-year 2019. In total, $190 million was invested in 114 deals, the highest venture investment the country has seen in over a decade.

Another positive was international firms representing 32% of all investors supporting Egyptian startups in 2020. By comparison, these firms comprised 21% of all investors in UAE ventures and 18% in Saudi startups. Additionally, investors in Egyptian startups more than doubled in three years, going from 31 firms in 2017 to 69 in 2020. (Magnitt 24.05)

3.14.   Duck Donuts Signs Master Agreement for Egypt to Open 25 Locations

An Egyptian convenience store and gas station company plans to open 25 Duck Donuts locations after signing a master franchise agreement with the Mechanicsburg, Pennsylvania based chain. Master Foods, a managing group of retail stores, agreed to open 25 locations in Egypt over the next five years, the first of which is planned for New Cairo later this year.

Duck Donuts opened its first locations in Duck and Kitty Hawk, North Carolina in 2007. The company became a franchise in 2013 and has since grown to operate 105 locations across the country and one in Dubai.

In April, Duck Donuts was acquired by Radnor-based private equity firm NewSpring Franchise in a move that is expected to accelerate the franchise's growth to more markets. Duck Donuts plans to open about 30 locations before the end of the year, and expand to 50 annually in 2022. (Duck Donuts 20.05)

4.   CLEAN TECH & ENVIRONMENTAL DEVELOPMENTS

4.1. Dubai Opens Green Hydrogen Project at Al Maktoum Solar Park

Sheikh Ahmed bin Saeed Al Maktoum, Chairman of the Dubai Supreme Council of Energy and Chairman of the Expo 2020 Dubai Higher Committee, inaugurated the Green Hydrogen project at the Mohammed bin Rashid Al Maktoum Solar Park in Dubai, marking a new achievement for the emirate as a leader in renewable energy.

The project, implemented in collaboration with DEWA, Expo 2020 Dubai and Siemens Energy, is the first solar-driven green hydrogen producing facility in the Middle East and North Africa (MENA) region. 2021 has witnessed important developments in the hydrogen sector. Sheikh Mohammed bin Rashid Al Maktoum recently approved a UAE system for hydrogen fuel-powered vehicles, which aims to develop the Green Hydrogen economy in the UAE, open local markets to hydrogen-powered vehicles and encourage an increase in environment-friendly vehicles. The system is the cornerstone for encouraging the use and licensing of vehicles, facilities and equipment related to hydrogen fuel and will contribute to achieving sustainable growth that balances the environmental, economic and social aspects. This project to produce hydrogen using solar power also supports the Dubai Clean Energy Strategy 2050, to provide 75% of Dubai's total power capacity from clean energy sources by 2050 as well as the Dubai Green Mobility 2030 initiative, which aims to stimulate the use of sustainable transport.

Al Tayer explained that with this pilot plant, DEWA aims to demonstrate the production of green hydrogen from solar power, storage and re-electrification. This is a system that allows for buffering renewable energy production, both for fast response applications, as well as for long-term storage. The plant has been built to accommodate future applications and test platforms for the different uses of hydrogen, including potential mobility and industrial uses. DEWA has already explored and developed a pilot project for green mobility using hydrogen that can be executed in the near future, in addition to a number of studies, business strategies and a potential roadmap for hydrogen usage. DEWA is building expertise, experience and capabilities to contribute in shaping the clean hydrogen future of the UAE. (WAM 19.05)

4.2. Cyprus to Spend €1 Billion During 5-Year Green Economy Transition Period

Cyprus will allocate over €1 billion for a speedy transition to a Green economy built on renewable energy over the next five years. Agriculture Minister Kadis, Energy Minister Pilides and Transport Minister Karousos presented their vision for a greener future on 24 May. The transition focuses on the environment,

ending Cyprus' energy isolation, electro-mobility, upgrading renewable energy sources, sustainable water resources management, and circular economy.

The National Recovery and Resilience Plan's second pillar promotes the Green Economy with a budget of €448.3 million. It aims to contribute to green transition and environmental sustainability by achieving the national goals for climate neutrality, energy efficiency and renewable energy sources. The third pillar, which concerns the reinforcement of the economy's resilience and competitiveness, also contributes to the Green economy's speedy transition with actions amounting to €64.3 million, aiming to achieve a circular economy. Some 41% of the €1.23 billion investments of the Recovery and Resilience Plan (€512 million) have to do with the green transition.

The government plans to encourage the use of electric cars with an incentive scheme, the withdrawal of older, more polluting vehicles and infrastructure development. Some €38.6 million is earmarked for an incentive scheme to buy an electric car and help the public sector use electric transport. To encourage the purchase of electric vehicles, the government will install 1000 recharging points. (fm 24.05)

5. ARAB STATE DEVELOPMENTS

5.1. Lebanon's Fiscal Deficit Down by 30% YOY to $2.8 Billion in October 2020

According to Ministry of Finance (MoF) latest figures, Lebanon's fiscal deficit (cash basis) stood at $2.80 billion by October 2020, down from last year's $4.02 billion. The substantial deficit is attributed to the annual 14.96% drop in government revenues (including treasuries) which fell to $7.97B by October 2020. On the counterpart, total expenditures (including treasuries) retreated yearly by 24.05% to $9.37B in the first eleven months of the year. It is worth noting that the primary balance which excludes debt service posted a deficit of $645M, compared to a surplus of $831.49M during the same period last year.

Fiscal revenues recorded a yearly drop by 20.74% to stand at $7.08B. Tax revenues (constituting 79.52% of total revenues) retreated by an annual 21.63% to $5.63B by October 2020. Revenues from VAT (17.45% of total tax receipts) dropped by 46.77% y-o-y to $983.36M. The drop in "VAT revenues" is most probably attributed to the deterioration of Lebanese purchasing power with the decrease in value of Lebanese pound, which obligated Lebanese people to rationalize their spending. As for Non-tax revenues (20.48% of total revenues), they dropped from $1.75B by October 2019 to $1.45B by October 2020. Meanwhile, "Telecom revenues" (constituting 41.83% of total non-tax revenues) shrunk yearly by 23.91% to reach $606.83M by October 2020.   On the expenditures' side, transfers to Electricity du Liban (EDL) (9.6% of general expenditure) slid by 43.42% to reach $738.98M.

Moreover, total debt servicing (including the interest payments and principal repayment) reached $1.64B by October 2020, down by a yearly 61.32% such that interest payments alone retreated by 62.42% y-o-y to $1.54B. Interest payments on domestic debt slumped by 46.51% y-o-y to $1.39B. Meanwhile, interest payments on foreign debt registered a year-on-year significant drop by 90.12% to $147.76M, noting that on 7 March 2020 the Lebanese government announced for the first time that Lebanon will not pay a $1.2B Eurobond due on 9 March and will seek to restructure its sovereign foreign currency debt. Treasury transactions (includes revenues and spending that are of temporary nature) posted a deficit of $507.92M compared to a deficit $613.32M by October 2019. (MoF 17.05)

5.2. Jordan's Cabinet Approves Set of COVID Measures

On 19 May, a Jordanian cabinet session, chaired by Prime Minister Khasawneh, approved to exempt businesses that have stopped working due to the Coronavirus (COVID-19) pandemic from a certain percentage of waste fees for 2020, to be determined according to the period of stoppage. According to the decision, businesses that stopped working from March 2020 until May of the same year are exempted from

25% of the waste fees for 2020, while businesses that stopped working from March 2020 to July of the same year are exempt from 50% of waste fees for 2020. The decision also exempts businesses that have stopped working based on orders issued under Defense Law No. 13 of 1992 and are still not working to date from 100% of waste fees for 2020.

The Cabinet approved the disbursement of financial claims to university hospitals from the Emergency Expenditure Fund to confront the COVID-19 pandemic. (Petra 19.05)

5.3. Queen Alia Airport Passenger Traffic Drops by 93% During 2020

Official data from Jordan's Civil Aviation Regulatory commission (CARC) showed a sharp decrease in the passenger movement through Queen Alia International Airport (QAIA), falling 93% since 17 March to the end of 2020, after anti-COVID-19 restrictions issued by the government on air navigation domestically came into effect to prevent the virus outbreak. Over the March-December period 2020, some 532,000 passengers arrived and departed through QAIA, while the airport received a total of 9426,000 in-bound and outbound flights in the same period, compared to about 7,327 million passengers and 64,977,000 flights for the 2019 comparison period, the CARC data revealed.

As for air cargo, the QAIA handled 49,701 tons last year, compared with 105,402, tons in 2019, a drop of about 53%. Meanwhile since beginning of January to March 16, 2020, the CARC said the airport saw a slight decrease in passenger traffic by 5%, as QAIA received about 1.518 million passengers, against some 1.597 million for the 2019 comparison period, announcing the airport also received 14,792 flights, compared to 14,764. (Petra 19.05)

5.4. Dutch Project to Support Jordanian Tourism Industry

The Jordan Tourism Board (JTB) announced that the Centre for the Promotion of Imports (CBI), an agency in the Netherlands funded by the Dutch Ministry of Foreign Affairs, has announced a project to support the Jordanian tourism industry for a period of four years.

The CBI will work together with the Ministry of Tourism and Antiquities of Jordan, the JTB, the Jordan Society of Tourism and Travel Agents (JSTA), the Jordan Inbound Tour Operators Association (JITOA) and other tourism related organizations. The project aims at improvements and changes that can be sustained by the sector itself beyond the end date of the project. This will be done through supporting the creation of a durable service delivery system in the sector, in which local market actors develop and provide services that are used by Jordan tour operators and other local stakeholders. These services will enable them to reach a larger amount of markets with a more diversified product offer whilst adhering to sustainability principles, the statement said.

One of the core principles of the project is that this sustainable support is done through technical support only and thus is not based on financial support. In this way the project, together with the private sector, undertakes activities and co-invests to create systemic change, according to the statement. (JT 18.05)

►►**Arabian Gulf**

5.5. FDI Inflows into UAE Jump by Over 44.2% to $19.88 Billion in 2020

The FDI inflows to the UAE grew 44.2% in 2020 to $19.88 billion as compared to 2019, despite the fallout of the COVID-19 pandemic which has taken its toll on the global economy, according to a report by the Ministry of Economy. The cumulative value of foreign direct investments inflows amounted to $174 billion,

a growth of 12.9% during the reference period. FDIs covered all economic platforms, primarily the Oil & Gas, considering the massive investment partnerships struck by the Abu Dhabi National Oil Company (ADNOC) with a number of foreign companies. The UAE has drawn FDIs for digital economy, including Artificial Intelligence, Internet of Things, blockchain, medical knowhow, augmented and virtual reality (AR and VR), robotics, self-drive automobiles, renewable energy, innovation, agritech, etc.

In terms of FDI outflows, they amounted to $9.2 billion and covered various vital economic sectors, including aviation, transportation, mining, renewable energy, real estate, construction, communication, oil & natural gas, traditional & renewable energy, logistics, ports and infrastructure, tourism, leisure, banking, and agriculture sectors. The Minister of State for Foreign Trade said the significant growth levels secured by the UAE in terms of FDIs are reflective of increased investor confidence in the country's investment ecosystem. (WAM 15.05)

5.6. UAE Commercial Companies Law Allows 100% Foreign Ownership

UAE Ministry of Economy announced that the amended Commercial Companies Law will come into effect on 1 June 2021, allowing foreign investors and entrepreneurs to establish and fully own onshore companies. The UAE government has recently adopted an amendment to the Commercial Companies Law allowing 100% foreign ownership of companies.

The Minister of Economy said the amended Commercial Companies Law aims at boosting the country's competitive edge and is a part of UAE government efforts to facilitate doing business. He added that the amendments introduced by the new Commercial Companies Law will boost the UAE's appeal as an attractive destination for both foreign investors, entrepreneurs and talents. It will further encourage the flow of investments to the country's vital economic sectors. (WAM 19.05)

5.7. Omanis Protest Unemployment in a Rare Show of Discontent

Groups of Omanis gathered to protest against unemployment in at least two cities on 24 May, authorities and activists said, the first show of dissent since the new sultan acceded the throne. A heavy presence of security forces, with convoys of military and police vehicles, could be seen, including where police forces fired tear gas and arrested demonstrators. The protests are the first to take place under Sultan Haitham, who took power in January 2020 after the death of long-ruling Sultan Qaboos.

The coronavirus crisis and low oil prices have battered state coffers. Oman has long had plans to reform its economy, diversify revenues and introduces sensitive tax and subsidies reform, but these dragged under the late Sultan Qaboos. His successor, Sultan Haitham, has introduced a series of reforms to try and make government finances sustainable.

Oman has seen demonstrations in early 2011 following the outbreak of revolts in the region. But unlike in Tunisia, Egypt and Bahrain, protests in the sultanate focused on jobs and alleged corruption, rather than political change. The labor issue is "one of the most important priorities" for the country's ruler, state-run Oman News said. (Various 24.05)

►►**North Africa**

5.8. Egypt's GDP Projected to Reach EGP 6.4 Trillion in FY 2020/21

Egypt's GDP is expected to hit EGP 6.4 trillion in the current FY 2020/2021, which ends in June, up from EGP 5.5 trillion in FY 2019/2020, Minister of Finance Maait said on 24 May. Maait attributed the expected

increase to the expansion in developmental investments. Maait said that Egypt is one of the countries that managed to curb its debt to GDP ratio, explaining that debt decreased by 20% over the last three years despite the repercussions of the coronavirus pandemic.

The economic reform program and the solid buffers it provides for the economy helped Egypt navigate through the ongoing crisis, he said. Global credit rating institutions maintained Egypt's credit rating with a positive outlook, which reflects the succession of Egypt's economic reform, the minister added. The procedures the government has adopted to rationalize spending over the past few years have resulted in attaining financial savings that helped the country avert economic contraction amid the crisis, resume the structural reform process, curb the inflation and unemployment rates, and replenish its international reserves to $40.3 billion by the end of April.

On 1 July, Egypt's FY 2021/22 budget will be rolled out with a total value of EGP 2.6 trillion, the biggest in Egypt's history. The new budget was drafted amid expectations that Egypt will restore its pre-pandemic growth and macroeconomic performance levels after the notable slowdown the country's economy is witnessing this fiscal year. According to the FY 2021/22 draft budget, Egypt's real GDP is expected to grow to reach 5.4%, after witnessing a slowdown in FY 2020/21 estimated at 2.8%, in light of the incremental recovery of Egypt's economy from the COVID-19 pandemic.

The state targets increasing the new budget's revenues through rising tax revenues by 18.3%, including EGP 297.1 billion in income tax revenues collected from non-sovereign bodies, excluding the CBE, Suez Canal and taxes from T-bills and T-bonds proceeds. The budget includes a targeted EGP 449.6 billion of value-added taxes, a growth of 17.2% compared to FY 2020/21. Property tax is projected to grow by 0.08% of GDP in FY 2021/22 to record EGP 5.6 billion. The government plans to raise customs tax by 12.3% to reach EGP 42.4 billion. It is also considering the collection of EGP 380.6 billion in FY 2021/22 from non-tax resources. (Various 24.05)

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5.9. Suez Canal Authority to Expand Lane After Blockage Incident

The Suez Canal Authority (SCA) announced on 15 May that it would widen the canal by 40 meters between the city of Suez and the Great Bitter Lake to the north. The project will also deepen the canal by 20 to 22 meters. Nearly 50 ships pass through the Suez Canal every day and an expansion would permit two way traffic in one section and more ships to pass through overall.

On 23 March, the "Ever Given," a 220,000 ton container ship, miscalculated its approach into a narrow portion of the canal and disrupted global trade routes until 29 March. Experts stated that the six day blockage would have a ripple effect causing disruption for months.   The incident held up nearly €8.2 billion in goods daily and cost global trade over €5 billion in total. The Suez Canal serves as the primary shipping lane between East and West Asia and Europe.

Egyptian President Abdel Fattah al-Sisi ordered the SCA to "immediately start implementing the proposed development plan and put in place a timetable for completion as soon as possible." The Ever Given serves as a prime example of the need for an expansion project as many other shipping companies have described the canal's narrow passageways as difficult to navigate. Currently, the SCA has detained the Ever Given and demands that its Japanese owner Shoei Kisen Kaisha must pay $916 million for damage and salvage costs. (Various 15.05)

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5.10.   Suez Canal Receipts Rise in April Following Ever Given Debacle

Suez Canal revenues rose almost 16% y-o-y in April, coming in at $551.5 million from the $476.2 million recorded during the same month last year, the Suez Canal Authority said on 20 May. The number of ships

passing through the Canal also rose by some 4.8% to 1,814 ships, compared to 1,731 during the same month last year, the authority said.

The rise in revenues from the Suez Canal — a key source of foreign currency that was already hit hard by the pandemic — came after the Ever Given mega container vessel blocked the waterway for six days at the end of March, causing the government to miss out on an estimated some $90 million in revenues. Receipts fell to $439.4 million during the month from $474.1 million in February. Suez Canal revenues were only fractionally below pre-pandemic levels in 4Q2020, coming in at $1.51 billion from $1.52 billion in the same period in 2019. (SCA 20.05)

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5.11. Sudan Gets $30 Billion Worth of Pledges to Cover Bilateral & IMF Debts

On 17 May, Sudan received a $30 billion lifeline in the form of debt cancellation and funding pledges from IMF members during a conference in Paris, kickstarting its debt relief program. France has pledged to cancel $5 billion of debts Sudan owes, while Saudi Arabia has said it will add another $5 billion and Norway $4.5 billion.

France has also promised to give Sudan a $1.5 billion bridge loan to help the country pay off its IMF debts — and will offer more if necessary, as Sudan seeks relief and assistance covering its external debt bill, which is put at almost $70 billion. Germany has also pledged to cover $110 million of Sudan's IMF arrears, and is offering over $470 million in bilateral debt assistance.

Sudan's IMF debt clearance paves the way for access to cheaper international funding under the IMF and World Bank's Highly Indebted Poor Countries (HIPC) scheme. The country has already cleared its debt to the World Bank and African Development Bank, but had needed to clear its debts to the IMF as well — in addition to implementing a number of economic reforms — in order to qualify.

For its part, Egypt will take part in an international initiative to clear Sudan's IMF debt by allowing Sudan to tap into Egypt's Special Drawing Rights quota at the IMF to settle its debts, President El Sisi said. (Various 18.05)

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5.12. Tunisia's Economy Shrank by 3% in the First Quarter of 2021

Tunisia's gross domestic product shrank 3% in the first quarter of 2021 from a year ago, the State Statistics Institute said, showing the impact of the coronavirus pandemic on the country's tourism industry. Tourism accounts for about 8% of Tunisia's GDP and is a major source of foreign currency. In the first quarter of 2020, Tunisia's GDP had contracted 1.7% from the same period a year earlier.

Tunisia, which has seen its debt burden rise and economy shrink by 8.8% last year in real terms, has started talks with the International Monetary Fund to seek a financial assistance package. The State Statistics Institute said that unemployment rates are at 17.8%, amid an unprecedented economic crisis in the country, which led to a record fiscal deficit of more than 11% in 2020. (Al Arabiya 15.05)

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5.13. Remittance Flows to Morocco Rose By 6.5% in 2020

The flow of remittances to Morocco rose to 6.5% in 2020, according to World Bank statistics. Overall, the remittance flows to the MENA region rose by 2.3% to approximately $56 billion in 2020. The increase is largely attributed to strong remittance flows to Egypt and Morocco. The data shows that remittances transfers to Egypt increased by 11% to a "record high of nearly $30 billion in 2020. Meanwhile, several countries experienced declines in remittances, including Djibouti, Lebanon, Iraq and Jordan.

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The figures show that the Moroccan diaspora significantly contributed to Morocco's economic outlook despite the COVID-19-induced economic crisis. Remittances from Morocco's diaspora increased by 41.8% for the first three months this year, according to the latest statistics from the Moroccan Foreign Exchange Office. The office's data show that remittances from Moroccans living abroad amounted to more than MAD 20.89 billion ($2.33 billion) at the end of March, compared to MAD 14.73 billion ($1.64 billion) during the same period last year. In total, remittances from the Moroccan diaspora stood at MAD 67.99 billion ($7.54 billion) in 2020. (WB 20.05)

5.14.   Morocco's Tourist Arrivals Drop by 78% with Revenue Losses at MAD 5.3 Billion

The first quarter of 2021 saw a 78% drop in tourist arrivals to Morocco, representing 230,000 tourists, compared to the same period in 2020, according to figures announced by Minister of Solidarity and Social Development El Moussali. El Moussali said that the decreased number of tourists was equivalent to Morocco losing MAD 5.3 billion ($601.71 million) in revenue from tourism, a drop of 69% on a year to year basis. Air traffic through Moroccan airports was also impacted, recording a 70% drop. The minister added that the drop in air traffic is forecasted to persist until 2023 with full recovery expected in 2024.

The senior official highlighted that the government signed a 2020/2022 contractual program to support and revive the tourism sector. The program aims to preserve jobs and the economic fabric as well as structurally transforming the tourism sector. The program includes several measures designed for classified tourism institutions, as well as travel agencies, tourist restaurants, local tour guides, and tourist transport owners. It also seeks to guarantee income sources for the tourism sector professionals and give access to social security, as well as facilitating and speeding up the revival of the sector by laying the foundations to develop a sustainable tourism sector. (MWN 18.05)

5.15.   Morocco Increases Import Duties on Wheat

On 12 May 2021, the government of Morocco announced the increase of customs duties on common and durum wheat. Starting on 15 May 2021, common wheat duties were raised from 0% to 135%, and starting 1 June 2021, durum wheat duties will be raised from 0% to 170%. The new duties will be applied until further notice. The decision is intended to protect local producers from foreign competition. (US FAS 23.05)

6.   TURKISH, CYPRIOT & GREEK DEVELOPMENTS

6.1. Cyprus' Economic Growth to Recover Gradually in 2021-22

Cyprus' economic activity contracted sharply in 2020 due to the COVID-19 crisis, albeit less than the EU average, but a 3.1% GDP rebound is expected this year, according to the EU Commission spring forecast. The tourism sector has been severely affected, while temporary income support measures cushion domestic demand and the labor market. Gradual recovery in economic activity is forecast for 2021 and 2022, driven mainly by domestic demand. The report notes that public finances deteriorated significantly in 2020 due to the crisis but are expected to improve in 2021 and 2022. The Commission recorded a recession of 5.1% in 2020 but GDP growth of 3.1% and 3.8%, respectively, for 2021 and 2022.

Domestic demand has been only partially mitigated by the temporary income support measures as private consumption fell by 3.9% in 2020 and investment by 2%. Exports of goods and services dropped by 12.4%, the latter reflecting the impact of travel restrictions on tourism.

Lockdown measures in Cyprus during the first half of 2021 and ongoing restrictive measures in the rest of the EU affecting tourism flows imply that a durable recovery is expected to occur in the second half of 2021.

Domestic demand is expected to be the main driver of the recovery, notably private consumption due to pent-up demand. Investment in construction is also expected to rebound as large-scale infrastructure projects continue, and new lending for housing has picked up since the third quarter of 2020. By contrast, demand for high-end residences is set to slow down following the abolition of the investor citizenship scheme.

Headline inflation is forecast to return to positive territory in 2021, at 1.7%, up from -1.1% in 2019. This is expected to be mainly driven by higher energy prices and higher prices of services and non-energy industrial goods. Inflation is expected to moderate to 1.1% in 2022. The general government deficit is expected to narrow to 5.1% of GDP in 2021, down from 5.7% in 2020. The deficit is assumed to narrow further to 2% of GDP in 2022 on the back of the continuing recovery of the economy and the withdrawal of COVID-19 support measures projected to reach 0.2% of GDP. (fm 12.05)

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6.2. Cyprus' Economy is Eurozone's Best Performer

Nicosia heralded its economic performance as the best in the Eurozone, with Finance Minister Petrides welcoming data showing Cyprus had quarterly GDP growth of 2% in Q1. According to Eurostat, only Bulgaria (2.5%) and Romania (2.8%) outperformed Cyprus in the EU for quarter-on-quarter real GDP growth, despite the pandemic. Cyprus' GDP in the first quarter of 2021 increased 2%, compared to the previous quarter (Q4/20), compared to a contraction of 0.6% in the euro area.

Previously, the Finance Ministry forecast GDP growth of 3.7% for 2020. The Finance Minister cited a stronger first quarter and the country's COVID-19 vaccination program for the upward revision.

First-quarter flash data showed an annual 1.6% GDP contraction compared with the same period last year. The fallout from the pandemic did not reach Cypriot shores until mid-March last year. A slower contraction of GDP in Q1 -1.6% is much improved from the initial estimate of the Finance Ministry. The island registered a 5.1% contraction in its economy last year.

Cyprus recently emerged from its third coronavirus lockdown, with President Anastasiades announcing a €4.4 billion stimulus package to create 11,000 jobs. (fm 18.05)

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6.3. Cyprus Annual Inflation Stands at 1.2% in April

Cyprus recorded 1.2% annual inflation in April on higher prices in clothing, footwear and transport, while in the European Union, the rate was 2%. Monthly inflation was 0.8%, and for the first four months, Cyprus recorded a slight deflation of 0.1%, according to the Statistical Service (CyStat). The Harmonized Index of Consumer Prices increased by 1.2% from -1.2% in April 2020, while, compared to March 2021, the HICP increased by 0.8%.

Since March 2021, the largest changes were recorded in Clothing and Footwear (5.3%), Housing, Water, Electricity, Gas and Other Fuels (3.7%). For January – April 2021, the largest price changes were Communication (-3.8%), Housing, Water, Electricity, Gas and Other Fuels (-3.4%). The biggest change across the annual and monthly indices was energy at 10.6% and 4.6%, respectively. (Cystat 19.05)

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6.4. Cyprus Brings Back Speed Cameras After 14 Years

Fourteen years after dismantling the national traffic camera network due to technical and legal hiccups, Cyprus will be installing the first speed cameras by the end of the year. New Jersey based Conduent State and Local Solutions, which signed a €34 million deal on in December 2020 for speed cameras, has

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submitted its final plan to the country's Electromechanical Services (EMS), which is to be approved by the end of May.

The project will be implemented in three phases will see 90 fixed cameras installed at 30 locations to monitor red light and stop sign violations. They will also be tracking for speeding motorists, while the police will deploy a further 20 mobile units in targeted campaigns or in rural areas. If all goes to plan, Conduent State will have six months to launch the system's pilot phase, starting with four mobile and four fixed cameras at one location, with the rest installed in two more phases. The next phase will see another 16 mobile and 20 fixed traffic cameras and the final phase will have the remaining 66 fixed cameras installed within a 12 month period. The program will be completed in about two years.

When Cyprus introduced speed cameras in 12 locations, road accidents were reportedly reduced by about 54%. As an EU member, Cyprus has adopted the European target of 50% reduction in road fatalities and 50% reduction in serious injuries within the decade 2021-2030. (fm 14.05)

6.5. Greek Retail Market Loses Over Half a Billion Euros in First Quarter

Figures released by the Hellenic Statistical Authority (ELSTAT) found that the latest lockdown cost Greece's retail commerce more than half a billion euros, with turnover sliding €559.44 million year-on-year in the first quarter, during most of which stores remained shut. Most stores opened only for the second half of January, plus a few days with the click-and-collect and click-in-store systems.

ELSTAT figures also confirmed the shifts in the country's commercial landscape, as besides supermarkets there was also a great increase in online commerce and in the computer hardware and software market. (ELSTAT 21.05)

7.   GENERAL NEWS AND INTEREST

*ISRAEL:

7.1. Israel to End Most COVID Restrictions on 1 June

Israel will end local COVID-19 restrictions on 1 June following a successful vaccine rollout that has nearly stamped out new infections, the Ministry of Health announced on 23 May. With the majority of the population having received the Pfizer-BioNTech vaccine, and about 92% of those aged 50 and older inoculated or recovered, Israel has been gradually reopening its economy after three lockdowns. Last week, the country reported just 12 new virus cases, down from a daily peak of more than 10,000 in January.

Curbs on higher-risk activities and limits on how many people can gather in a specific area remain, with a government-issued "Green Pass" that indicates immunity post-vaccination or recovery from COVID-19 allowing greater freedom. Health Minister Edelstein said that he will not be extending the arrangement, meaning the restrictions and the Green Pass system will be revoked from the start of June, following consultations with senior ministry officials.

Israel will continue to keep its borders closed to most incoming travel, although it has started to let in small groups of vaccinated tourists. The Health Ministry will also re-examine the requirement to wear face masks in closed spaces in two weeks. Edelstein said Israel's vaccination campaign was the most successful in the world thanks to the efforts of medical workers, Health Ministry officials, Magen David Adom and the of Israel's citizens. (Various 24.05)

*REGIONAL:

7.2. Jordan's HTU & Pennsylvania's Clarion Sign MoU for Academic Collaboration

In line with its strategic objective of expanding the network of partner universities worldwide, Al Hussein Technical University (HTU) entered into an agreement with Clarion University of Pennsylvania. The MoU was signed by both universities via Zoom on 17 May. The MoU aims to explore opportunities for collaboration in the creation of faculty, staff, and student exchange programs, sharing of academic materials and other relevant information, the development of joint research projects, and other educational programs and projects of mutual interest.

The MoU also agrees that both institutions develop various collaborative activities of mutual interest, such as student exchanges, academic and administrative personnel exchanges, developing research proposals and working jointly to seek extra-mural funding, in addition to conducting joint symposia, seminar/conferences, and workshops, and permitting HTU students to "stream" into CLARION courses, colloquia, and other learning programs.

Founded in 1867 as a public university in Clarion, Pennsylvania, Clarion University is one of 14 universities that are part of the Pennsylvania State System of Higher Education (PASSHE). It offers associate, bachelor's and master's degrees, post master's certificates and a doctoral degree. (Petra 18.05)

7.3. Egypt's Higher Education Ministry Inaugurates 1st Nanotechnology Faculty in Africa

On 24 May, Egypt's Minister of Higher Education and Scientific Research Khaled Abdel Ghaffar officially inaugurated a nanotechnology faculty – the first one in Africa and the Middle East. The new faculty is located at the Cairo University in Sheikh Zayed, 6th October, and will form the foundation of making Egypt a giant industrialized nation. The cooperation with the national educational and industrial institutions in this project is geared towards supporting the government's policy of the "2030 vision" initiative.

Furthermore, the president of Cairo University revealed that the establishment of this facility is a major step towards upgrading the academic institution to a third-generation university. The facility will play a role in many industries, including semiconductor manufacturing, medicine, pharmaceuticals, medicine manufacturing, dental treatment and human replacement parts.

In 2019, a proposal to inaugurate the Middle East's first-ever nanotechnology faculty for postgraduate studies at Cairo University was approved by the Egyptian cabinet. (See.News 24.05)

7.4. Turkey Second Worst Country in Europe for LGBT People

Turkey ranked the second worst country in the European Union for LGBT people, according the 2021 "Rainbow Europe" ranking compiled by Brussels-based NGO advocating for LGBT rights, ILGA-Europe. A total of 49 countries were ranked in the index, which factors in both the "social climate'' and the legal situation for LGBT people. Malta, Belgium and Luxembourg led this year's ranking with 94, 74 and 72%, respectively, while Monaco (11%), Russia (10%), Armenia (8%), Turkey (4%) and Azerbaijan (2%) occupied the bottom of the index.

The report highlighted incidents and campaigns of hate speech in Turkey targeting the group this year, with public figures "blaming LGBT people or gay men for the COVID-19 pandemic, and for spreading other illnesses.'' In April, the head of Turkey's Directorate of Religious Affairs, the country's top religious body, called on people to "oppose the illnesses and decay to lineage" brought on by the "evil" of homosexuality.

Earlier this year, Turkish Interior Minister Soylu called LGBT students at Istanbul's prestigious Boğaziçi University and LGBT community at large "deviants", while President Erdoğan has outright denied the existence of LGBT persons in the country.

Being LGBT has never been criminalized under the modern Turkish republic, but LGBT-focused events have been banned in the country since 2015, after the Istanbul Pride attracted some 100,000 participants in 2014. (Ahval 17.05)

7.5. Cyprus' Gender Gap in Politics Yet to Narrow

Cyprus has not closed the gender gap in politics, ranking 112 globally for female participation in parliament, as less than one in five MPs are women. According to a Research, Studies and Publications Service of the House of Representatives, just 19.6% of elected MPs are women. The study finds that Rwanda leads the board with 61.3% women MPs, followed by Cuba with 53.2% female representatives, Bolivia is third with 50%. Cyprus is just one spot behind Greece, where 20.7% of MPs are women.

Cyprus' ratio of women in parliament reached 22% as several men stepped down to take senior positions in the government or due to their involvement in the recent 'golden passports' scandals. The Gender Gap Report issued by the European Institute for Gender Equality earlier last year placed Cyprus a spot higher at 111th from 162 countries.

In the upcoming parliamentary election, of the record 651 candidates, less than a quarter (157) are women (24.1%), with just two small parties having female leaders. Considering the candidate lists of the two major political parties in Cyprus for the May elections, female participation is no more than 25%. Ruling DISY has 14 women from 56 candidates, while the main opposition party AKEL has 13 women on its ballot. Equally disappointing are the figures of women in the cabinet, with just three women holding one of the 16 government portfolios, less than one fifth. (fm 24.05)

8.   ISRAEL LIFE SCIENCE NEWS

8.1. SpliSense Secures $28.5 Million in Series B Financing

SpliSense closed a $28.5 million Series B funding round. Orbimed, Israel Biotech Fund, Biotel Limited, Integra Holdings and the Cystic Fibrosis Foundation participated in the round. Proceeds will be used to advance the Company's pipeline, including its lead Anti Sense Oligonucleotide (ASO) product, SPL84-23. SPL84-23, designed to treat the 3849+10kb C->T CFTR mutation, has demonstrated that it is able to completely restore Cystic Fibrosis Transmembrane conductance Regulator (CFTR) channel function in patient-derived cell cultures. The Company plans to initiate a Phase 1/2a trial in 2022.

CF is a genetic multisystem disorder that originates from various mutations in the CFTR gene, which is responsible for the production of the CFTR protein, a chloride channel expressed, among other systems, in the lungs. SpliSense utilizes short, precisely targeted proprietary RNA stretches called ASOs to correct various mutations in the CFTR mRNA. In particular, the ASO binds to the mutated CFTR RNA in the desired spot, leading to the elimination of the mutated region from the mRNA and allowing the cell to produce functional CFTR proteins. The ASOs are administered directly and preferentially to the lungs via inhalation where it is taken up by the lung cells and drive the production of corrected CFTR mRNA and eventually functional CFTR proteins. SpliSense utilizes proprietary algorithms to support the design of optimized ASOs, thereby maximizing efficiency and reducing the potential for undesired effects.

Jerusalem's SpliSense is a biopharmaceutical company focused on transformative mRNA-altering treatments targeting unmet needs in genetic pulmonary diseases. The Company's pioneering platform

harnesses ASOs for treatment of genetic diseases such as CF. SpliSense' pipeline includes innovative therapies in various development stages, from discovery to IND enabling studies. (SpliSense 13.05)

8.2. Nutritional Growth Solutions' Healthy Height Snack Bar Supports Growth in Children

Nutritional Growth Solutions introduced its Healthy Height® Snack Bar for supporting growth development in children in the US and Canada. The new, patented, science-based snack-bar line contains growth-boosting nutrients needed to fuel a child's growing body, including vitamins, minerals, protein, and amino acids. The Healthy Height® Snack Bar line comes in two flavors specifically designed to appeal to kids' palates, Cookies & Cream and Strawberry Cupcake.

The new Healthy Height bars are formulated with the same nutritional profile as the NGS patented shake range that is clinically proven to help increase growth development in children aged 3 to 9 years. It has been shown to help children grow in height and weight with 1-2 servings per day over a six-month period. Each bar is a single serving. (The bars are intended for use as supplemental snacks, and should not be considered as meal replacements.)

During the development stage, NGS invited kids 3-9 years old to taste samples of the bars in different flavors and textures, while providing feedback based on a set of predetermined criteria. The input received was extremely valuable and helped the R&D team finalize the great-tasting bars. The Healthy Height line is manufactured in a solar-powered facility, using a unique custom extruding process. Formulating and producing flavorful snack bars that meet the specific nutritional parameters of its existing patented shake mix was challenging. Some of the vitamins and minerals posed flavoring and color challenges. The vitamin C and iron were interacting in the bar and causing unfavorable color and flavor issues. To resolve this problem, the company utilized ingredients that would naturally add vitamin C and iron. The addition of acerola powder contributed the vitamin C and maca root powder contributed the iron.

Israel's Nutritional Growth Solutions is a global nutritional health company focused on the well-being of children. NGS develops, produces and market clinically tested nutritional supplement formulae for children following 20 years of medical research into pediatric nutrition at Schneider Children's Medical Centre, Israel's largest pediatric hospital. (Nutritional Growth Solutions 18.05)

8.3. CytoReason & Ferring Identify Inflammatory Bowel Disease Therapies Using AI

CytoReason announced a collaboration with Swiss multinational biopharmaceutical company, Ferring Pharmaceuticals, which aims to establish new treatment options for patients with inflammatory bowel disease (IBD). This is the first collaboration between the two companies, pairing Ferring's medical expertise with CytoReason's AI platform to build cell-centered disease models. CytoReason's use of computational models of the human body has the potential to help Ferring accelerate drug discovery while reducing costs. Leveraging an extensive library of both public and proprietary molecular data, CytoReason's technology allows scientists to gain critical information on the body's functioning, and to address diseases such as IBD at the cellular level.

Tel Aviv's CytoReason's computational model of the human body simulates human disease on a cellular level, minimizes the need for animal trials, and makes human trials more focused and accurate over time. With CytoReason's proprietary database and AI-led platform, pharma and biotech companies make data-driven decisions in a fraction of the time and cost. (CytoReason 19.05)

8.4. Lydus Medical Announces $2.7 Million Seed Round

Lydus Medical announced a $2.7 million Pre-A funding round, led by a leading US based strategic player with the participation of Sanara Ventures and existing shareholders. The funding will support the company's ability to accelerate FDA clearance while scaling product development and prepare for market entry.

Lydus developed, the Vesseal, a unique surgical device that enables precise, symmetrical and rapid connection of blood and lymph vessels of tiny diameters, ranging from 4.0 to 0.5mm, for complicated procedures, from breast reconstruction and lymphedema to bypass surgery and vascular access for hemodialysis. Lydus pipeline includes a diverse portfolio of products, all based on a patented invention. The funding round was led by the strategic player, together with additional investors Mor Research, Technion and Leon Recanati's private equity investment company, Glenrock, has joined this round as well as additional investors.

Founded in 2017, Ra'anana's Lydus Medical is developing a novel product line for automating the creation of small blood vessel anastomoses. The company's Vesseal is an automated microvascular suturing device that delivers a standardized, thread-only, omillioni-vessel anastomosis to enable simple, fast, safe and effective procedures. (Lydus Medical 24.05)

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8.5. ChickP Announces Strategic Asia-Pacific Initiative

ChickP Protein is expanding into Asia Pacific with the launch of a new office in Singapore. The strategic move is in response to the rapidly growing demand for plant-based products in the region. The new subsidiary will bring the start-up closer to its Asian customers to better support its community of enthusiastic plant-protein consumers.

Traditionally, chickpea is consumed as beans or ground into flour for infusion into a variety of foods and is esteemed for its nutritional value and versatility. ChickP's 90% chickpea isolate has unique functional and organoleptic qualities making it applicable for a full spectrum of food and beverage formulations. ChickP experienced a significant jump in demand for its chickP protein in the Asia-Pacific region. The new local office will include a warehouse to alleviate the logistical bottlenecks experienced throughout the pandemic era that slowed supplies to its APAC-based customers in 20 countries.

Founded in 2016, Rehovot's ChickP started commercial operations producing several types of chickpea protein isolates and chickpea starch to meet flourishing demands. (ChickP Protein 25.05

9. ISRAEL PRODUCT & TECHNOLOGY NEWS

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9.1. Vdoo's New Integrations Simplify Product Security Throughout Development Lifecycle

Vdoo revealed a series of new integrations designed to make it easier and more efficient for software developers to implement security at every stage of the CI/CD pipeline. Vdoo's new integrations support many of the most widely used development tools in the industry, including Jenkins, GitHub, GitLab, JFrog Pipelines and Azure Pipelines, helping developers seamlessly remediate vulnerabilities, achieve shorter release cycles and reduce security risk.

Vdoo's new integrations allow developers to automatically trigger security analysis and mitigation actions in the CI/CD process, providing actionable results in every interim and nightly build. Vdoo can identify known (CVEs) and unknown (zero days) issues in any artifact, including embedded systems, containers, server applications, mobile apps, and non-contextual single binaries. When vulnerabilities are identified, new tickets consisting of detailed, actionable mitigation guidance can be created with Vdoo's existing Jira integration, helping teams prioritize and track their progress in remediating open issues. This new set of

integrations joins Vdoo's REST API and command-line tools to be used in any current pipeline. Vdoo's REST API is available for all features, enabling users to integrate Vdoo into their automated processes throughout their CI/CD pipeline, repositories, and queries.

Founded in 2017, Tel Aviv's Vdoo is a global leader in the complex and increasingly critical product security space. With Vdoo, organizations can identify, prioritize, and mitigate a vast range of security issues. As the only automated platform that provides end-to-end product security, Vdoo helps development and security teams reduce time and effort while ensuring optimal product security. (Vdoo (13.05

9.2. Micro Focus & Spectral Deliver First Hybrid Engine That Finds & Blocks Coding Mistakes

Spectral announced a partnership with the UK's Micro Focus, one of the world's largest enterprise software providers. Spectral integration to Micro Focus' Software Partner Program for Technology Alliance Partners (TAP) heightens Micro Focus customers' ability to avoid costly coding mistakes.

Spectral develops a hybrid scanning engine that is designed to identify and protect against potentially harmful security errors in code, configurations and other artifacts. The tool integrates with a variety of popular development stacks and code repository managers including Github, Bitbucket and Jenkins. In as little as four minutes it can integrate with the repository managers and flag potentially dangerous configurations.

Tel Aviv's Spectral is a lightning-fast, developer-first cybersecurity solution that acts as a control-plane over source code and other developer assets. It finds and protects against harmful security errors in code, configurations and other artifacts. Spectral employs the first hybrid scanning engine, combining AI and hundreds of detectors, ensuring developers can code with confidence while protecting companies from high-cost mistakes. (Spectral 12.05)

9.3. Gaviti's Automated Accounts Receivables Collection Platform for Enterprises

Gaviti announced a new platform that automates the accounts receivables collection platform for large and medium enterprises. The SaaS platform creates a more efficient collection procedure and increases company cash flow.

The account receivables department faces an enormous challenge each day collecting payments for outstanding invoices from customers. Gaviti's automated A/R collections platform mitigates these issues by creating a streamlined workflow for accounts receivables, creating better communication with customers, reducing reserves and improving DSO by 30%. The Gaviti SaaS platform can integrate with any company ERP system and easily adapts to company workflow, so that customers can continue to use the same financial system they used before. The entire payment process – from creating the invoice until payment – takes place in the Gaviti automated A/R collections platform.

Petah Tikva's Gaviti is the leader in automated A/R collections for large and medium enterprises that creates a more efficient collection procedure and increases company cash flow. Gaviti's automated A/R collections platform streamlines workflow for accounts receivables, creating better communication with customers, reducing reserves, and improving DSO by 30%. The Gaviti SaaS platform can integrate with any company ERP system and easily adapts to company workflow, allowing customers to integrate the same financial system with the Gaviti platform. (Gaviti 12.05)

9.4. ControlUp Expands Portfolio of VMware Solutions to Monitor End User Connectivity

ControlUp announced an expanded portfolio to deliver on the promise of the work from anywhere digital experience on VMware Horizon virtual desktop environments. New visibility into end user connectivity, provides the essential data system administrators need to improve user satisfaction and productivity wherever they work.

The ControlUp digital experience monitoring and optimization platform gives IT flexibility and control, making it possible for them to monitor Horizon virtual desktops and applications, and the Horizon infrastructure, whether on-premises or in the cloud. The solution delivers out-of-the-box automation and remediation workflows that reduce the time, effort, and cost involved in identifying, troubleshooting, and remediating VDI issues. ControlUp combines information retrieved from VMware Horizon's API, providing deep visibility into the entire virtualization stack, including hosts, storage, network, and user sessions.

Headquartered in Silicon Valley with R&D in Rishon LeZion, ControlUp's Digital Employee Experience management platform gives IT increased visibility and control over employees' digital experience, no matter where they work—in the office, from home or on the road—or the type of workspace they use: virtual, physical or cloud. ControlUp analytics harnesses anonymous operational metadata from thousands of organizations to help IT and help desk teams make informative, data-driven decisions. (ControlUp 12.05)

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9.5. Buildots Releases First AI Powered Mobile Control Room for Construction Sites

Tel Aviv's Buildots, the AI construction tech start-up, announced the release of the first mobile "control room" to give project managers access to critical information on the go. Buildots provides construction companies with an end-to-end solution that allows full control of every activity on the construction site. Buildots' AI algorithms automatically validate images captured using hardhat mounted 360-degree cameras, to detect any gaps between plans, scheduling and the reality on the construction site.

The new app allows managers to access the critical data during site walks, without the need for internet access or GPS, driving more value from each site visit. The app provides up-to-date information on any visited area, including latest progress reports, delays and issues, allowing managers to respond to problems faster, saving time and reducing costs. With the introduction of Buildots' app, project managers gain on-the-move access to a fully digitized construction control room of the project.

The iOS app for tablets is designed to function properly even in environments with limited-connectivity, supporting an offline mode with actions performed in the app being updated in Buildots once a network connection is re-established. Buildots computer vision AI is highly accurate and can detect and analyze every element including an electrical outlet, window, vent or more, validating it against the project schedule and designs. (Buildots 12.05)

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9.6. Fuse Network Launches Fuse Cash, a Stable Coin Wallet for the Masses

Leading, payments-focused blockchain player Fuse Network has announced the public launch of its consumer-facing mobile wallet Fuse Cash. The intuitive, blockchain-native wallet allows anyone to create an account using a phone number. Users are then able to load money into their digital wallet via credit card or bank transfer. Deposits are converted into FuseDollar (fUSD), a USD-pegged stable coin that is fully-backed by USD Coin (USDC).

As well as being able to send money to anyone, anywhere in the world 24/7/365 with zero fees, users are also able to trade their FuseDollar for other digital assets thanks to a unique, in-app swapping function. Assets available for swapping within the app include Fuse (FUSE), Ethereum (ETH), Bitcoin (BTC), The

Graph (GRT), Kyber Network Crystal (KNC), Chainlink (LINK) & GoodDollar (G$). More assets will be added with user demand and in collaboration with token projects that partner with the Fuse ecosystem.

The combination of feeless payments, easy to use bank to wallet deposits and in-app crypto swaps makes Fuse Cash one of the most innovative gateways for ordinary people to access decentralized finance (DeFi). Adding to this ease of use, users will soon also be eligible to earn 5% APR simply by holding FuseDollar in their Fuse Cash wallet. In order to supercharge Fuse Cash adoption, credit card and bank transfer depositing fees have been waived for a limited time.

Tel Aviv's Fuse Network is a project and ecosystem featuring a fast and low-cost Ethereum-compatible blockchain and a robust plug-and-play mobile-centric crypto payment infrastructure. Fuse Cash is available for download on both Android and iOS. (Fuse Network 12.05)

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9.7. Sapiens Launches BotConnect & LiveConnect DigitalSuite Components

Sapiens announced the launch of its latest release Sapiens BotConnect – a powerful AI enabled, NLP trained chatbot module, and Sapiens LiveConnect, which enables bot conversations to be escalated to live agents when needed, across multiple interaction channels and methods. Sapiens' latest digital release is designed to help insurers exceed expectations and imperatives, as the demand for improved customer engagement continues to reshape the insurance industry. Sapiens BotConnect and LiveConnect can deliver personalized and contextual, on-demand interactions enabling carriers to differentiate business strategies, keep pace with innovation, and set themselves apart from their competition.

These two powerful modules enable insurers to have enhanced, meaningful conversations and seamless handoffs between AI enabled bots and live agent engagement. The advantages of tailored, personalized experiences are numerous, especially when combined with the added benefits of daily process automation, operational efficiency and the ability to engage with multiple customer segments, across multiple channels.

Holon's Sapiens International Corporation empowers insurers to succeed in an evolving industry. Sapiens offers digital software platforms, solutions and services for the property and casualty, life, pension and annuity, reinsurance, financial and compliance, workers' compensation and financial markets. With more than 35 years of experience delivering to more than 600 organizations globally, Sapiens has a proven ability to satisfy customers' core systems, data and digital requirements. (Sapiens 12.05)

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9.8. RADA's Network of C-RAM Radars is Saving Civilian & Military Lives

RADA Electronic Industries was awarded by the Israel Defense Forces (IDF) for its Sense & Warn network of Counter-Mortars, Artillery and Rockets (C-RAM) radars immediately after the Protective Edge operation back in 2014. The network of radars covers the entire Gaza Strip, is in full operational use for quite a while, and demonstrates its utmost value during the current ongoing hostile activities. The radars only detect the short-range mortars and rockets which are being shot at villages, cities and military bases, and provide the adequate alerts and interception times.

RADA also clarifies that its recent operations have not been affected by the recent rocket attacks from Gaza on Israel. The Company continues to work with no interruptions at its Israeli and US facilities. In addition, RADA has built enough inventory level, such that any potential delays in shipments to Israel are not expected to impact any planned deliveries for the coming quarters.

Netanya's RADA is a global defense technology company focused on proprietary radar solutions and legacy avionics systems. The Company is a leader in mini-tactical radars, serving attractive, high-growth markets, including critical infrastructure protection, border surveillance, active military protection and counter-drone applications. (RADA 16.05)

9.9. Valens Provides Connectivity Solution for Premium Infotainment System

Valens announced that its VA6000 chipsets are integrated in the Mercedes-Benz S-Class, launched in September of last year. This marks the first multi-gigabit symmetric link in the world to be deployed in mass production, and the only multi-gigabit technology over unshielded wiring for in-vehicle connectivity.

The VA6000 chips are the highest bandwidth long-reach solution deployed in vehicles for flexible ethernet-based infotainment and telematics systems architectures, including head units, multimedia boxes, and smart antenna connectivity. The VA6000 integrated circuit aggregates USB, Ethernet, Audio and Serial Control signals, for a total bidirectional bandwidth of 1.5Gbps, over a single unshielded twisted pair cable with a length of up to 15 meters (50 feet), and up to four inline connectors. Valens is already working on the next generation of symmetric connectivity solutions, which will be streamlined chipsets optimized for specific automotive use cases. Both companies, Valens and Mercedes-Benz AG take advantage of the joint collaboration to empower future cars with unique connectivity solutions.

Tel Aviv's Valens is a leading provider of semiconductor products, pushing the boundaries of connectivity by enabling long-reach, high-speed video and data transmission for the Audio-Video and automotive industries. Valens' Emmy award-winning HDBaseT technology is the leading standard in the professional Audio-Video market with tens of millions of Valens' chipsets integrated into thousands of HDBaseT-enabled products. Valens Automotive is a key enabler of the evolution of autonomous driving, providing chipsets that are on the road in vehicles around the world. (Valens 18.05)

9.10. BigID Expands Data Management with Retention for the Cloud and Data Centers

BigID announced the BigID Data Retention App available through its BigID App Marketplace, designed to enable and automate policy-driven retention management across the enterprise. Built on BigID's extensible app framework, the data retention app empowers organizations to manage data retention across all of their data to reduce risk, achieve compliance, and automate data lifecycle management. Customers can now get the Data Retention App on BigID's App Marketplace - and extend their data security, privacy, and governance capabilities all in one platform.

Tel Aviv's BigID's data intelligence platform enables organizations to know their enterprise data and take action for privacy, protection and perspective. Customers deploy BigID to proactively discover, manage, protect and get more value from their regulated, sensitive, and personal data across their data landscape. BigID has been recognized for its data intelligence innovation as a 2019 World Economic Forum Technology Pioneer, named to the 2020 Forbes Cloud 100, a Business Insider 2020 AI Startup to Watch, and an RSA Innovation Sandbox winner. (BigID 18.05)

9.11. US DoD Contracts with XTEND for a New Small Unmanned Aircraft System

The US' Department of Defense' Assistant Secretary of Defense for Special Operations / Low Intensity Conflict (ASD SO/LIC), Irregular Warfare Technical Support Directorate (IWTSD), in partnership with Israel's Ministry of Defense, Directorate of Defense Research & Development (Ma'fat), has contracted with revolutionary telepresence platform, XTEND, for a new hyper-enabled small Unmanned Aircraft System (sUAS) product, called "SKYLORD XTENDER", beginning in 2020. The initiative will deliver multiple, tactical sUAS platform prototypes to – U.S. Department of Defense tactical units for Operational Testing and Evaluation (OT&E).

SKYLORD XTENDER provided a unique, human-centric 'machine interface technology' that enables operators and first responders to remotely intervene in dangerous situations, from a safe distance, via drone

by virtually 'sitting inside' the small sUAS. This "future-is-now" technology reduces the need for humans to physically interact with a dangerous environment, while still extending themselves into the action. The SKYLORD XTENDER platform allows any operator with little or no flight experience to perform specific remote tasks in complex environments. This feature eliminates and prevents unnecessary dangers to humans. Other capabilities include approaching a target site from any location, performing recon and data collection tasks with extreme accuracy, and seamlessly exit the danger zones, agnostic of any indoor-outdoor transition limitations.

Tel Aviv's XTEND is the innovative provider of human-guided autonomous drone systems for the defense and national security markets. Its disruptive drone operating system incorporates cutting edge XR technology and machine learning flight algorithms that allow precision interaction within complex indoor and outdoor environments. (XTEND 18.05)

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9.12.   Datumate Introduces Groundbreaking Automated, Digital Grade Checking Capabilities

Datumate released its unparalleled automated, digital grade checking capabilities. The DatuBIM Construction Data Analytics platform now transforms 2D designs into digital data model objects, calculates grade checking reports, and further automates progress monitoring. This entirely digital process significantly reduces work, prevents human error, saves professional resources, and ends the construction companies' dependence on several software tools to perform these frequent reports. DatuBIM's new capabilities cut down office work for grade checking by approximately 70% on a typical elongated infrastructure project.

DatuBIM now turns the traditional, manual grade checking into a fully digital and automated process, all done in a single platform, with fast turnaround and no additional office work. With the new digital grade checking capabilities, customers can upload all their 2D designs (horizontal alignment, vertical profile and cross-sections) to DatuBIM. The platform automatically generates a 3D virtual design model as a digital data model object for comparison and analysis. Comparing to either imported survey points or as-built 3D site models created by the platform, DatuBIM analyzes and delivers grade checking reports automatically on the desired area with a click of a button by the foremen, construction managers, or civil engineers.

Utilizing big data analytics, machine learning, state-of-the-art computer vision, and drone and camera technologies, Yokneam's Datumate offers a project management solution for the infrastructure construction industry. DatuBIM improves project management and accelerates project delivery through continuously updated, drone-based 3D models of the construction sites. Automatic model generation and insightful analytics drive transparency, accountability & efficiency of all teams involved. DatuBIM enables data-driven, faster, and collaborative decision-making, tracks project progress and helps optimizing project management. (Datumate 18.05)

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9.13.   Aquarius Engines' New Hydrogen Engine Overcomes Fuel Cell Shortcomings

Rosh HaAyin's Aquarius Engines have unveiled a new hydrogen engine that may make reliance on both hydrogen fuel-cells and fossil fuel a thing of the past. The tiny 10kg machine is based on the same technology as their original patented single-piston-linear-engine but operates exclusively on hydrogen. As governments around the world prepare to eliminate fossil fuels; Aquarius Engines has successfully tested a viable replacement to the traditional combustion engine that operates on hydrogen. The new Aquarius Hydrogen Engine's lightweight design and unique internal-gas-exchange-method would greatly reduce emissions and lower the global carbon footprint.

Aquarius Engines waited to unveil the new hydrogen engine until after successful third-party tests were conducted by the world-renowned Austrian engineering firm AVL-Schrick. The tests demonstrated that a modified version of the original Aquarius Engine can fully operate on Hydrogen.

The Fortnightly may also be found at: https://atid-edi.com/category/fortnightly/

The 10 kg Aquarius Engine was invented in 2014 and is designed to be used as an onboard power generator in a vehicle or as a stand-alone electricity generator. Unlike most conventional engines that are made of hundreds of parts, the Aquarius Engine has just twenty components and one moving part. The lightweight streamlined design makes it inexpensive and highly efficient with minimal need for maintenance, compared to traditional engines. (Aquarius Engines 18.05)

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9.14.   Sizer Technologies Partners With Wacoal to Launch First of its Kind Bra-Fitting App

Sizer Technologies is partnering with the UK's Wacoal, the leading North America intimate apparel brand, with the launch of their industry-first solution, the mybraFit app. The first of its kind, Wacoal's mybraFit is AI-powered with Sizer's patented measurement technology, which determines breast measurements with extreme accuracy. Those measurements are then integrated into Wacoal's sizing algorithm to deliver a bra size recommendation.

Simply using the front-end camera of any smartphone or tablet, the app is extremely easy to use, with a quick measuring process completed within just two minutes. During the measuring process, the user is guided to perform a few simple poses as they interact with the application, during which time a series of images are taken from different angles that help determine exact body measurements. With safety and security having been prioritized at every level of development, this application does not save or store the user's images following the measurement process.

Herzliya Pituah's Sizer offers powerful, convenient, and friendly body measurements solutions, empowering our partners, to leverage valuable sizing-data, improving their offering and service. The patented Sizer body measuring solution captures user's body measurements and translates them into highly accurate size recommendations. Companies around the globe trust Sizer to help them solve the customer friction of incorrect fit. With Sizer, customers experience improvements in their daily operations and massive savings in time, costs and returns. (Sizer 19.05)

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9.15.   Vayyar Releases World's First MIMO Single-chip "XRR" RFIC

Vayyar Imaging has launched the world's first multi-range "XRR" chip, a single RFIC with a range of 0-300m, designed for passenger cars, trucks and motorcycles. Supported by a 48-antenna MIMO array, the leading-edge platform provides radar imaging with unprecedented accuracy for numerous safety applications, without the need for external processors.

Vayyar's XRR chip – AEC-Q100 qualified and ASIL-B compliant - is unmatched in terms of range, resolution, and performance. With an ultra-wide field of view and rich 4D point cloud imaging, it delivers unprecedented multi-functionality on a single-chip platform, supporting dozens of Advanced Driver Assistance Systems (ADAS), Advanced Rider Assistance Systems (ARAS) and autonomy features. This eliminates the need for multiple, costly vehicle sensors and reduces costs, complexity, hardware, software, power consumption, wiring and integration efforts.

Affording a range of 0-300m, the multi-range XRR chip differentiates between static obstacles such as dividers, curbs and parked vehicles, and between different types of VRUs, moving vehicles and other hazards. In low-speed environments such as parking lots, the XRR chip's uSRR and SRR sensing supports advanced parking assistance, scanning the vehicle's surroundings for pedestrians and obstacles. On the open road, MRR and LRR capabilities facilitate a variety of ADAS and autonomy applications such as Lane Change Assist (LCA), Adaptive Cruise Control (ACC), Blind Spot Detection (BSD), Collision Warnings (fCW/rCW), Cross Traffic Alerting (CTA) and Autonomous Emergency Braking (AEB).

Tel Aviv's Vayyar's intelligent sensors create holistic safety opportunities for in-cabin and ADAS, using automotive-grade 4D imaging radar technology. The 'fourth dimension' refers to the ability to capture movement, time and speed. At the core of these sensors is a high-performance Radar-on-Chip that supports up to 48 transceivers for exceptional resolution. With an ultra-wide field of view, Vayyar's 60 GHz and 79 GHz single-chip radar modules cover large areas to reduce the number of sensors in vehicles. They provide comprehensive detection in and around the vehicle, while simultaneously tracking multiple targets and objects. (Vayyar 19.05)

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9.16. Cellebrite Unveils New Pathfinder Release

Cellebrite announced the launch of the latest version of Cellebrite Pathfinder, its flagship investigative analytics solution achieving significant milestones in data analysis, enterprise readiness, scalability and process performance. Pathfinder uses AI and machine learning to enable investigative units to process digital data efficiently and effectively with advanced filtering, categorization, tagging and analyzing capabilities. Designed to quickly uncover and surface leads, Pathfinder identifies new insights and connections throughout the investigation.

Pathfinder 8.6 now ingests data from a broader range of sources including mobile phones, computers, CDRs and more. Investigators and analysts can automate data processing and intuitively query structured and unstructured data to find the answers they need in easy-to-understand formats. The new release also provides enhanced capabilities for agencies to collaborate between units and outside agency partners.

Petah Tikva's Cellebrite's mission is to enable its customers to protect and save lives, accelerate justice, and preserve privacy in communities around the world. They are the global leader in Digital Intelligence solutions for the public and private sectors, empowering organizations in mastering the complexities of legally sanctioned digital investigations by streamlining intelligence processes. (Cellebrite 19.05)

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9.17. Flamingo Scooters Partners with Trailze for Turn-By-Turn Navigation

Flamingo Scooters, the leading New Zealand-based micromobility operator, is partnering with Trailze to offer an integrated navigation experience to its riders.

Micromobility is surging in cities around the world, powered by operators offering convenience and ease of use, embraced by riders who value speed and efficiency, and encouraged by cities desperate to sustainably free up their streets and reduce air pollution. However, many are still worried about the safety of riding bikes and scooters, with at least 37% citing safety as a major challenge. Cities are also increasingly prioritizing safety, scoring operators on how safe their services are when deciding which operators will be granted a permit.

Trailze patented technology offers the safest routes, prioritizing the use of bike lanes and traffic-calmed streets, and taking into account new bike lanes–including "pop-up" lanes that many riders may not be aware of. Flamingo and Trailze are set to transform the ride experience for Flamingo's current riders, and attract many potential customers who are currently hesitant to switch from cars to micro vehicles.

Tel Aviv's Trailze is a global leader in micromobility navigation solutions. Trailze offers a comprehensive suite of navigation and geolocation services that can be instantly integrated into any location-aware app or service. (Flamingo 19.05)

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9.18.   Gilat Awarded Over $4 Million in Orders for Support of Low Earth Orbit Constellation

Gilat Satellite Networks received orders of over $4 million for support of gateways of Low Earth Orbit (LEO) constellations. Gilat's subsidiary, California based Wavestream, was chosen as the vendor of choice to supply Gateway Solid State Power Amplifiers (SSPAs) to a leading satellite operator to support the LEO constellation gateways. The orders were received as part of the previously announced contract.

Wavestream is proceeding according to plan with delivery of orders for its Gateway-Class PowerStream 160Ka SSPAs, designed specifically for networks using wide bandwidth uplinks and high order modulation schemes. Wavestream's SSPAs were selected because of their best-in-class technical performance and their unmatched reliability in harsh environments, best addressing the stringent requirements of Non-Geostationary Satellite Orbit (NGSO) constellations installed in remote locations.

Petah Tikva's Gilat Satellite Networks is a leading global provider of satellite-based broadband communications. With 30 years of experience, we design and manufacture cutting-edge ground segment equipment, and provide comprehensive solutions and end-to-end services, powered by their innovative technology. Delivering high value competitive solutions, our portfolio comprises of a cloud based VSAT network platform, high-speed modems, high performance on-the-move antennas and high efficiency, high power Solid State Amplifiers (SSPA) and Block Upconverters (BUC). (Gilat 20.05)

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9.19.   Walnut Launches World's First Sales Experience Platform

Walnut announced the launch of the world's first Sales Experience Platform. The Walnut Sales Experience Platform delivers B2B prospects a cohesive experience that helps them better understand how a product meets their needs. From the company side, by tracking the prospect's journey and collecting interaction data, the Walnut platform provides sales teams with valuable insights on the pains their prospects face, and provides insights on how to solve them. Among other notable features, the new platform enables sales and marketing teams to embed a self-guided product experience on their website, allowing their prospects to discover the product at early stages.

In Addition, Walnut has upgraded its demo management infrastructure, empowering sales teams to scale better and share knowledge. The company's previous release, the Demo Editor that enables sales teams to create customized and interactive product demos code-free, has been significantly upgraded. It now enables sales teams to create demo templates in order to scale their sales process. Other new releases include collaboration tools for sales teams and prospects, enabling easy knowledge sharing between the seller and buyer as well as internal communication within the buyer's organization.

Tel Aviv's Walnut is a first-of-its-kind platform that makes the sales demos process seamless and automated. Walnut's solution eliminates the need for back-end teams and streamlines the process by placing full control back in the hands of the sales team. By collecting insights and critical data, sales teams can now focus on the exact needs of their prospects, significantly improving their prospects' experience. (Walnut 20.05)

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9.20.   env0 Unveils Intelligent Cost Estimation to Predict and Better Manage Cloud Costs

env0 announced the ability to estimate cloud automation costs in advance of Terraform, Terragrunt and Infrastructure as Code deployments in AWS, Azure, GCP and other cloud environments. With the launch of env0 Cost Estimation, DevOps engineers are now able to receive an accurate representation of IaC automation deployment expenses prior to orchestration.

env0 Cost Estimation introduces several capabilities, including cost estimation during deployment, which goes beyond real-time cost monitoring to forecast how much each deployment being planned will cost prior

to execution. To enable the feature, the software integrates Infracost open-source cloud estimation software to notify DevOps engineers when changes are made to the IaC platform (Terraform, Terragrid, etc.) and provides expected increases/decreases based on orchestration parameters. When combined with env0's industry-first built-in actual cost capability, it provides a holistic picture of budgetary requirements, both before and after deployments.

Tel Aviv's env0 automates and simplifies the governance of cloud deployments for Terraform, Terragrunt and IaC frameworks, offering a collaborative remote-run workflow management. Their powerful solution addresses the need for provisioning and compliance of changing cloud resources. env0 enables users and teams to jointly share configuration templates using remote state file storage to prevent drifts and accelerate code deployment. env0 fully integrates with CI/CD pipelines and VCS tools and delivers full CLI support to ensure a smooth, flawless process. (env0 25.05)

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9.21.   Enefit VOLT Transforms into a New Charging Network Using Driivz Technology

Enefit VOLT, the largest electric vehicle fast charging network in Estonia, selected Driivz, the leading EV charging and energy management software platform provider, to optimize its network operations and provide excellent EV charging experiences to EV drivers. Enefit VOLT acquired the nationwide charging station network from the government of Estonia. The network was operated using out-of-date EV charging management software from 2013. The chargers weren't networked and weren't compatible with industry standards; they frequently failed, and the driver charging experience was generally poor.

Enefit VOLT provides smart electric car charging services to homes, businesses, and car parks. Estonia has been promoting electric vehicle adoption for almost 10 years, and legislation requires that Enefit VOLT provide charge points no further than 60 km apart across the entire country.   To achieve operational excellence and ensure charger availability and stability, Enefit VOLT uses the Driivz operator portal, which provides 360-degree visibility and insights about the entire charging network, drivers, and vehicles. The information allows everyone from field engineers to call center operators to make real-time decisions. Analytics-driven insights from the dashboard allow management to determine the next areas of focus.

Tel Aviv's Driivz is the leading global software supplier to EV operators and service providers, accelerating the plug-in EV industry's dynamic and continuous transformation. The company's intelligent, cloud-based platform spans EV charging operations, energy management, advanced billing capabilities and driver self-service tools. Driivz's platform manages hundreds of thousands of EV chargers in North America, Europe, and APAC, used by over 800,000 EV drivers. (Driivz 25.05)

10. ISRAEL ECONOMIC STATISTICS

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10.1.   Israel's CPI Rises by 0.3% During April

Israel's Consumer Price Index (CPI) rose 0.3% in April 2021, the Central Bureau of Statistics reports, well below the pundits' forecasts of 0.6%. Since the beginning of 2021, Israel's CPI has risen 1.1% and over the past 12 months, the CPI has risen 0.8%. The relatively low inflation figure for April strengthens the Bank of Israel's belief that inflation has stabilized at between 1% and 2.5% annually. According to the most recent statement by Bank of Israel Governor Yaron, it would take a real 'jump' in inflation to change policy. It seems that the Bank of Israel was right and the 0.6% rise in the CPI in March was a temporary aberration.

There were significant price rises in April in fresh fruit and vegetables 3% and clothing and footwear (2.8%), and food (0.7%) and significant price falls in communications (1.2%). The housing prices index, which is separate from the CPI, continued to rise in the period February-March, in comparison with January-February, climbing by 0.8%. Housing prices have risen 4.5% over the past 12 months.

The Fortnightly may also be found at: https://atid-edi.com/category/fortnightly/

During February-March compared with January-February, housing prices in in Central Israel rose 1.2%, in the north prices rose 1.1%, in the south prices rose 1%, in Tel Aviv 0.6%, in Haifa 0.2%, while prices fell in Jerusalem 0.3%. Over the past 12 months prices have risen 6.6% in the south, 5.7% in the north, 5.3% in central Israel, 3.7% in Tel Aviv, 3.2% in Haifa, and 0.8% in Jerusalem. (CBS 14.05)

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10.2.   Israel's Composite State of the Economy Index Rises in April

The Bank of Israel's Composite State of the Economy Index for April increased by 0.25%, in view of the cancellation in recent months of most restrictions for dealing with the COVID-19 pandemic and the resulting expansion of economic activity. These changes were made possible due to progress in the vaccination campaign that began in Israel in December 2020 and has succeeded in greatly lowering morbidity and infection. As a reflection of the continued broad reopening of businesses (other than the incoming tourism industry), the job vacancy rate jumped in April to a record high for this indicator for the second consecutive month.

Beyond the job vacancy rate, the Composite Index for April was positively affected by increases in almost all components: the import of consumer goods (April), goods exports (April), the Industrial Production index (March), the services revenue index (March), the retail trade revenue index (March), employee posts (February), and services exports (February). In contrast, the import of manufacturing inputs (April) declined, which had a negative impact on the index.

In view of the uniqueness of the crisis and the resulting measurement difficulties, the changes in the Index should not be used as an indicator of the precise intensity of changes in economic activity, and particularly not regarding the relative intensity between various months. (BoI 25.05)

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10.3.   Israel's Economy Unexpectedly Shrank by 6.5% During the First Quarter

Israel's GDP unexpectedly contracted by 6.5%, on an annualized basis, in the first quarter of 2021, according to the initial estimates by the Central Bureau of Statistics. The disappointing data were influenced by the third lockdown, which began at the end of December and continued into February, and the sharp fall in car imports. Without the fall in car imports, due to taxation changes, the GDP contracted by only 2.5% in the first quarter on an annualized basis.

Private consumption contracted in the first quarter by 3.2% on an annualized basis but without the sharp fall in consumption of durable goods (mainly the 86% fall in vehicles), private consumption grew by 7.2%. (Globes 18.05)

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10.4.   Unemployment in Israel Falls to 5%

On 24 May, the Central Bureau of Statistics announced that Israel's unemployment rate has fallen to 5% in April. This announcement portends the 10% reduction of state unemployment benefits. The cut will start to apply from the benefit payment to be paid on 12 June. Under the law, if the unemployment rate falls below 7.5%, then unemployment benefit payments end thirty days later. The percentage of employees temporarily absent form wok each week for reasons connected to COVID-19, together with the unemployment rate reached 7.9% in the second half of April. In total, there were some 450,000 people out of work in April (10.6% of the workforce), including employees laid off or who resigned, workers on unpaid leave, and people without work who for various reasons were not looking for work.

As against the board measure of unemployment, which stands at over 10%, the number of jobs vacant rose by 10% in April to 130,000, which compares with less than 100,000 before the coronavirus pandemic

The Fortnightly may also be found at: https://atid-edi.com/category/fortnightly/

started. A similar phenomenon is observable in many developed countries - employers who can't find workers.

The private sector is not managing to man many jobs because of the law on leave without pay, which represents a negative incentive for workers on unpaid leave to return to work. A similar phenomenon in the US led to a rise in wages. Something similar may happen in Israel, if in a more limited way, until the law is abolished or its scope is reduced. It could also be that there is a mismatch between the workers who became redundant during the coronavirus period and the jobs that are vacant, and perhaps workers' order of priorities has changed. (CBS 24.05)

10.5.   S&P Affirms Israel's Credit Rating

Despite the Hamas attacks on Israel, Globes reported that international rating agency S&P has affirmed Israel sovereign rating at AA-, with a stable outlook. S&P sees Israel's net government debt rising in the coming years from 71% to 76% of GDP.

S&Ps report states that an assumption underlying Israel's high credit rating is that a cease-fire would eventually take hold as it has in previous flare-ups. It points out that in the past these have been short and have not had any lasting effect on the Israeli economy, although it also says that the risk is higher this time because of the social unrest within Israel.

On the political uncertainty in Israel and the lack of a state budget, S&P states that these things too have not materially affected the economy. On the positive side, S&P mentions the vaccination campaign in Israel and its contribution to the recovery of the economy from the effects of the coronavirus pandemic. The main negative factors affecting the credit rating cited by S&P are geo-political risks, the high debt burden, and political instability. S&P sees a rapid recovery by the Israel economy this year, with GDP growing by 5%, on the assumption that the security tension abates. (Globes 18.05)

11. IN DEPTH

11.1.   ISRAEL: Comptroller Report Says Israel Must Encourage Competition in Food Industry

On 18 May, the State Comptroller's Report said the Israel Competition Authority must take more steps to remove barriers to competition in the food industry and lower the cost of living. It said Israel's food market is over-concentrated compared with other markets around the world. The 10 largest food suppliers hold a combined share of about 54% of the entire food industry and consumer-products sector. Four of them have shares of more than 10% in several categories in the food industry, such as meat, milk and fish. However, no player has been declared a monopoly in more than 20 years.

The Health Ministry's National Food Service control procedure for importing food is cumbersome and lengthy, the report said. The costs of the regulatory burden for importers skyrocketed by an average NIS 55,000 per year following the 2016 "cornflakes reform," which was intended to increase food imports, when the process became 60 to 90 days longer.

Meanwhile, a major proportion of the significant importers who have won quotas are also large domestic producers or retailers. In addition, tariff reductions and the opening of duty-free quotas in the years 2016-2020 have mostly not been passed on to the consumer. For example, the opening of a duty-free quota for raisins in May 2018 resulted in a decrease of only 2.2% in their price, the report said.

The period of time for the Agriculture Ministry to process a request for plant imports, including for the risk assessment procedure, lasts an average of two years, or in many cases, about four years. This prolonged delay blocks the import of new fruits and of recognized fruits from new countries, resulting in a lack of

competition that leads to higher fruit prices. For example, the price of pineapple in Israel is six times higher on average than its price abroad, the report said.

Among supermarkets, in 2019, there were 810 large stores around the country, of which almost a fourth (194) had a market share of more than 30%, with more than half of those (53%) having a market share of more than 50%. However, the Consumer Protection Authority conducts an average of only one or two inspections per year per large retailer, not enough for it to effectively control the reliability of the information that retailers publish. That leads to higher consumer prices. In 2017, prices in Israel in the nonalcoholic food and beverage category, in terms of purchasing power, were 37% higher relative to OECD countries and 51% relative to EU countries. Spending on food in Israel is the third largest of all household expenditures, at NIS 132 billion, comprising about 18.5% of total expenditures in 2018, the report said.

The State Comptroller's Report recommended, among other things, that the Competition Authority work to remove barriers to competition in the food industry and lower the cost of living, such as identifying monopolies and conglomerates, and take appropriate action. In addition, the authority must continue to act to promote parallel imports, examine alternatives and formulate appropriate measures for action with direct importers. Meanwhile, the Finance and Economy ministries must conduct periodic checks to ensure that the actions they have taken to reduce the cost of living are achieving their purpose and to examine ways in which the reduction of tariffs for consumers will be rolled out, the report recommended. (JP 18.05)

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11.2.   QATAR: Improving Macro Outlook with Opportunities Outpacing Threats on the Horizon

The Bank Audi Group Research Department released its 2021 review of the Qatari economy.

COVID-19 and the sharp fall in hydrocarbon revenues lead to a contraction of Qatar's real GDP by 2.6% in 2020 as per IMF estimates, with GDP recording below $150 billion for the first time in a decade. Qatar has been struck very hard by COVID-19 both through global demand and price channels as well as through the domestic health impact. The growth decline has yet been mitigated by infrastructure related spending ahead of the FIFA World Cup in 2022, continued expansion of LNG capacity, and fiscal and monetary response.

First Fiscal Deficit Since Gulf Rift Amid Decline in Public Revenues

In 2020, Qatar ran its first fiscal deficit in three years given the combined effects of lower hydrocarbon revenues and increased spending aimed to mitigate the economic effects of the Coronavirus pandemic. While public spending declined by 12.5% in 2020, public revenues contracted significantly by 20.3% on the back of a sharp fall in oil and gas revenues by 21.6%, as the collapse in oil prices reverberated through to LNG markets. Besides, non-hydrocarbon revenues contracted by 15.3% year-on-year, with the implementation of some tax reliefs and deferment schemes to offset the economic impact of the pandemic. As such, Qatar ran a deficit of QR 11.3 billion in 2020 ($3.1 billion) for the first time since the Gulf crisis in 2017.

Qatar's FX Monetary Buffers on a Relative Rise

Qatar continued to face disinflationary pressures in 2020 and early-2021, while its foreign currency buffers continued to follow an upward streak for the third year in a row, mainly helped by the launching of jumbo sovereign bond issues and a rise in gold reserves. Consumer prices contracted by 1.0% on average during the first quarter of the year relative to the same period of 2020. This followed a contraction of 2.7% on average in 2020. In parallel, Qatar Central Bank's international reserves and foreign currency liquidity grew by $1.8 billion in 2020 to reach $56.3 billion at end-December, which marked their third yearly rise in a row, covering around 47.1% of local currency money supply.

Continuing Banking Activity Growth Amid Rigorous Financial Soundness Indicators

Growth in banking activity continued in Qatar despite adverse economic conditions. Measured by the aggregation of assets of banks operating in Qatar, banking activity grew by 8.6% in 2020 and by an additional 3.9% in the first quarter of 2021 to reach $480 billion at end-March, the equivalent of 329% of GDP. The main driver for asset growth was deposit growth which reported 6.6% in 2020 and 4.4% in the first quarter 2021. The 8.6% loan growth observed in 2020 is viewed as partly precautionary - to boost private-sector liquidity during periods of heightened pandemic-related uncertainty.

Mixed Price Movements in Qatar's Capital Markets

Rising optimism over a global economic recovery with the rollout of COVID-19 vaccines and a strong oil price rebound on prospects of reopening's sparked demand for Qatari equities over the first months of 2021, while putting downward price pressures on the country's fixed income market. The Qatar Stock Exchange ended the first four months of 2021 on a positive note, as reflected by a 4.6% rise in the Qatar Exchange general index. At the level of the fixed income market, Qatari papers came under downward price pressures during the first four months of 2021, mainly tracking US Treasuries move and a global sell-off mood following solid US economic data and on bets that a progress in the rollout of Coronavirus vaccines globally and an unprecedented US relief package would sustain a global recovery.

Real GDP Growth Back to Positive Territory in 2021

Looking forward, real GDP growth is expected to turn positive again in 2021 (2.4% as per IMF forecasts) as energy prices rise, global LNG demand picks up, and non-energy economic sentiment improves once the pandemic is controlled. Over the medium term, growth will reach around 3.6% by 2022 from delivery and legacy investments for the FIFA World Cup. The economic rebound in 2021 and 2022 depends on the control of COVID-19, which is a function of effective containment strategies worldwide and/or effective vaccines to engender widespread immunity – a likely prerequisite for FIFA 2022 to go ahead. (Bank Audi 20.05)

11.3.   OMAN: E-Commerce Market Growth, Trends & Forecasts for 2021 - 2026

On 17 May, the "Oman E-Commerce Market - Growth, Trends, COVID-19 Impact and Forecasts (2021 - 2026)" report has been added to ResearchAndMarkets.com's offering.

The Oman E-Commerce Market was valued at $2.19 billion in 2020, and it is expected to reach $6.52 billion by 2026, registering a CAGR of 20.1% during the forecast period (2021-2026). The E-Commerce market in Oman is rapidly increasing due to the increasing consumption rate and higher sales of smartphones in this region. However, the implementation of 4G and 5G technology for connectivity purpose is increasing the exposure of online shopping for customers. Therefore technological awareness among customers is expected to have a significant impact on market growth.

The different initiatives of the Oman government, such as OEC 2020, are fueling the growth of this market. The main objective of this initiative is to unravel the future change of Governance, Transportation, Logistics and Commerce that can infuse the digital transformation into the economy. Moreover, the growing GDP of this country will drive the primary growth of this market. According to the Ministry of Technology and Communication of Oman, the percentage of internet users is increased by 4% from the previous year 2019.

The major restraint of this market is the changing mindset of the consumers. Most of the consumers preferred to buy directly from the retail shops due to the high security of payments in offline payments. According to the World Bank, Oman's economy is expected to contract by 3.5% in 2020. The primary reason behind this contract is the lower oil prices and the spread of COVID 19 across the world.

Growing Internet Consumption will drive the Market

The growing internet consumption rate is fueling the growth of this market. According to the National Centre for Statistics and Information (NCSI), Oman's internet subscribers have surged to 473,487 subscribers in 2019, which is increased by 11.4% from its previous year 2018. Moreover, the number of active mobile broadband subscribers rose to 4.739 million subscribers compared to 4.113 million subscribers in 2018. Moreover, the growing adoption of 4G and 5G technology is also driving the growth of this market.

For instance, the Oman Telecommunication company planned to set up 2226 5G sites by 2024, which will increase the internet consumption rate for this country. However, spending on telecoms services and devices is decreasing due to the large-scale job losses for the ongoing COVID 19 pandemic. This decreasing trend of consumer spending can create a considerable barrier for this market.

Major vendors in this market are also innovating its services to cater to this untapped market. For instance, in 2019, Talabat had been selected as the food delivery platform of Expo 2020. Here the company launched a tech-driven cloud kitchen that consists of an assortment of restaurants serving freshly prepared food.

Competitive Landscape

The competitive rivalry in Oman's E-commerce Market is medium due to the presence of some critical vendors such as eBay Inc, AliExpress, Namshi General Trading, InvestEasy, Talabat, Jazp, etc. Moreover, the major vendors in this market are moving towards adopting innovative strategies that have enabled them to gain a competitive advantage over other players in the market. (ResearchAndMarkets.com 17.05)

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11.4.   SAUDI ARABIA: Saudi Arabia Plans to Plant 10 Billion Trees in the Desert

Sebastian Castelier reported in Al Monitor on 19 May that Saudi Crown Prince Mohammed bin Salman's tree-planting program raises environmental awareness, helps society reconnect to nature and creates employment opportunities for rural communities.

The proportion of Saudi Arabia's land area covered by forest has remained unchanged since 1990 at about 0.5%. Crown Prince Mohammed bin Salman, who aims to transform the country's economy and society, announced in late March a plan to plant 10 billion trees over the coming decades to increase by twelvefold the area covered by existing trees. "The kingdom is determined to make a lasting global impact," he declared.

China's greening of a third of its Kubuqi Desert, which Saudi Arabia has studied, provides a model for restoring recently degraded land. Prince Mohammed's plan appears to aim at restoring degraded lands but also to plant in areas previously not covered by trees. "I don't buy into this; the climate in Saudi Arabia is not going to change by planting trees," said Nadim Farajalla, program director of the Climate Change and Environment Program at the Issam Fares Institute at the American University of Beirut. He told Al-Monitor trees are likely to be planted in urban and semi-urban areas to cool down the temperature.

Temperatures in Saudi Arabia are projected to rise faster than the global average in the coming decades. Also, research found that the Arabian Peninsula is likely to become uninhabitable by the end of the 21st century under a high-impact emissions scenario. The announcement by the country's de facto ruler provided little details on the massive planting project, and the Saudi Ministry of Environment, Water and Agriculture did not respond to a request for comment from Al-Monitor.

The Ghaf Tree Experiment

Planting 10 billion trees in a country that records the third-lowest precipitation worldwide raises concerns over the project's feasibility, especially given the country's track record on water management. Since the

1970s, the kingdom has depleted at a very fast rate its nonrenewable water trapped underground eons ago to develop a water-hungry agriculture sector.

The Minister of Environment said no groundwater or water produced in fossil fuel-powered desalination plants would be used to irrigate the trees. The project will rely on treated water and renewable water sources such as rainwater, seawater and cloud seeding.

The experience of Tatiana Antonelli Abella in the United Arab Emirates paves the way to tree planting projects in an arid climate. Observing that there is "no visual or cultural attachment" in the region to ice melting and the fate of polar bears, she launched the social enterprise Goumbook in 2009 to connect the "going green" discourse to local realities. Then she started a campaign to plant Ghaf trees. Abella described the drought-tolerant tree — the UAE's national tree since 2008 — as a "machine of survival" that taps water stored deep in the sand and requires only two years of irrigation when artificially planted.

Saudi Arabia would benefit from carefully researching what trees to plant, Abella told Al-Monitor. For example, the country could restore existing mangroves and plant mangrove trees that have huge advantages in terms of coastal protection and absorbing carbon dioxide. The Saudi minister of environment has stressed that local tree species will be favored. "In terms of tree planting, the most important thing is always to look into what we have already existing rather than out of the blue creating new things," Abella said.

At the back of the tree-planting program is Saudi Arabia's renewed interest in the energy transition era in lowering its carbon footprint and positioning the country at the forefront of a global fight against global warming. The crown prince has said the Saudi Green Initiative's projects would "reduce carbon emissions by more than (4%) of global contributions."

The World Economic Forum launched in 2020 an initiative to grow, restore and conserve 1 trillion trees worldwide and said nature-based solutions can "provide up to one-third of the emissions reductions required by 2030 to meet the Paris Agreement targets." However, Farajalla said tree-planting is not a silver bullet and offsetting carbon emissions with trees is like "penny wise and pound foolish" given Saudi Arabia's lack of commitment to reducing its volume of carbon emissions, which more than doubled between 2000 and 2015.

Like other Gulf oil producers, Saudi Arabia bets on producing the last drops of oil the world would consume. Environmentalists call on the region to accelerate its shift toward renewables to set an example of an economic transition away from hydrocarbon revenues.

'Our nation trusts the government'

Also, critics argue the crown prince's megaprojects are often out of touch with the realities. "When I left, I felt almost as though I was emerging from some sort of cult," a former NEOM employee, Prince Mohammed's flagship project, told The Wall Street Journal. "The number of 10 billion trees is mind-boggling," said Farajalla.

He questions whether nurseries in the region can produce enough trees to complete the project. "If it takes 20 years to plant 10 billion trees, that means they have to plant around 1.5 million trees a day." For comparison, the Let's Make It Green campaign launched by Saudi Arabia in October 2020 planted 10 million trees over six months. "Our nation trusts the government, so anything that the government does toward a green movement is definitely going to help people take the issue more seriously," said Sarah AlTuwaijri, a Saudi citizen who is about to launch a vegan restaurant in Riyadh.

She told Al-Monitor that although more progress is needed, environmental awareness is on the rise as access to information is "not limited anymore" thanks to the internet and social networks. Involving Saudis like AlTuwaijri in planting trees would help the society to reconnect to nature, a link that has gradually faded away as Saudis moved *en masse* from rural to urban areas. The percentage of the population living in an urban area has almost tripled since 1960.

If properly implemented, the plan is also an opportunity to provide long-term benefits such as jobs in the medicinal plant and ecotourism industries to rural communities, which still account for about 16% of the population. This would align with the prime objective of the crown prince's reform plan Vision 2030 to develop a thriving non-oil economy. (Al-Monitor 19.05)

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11.5.   YEMEN: The Curse of Geography - Bab al-Mandab Disputed by Great Power Rivalries

Ammar Al Ashwal posted on 18 May in Sada that the regional competition revolving around Bab al-Mandab and its coastal extension is affecting the course of the war in Yemen.

Yemen's successive crises, conflicts and general instability, which have beleaguered the country for decades now, raise the questions of how Yemen's unique geography has contributed to its woes. Has a "curse of geography" caused Yemen's collapse? In his book The Revenge of Geography, political and military expert Robert Kaplan described Yemen as an "all important heart," attributing its instability to its strategic location and its topography. Kaplan's opinion is seemingly supported by the raging conflicts currently taking place on ground.

The war in Yemen began on 26 March 2015, when an Arab Coalition led by Saudi Arabia launched operation "Decisive Storm" to overthrow the Houthis and restore the internationally recognized government to power. Soon thereafter, Saudi Arabia and the United Arab Emirates extended their territorial control over vital and strategic areas in Yemen, forming and supporting political and military entities parallel to, and sometimes competing with, the government. Meanwhile, the Yemeni president Abed Rabo Mansour Hadi lives in exile in Riyadh under quasi-house arrest.

This complicated set of circumstances requires a thorough examination of the role that geopolitics plays in the evolution of Yemen's regional relations, particularly with Saudi Arabia, the UAE, Iran, and Turkey.

Bab al-Mandab

Strategically located on the Bab al-Mandab strait, Yemen has long been at the center of regional geopolitics. The strait separates Yemen and Djibouti, and Asia from Africa, connecting the Red Sea to the Gulf of Aden and the Indian Ocean. The strait is 30 kilometers wide and is divided into two channels by Perim Island; the western channel is 26 km wide and 30 meters deep, and the eastern is 3 km wide and 310 meters deep.

This famous gateway has witnessed various wars, conflicts, and struggles throughout its history, like the 1973 blockade of Iranian oil tankers headed to Israel during the October war. Bab al-Mandab's significance drastically increased upon the opening of the Suez Canal in 1869, which led to growth in the volume of international maritime trade. Its significance rose again following the discovery of oil in the Arabian Peninsula and the rise of trade from East Asia. The vital waterway is now a major artery of globalization as it connects Europe to the Indian Ocean and East Africa.

Silk Road

Given its distinguished location, it is unsurprising that Yemen is key to China's "Belt and Road" initiative, also known as the "New Silk Road." The strategic location of Yemen's islands and the ports of Aden and Mocha should put Yemen in an ideal position to establish partnerships and acquire business opportunities that would ensure its economic vitality.

While representatives of Hadi's government signed a preliminary Memorandum of Understanding with China in 2019, the UAE interfered, assuming complete control of Yemen's vital ports and islands - inhibiting Yemen's ability to participate in the project. The UAE's decision also infringes on Yemen's sovereign right to pursue its economic interests. The UAE, meanwhile, is pursuing an ambitious strategic agenda that seeks to ensure that DP World, a Dubai company, has full control over both the Yemeni ports and the Bab

al-Mandab strait. This could ensure that the area becomes a hub for UAE commercial activities, while allowing the Emirates to play the role of a regional protector through control of the flow of arms and support to proxy groups.

In presenting itself to the West as the guardian of the region, the UAE is attempting to compensate for the failing Gulf policy of dual containment against Iran and Turkey. The Emirates have no qualms about insinuating that the alternative to its presence would be either the Iran-backed Houthis or the Turkish-backed Islah party. This policy was directly illustrated by the UAE's 2017 military engagement with Yemeni forces to remove the Houthis and the Islah party from control of Bab al-Mandab.

Controlling the Land

In February of 2020, Abu Dhabi officially announced the withdrawal of its troops from Yemen, but it is likely that Abu Dhabi will retain its influence, either directly or indirectly, in strategic areas of the country. Though the UAE vacated most of its facilities in Eritrea, it recently began building a military base with an airstrip on the Island of Perim. It has also created several political and military entities to solidify its presence and control, including the Southern Transitional Council (STC) in 2017, headed by Aidarus al-Zoubaidi, and more recently in March 2020, the Political Bureau of the National Resistance, headed by Brigadier General Tariq Saleh, which administers several non-state armed groups thought to include a total of about 200,000 fighters.

These UAE-backed entities effectively control southwestern Yemen. They enjoy the backing of international great powers that do not hesitate to make public diplomatic gestures to show their support. Zoubaidi was invited to attend a session in the British House of Commons, and Michael Aron, the British ambassador to Yemen, made an affable welcome to the announcements of the Political Bureau of the Yemeni National Resistance. The meeting the ambassador held with Tariq Saleh, the leader of the Bureau, was a clear sign of the United Kingdom's support to STC's inclusion in the newly formed Yemeni government, as per the Riyadh Agreement, which would allow the STC to gain more international political recognition.

A Crossroads of Competitors

As global attention is directed towards the city of Marib, the center of a grinding war since 7 February between the Houthis and forces backed by Yemen's internationally recognized government, the government forces have tried to thin Houthis forces by engaging them in another battle in Taiz.

The Popular Mobilization forces, and other formations of the Islah party supported by Turkey and Qatar, focused their attack on the west of Taiz province, towards the city of Macha and Bab al-Mandab, where there is a small Houthi presence, and a large corps of Emirati-backed forces. These military moves coincided with a direct request made by Sheikh Hamid al-Ahmar, the prominent tribal and Islah party leader, for a Turkish military intervention in Yemen, arguing that it is the only way to restore the legitimate government to power. This seemingly follows the critical role Turkish intervention in Libya.

The UAE, Turkey, Iran and Qatar all find themselves entangled in the war in Yemen. The frantic conflicts among countries involved in Yemen's tragedy are the direct result of greed and regional ambitions that have destroyed Yemen and could very well lead to its fragmentation. The UAE continues to play its role in Yemen with tacit blessings from the U.S., evidenced by former U.S. Defense Secretary James Mattis dubbing the UAE "Little Sparta" after its takeover of the Bab al-Mandab strait in April 2017, favorably comparing the Emirates to the ancient Greek city-state which battled the Persian Empire. Abu Dhabi's ambassador in Washington, Yousef al-Otaiba, responded that [we] "believe that America's role in our part of the world provides stability, provides security, provides jobs, and provides ideas. And so, we're not only in the pro-U.S. camp. We are the cheerleaders of the pro-U.S. camp." Additionally, the Biden administration has decided to proceed on a $23 billion arms sale to the UAE that includes F-35 fighter jets.

This understanding between the two countries indicates that Bab al-Mandab, and other vital areas, are likely to remain under direct UAE control in violation of Yemeni sovereignty until Yemeni actors agree to a unified political position or an unexpected fundamental change in regional dynamics occurs.

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11.6.   EGYPT: Egypt is Jumping on the Learn-To-Code Bandwagon

Enterprise reported that coding has been hailed as a key future employability skill. The World Economic Forum estimates that tech may displace 85 million jobs by 2025 and create 97 million new ones, making overall digital skills acquisition a must. Egypt's government is pushing this agenda, and has dedicated some effort to promoting coding skills. Egyptian startups offering coding courses say demand for their services is steadily increasing, particularly for children. But the sector remains fragmented, with a notable lack of large, private sector operators.

At the heart of learning to code: Mastering programming languages and problem solving skills. Of the estimated 700 programming languages, the most popular include Python, JavaScript, and C++. Which language you learn depends on whether you're developing a web-based startup, a mobile app, an internal software app, video game, or robot. Just as important as absorbing data is thinking critically, argue web developers — so coding is touted as an ideal skill for children.

In Egypt, it's hard to quantify the size of the industry: There's little government data on private companies offering coding or programming tuition, representatives at ITIDA tell Enterprise. Only some companies are accredited, so compiling a sector overview is difficult, say IBM representatives. A Google search lists 106 programming courses in Egypt, but sources say it's safe to assume the real number is much higher — possibly in the thousands. Search engine Laimoon lists 449 programming courses available in Egypt from 292 providers, but most are very basic online courses with few academic entry requirements.

Adults have the option of some instructor-led courses by international providers — with hefty price tags: Finding reasonably-priced full stack (comprehensive design) courses to attend in person in Egypt is very challenging, says one source, speaking on condition of anonymity. UK-founded training provider The Knowledge Academy offers 42 different programming courses, with a 2-day online instructor-led course costing $1095 and 1-day course costing $495. Poland-founded operator NobleProg offers 30 programming courses in Egypt, with a 7-hour course costing $2,155 in person and $773 online, while a 28-hour course costs $7,270 in person and $3,090 online.

New regional player GoMyCode seeks to provide a well-priced alternative: Tunisian startup GoMyCode launched its Egypt branch in mid-March, initially offering one full-time, 20-week full stack course and several part-time 12-week courses for adults, in areas ranging from introduction to web development to introduction to artificial intelligence, says Egypt Marketing Coordinator Nesma Elsehmawy. Its price point is considerably lower than the international consultancies, coming in at EGP 13,000 for its full stack course. GoMyCode is active in 8 countries in Africa.

At the government level, ITIDA's focus is on secondary school students: ITIDA planned to train 5,000 15-year olds in the basics of programming — including HTML, CSS, and Python — between 2019 and 2020. It successfully trained 12,000 secondary school students and 1,060 students who had finished school, from 616 schools throughout the country. But COVID-19 has seen the program suspended, a representative tells Enterprise. Some of ITIDA's digital skills provision is through partnership with Udacity, Coursera and EdX. An EGP 300 million contract with Udacity allowed ITIDA to offer coding courses to students free of charge, the source adds.

Smaller local startups far outnumber other providers and focus on teaching children: Many cater to children as young as 5 and go up to 16, teaching a combination of programming and robotics to groups of 4-6 students. Classes for younger children are often charged at an hourly rate of roughly 150-300 LE, while longer courses could run from EGP 2,100 (for 6 weeks) to EGP 15,900 (for 9 months). Notable providers include iSchool, Koding4Kinder, AlMakinah, and Evolution. Many providers started with a focus on robotics and assembly before shifting into coding and online education, says Sherif Amin, founder of new market entrant YallaNCode. "From day one, I focused on the programming, coding, and e-learning experience. That's where I saw a market gap," he says.

Why do so many startups target children? Because there's a gap in the market. Adults wanting to learn coding can seek international certification from Microsoft, Oracle, Cisco or others, says Moe Ashour, founder of programming and robotics startup Robo-Tech Egypt. "There's little incentive to launch a startup that would compete with these big players."

Local providers fall into three groups, says Ashour: freelancers, who teach coding part-time and generate work via word of mouth; outfits like Robo-Tech, which are branded entities with an online presence but no permanent physical location; and companies with their own physical centers. Freelancers may find providing coding tuition to be very lucrative, says Ashour. Branded startups generate revenue through their course offerings, but in most cases put in the capital themselves to get their ventures off the ground, say sources.

Demand for learning is spurred by competitions, Ashour believes. Local and international competitions raise awareness about the value of learning to code, and help to build communities of programmers, sources say. Notable competitions include the Egyptian Collegiate Programming Contest, the ROV (underwater robotics) competition, and Google's Kickstart Coding Competition.

Ultimately, coding has clear employment benefits, so naturally demand is high: With COVID-19 forcing people — especially children — to stay home, demand for online coding courses in particular has increased, say Koding4Kinder's founders. Service demand tripled within the year because of COVID, they estimate. "We were forced to restructure because we couldn't give courses face-to-face. It ultimately increased our publicity," they say. "After YallaNCode's launch, we'd reached over 20% capacity in a few days. I expect to be at full capacity within weeks," says Amin. "But it's not a surprise. I was expecting this." In Tunisia, around 85% of students who graduate from GoMyCode are able to rapidly find jobs, says Elsehmawy.

But where are the big, private sector players? There's currently enough space in the market for everyone, but some are awaiting the entry of bigger players. "So far, there hasn't been much competition. Demand is high enough that everyone can do their own thing. But I think we may soon see more players in the market, including big private sector operators potentially interested in creating their own coding companies," Ashour says. (Ent 17.05)

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