

**The FORTNIGHTLY**

A Review of Middle East Regional Economic & Cultural News & Developments

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**Written & Edited by Seth J. Vogelman\***

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ISRAEL GOVERNMENT ACTIONS & STATEMENTS

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* 1. President Herzog Makes an Historic Visit to the UAE

Israel's President Isaac Herzog and First Lady Michal Herzog arrived in the United Arab Emirates on 30 January in the first such official visit, the latest sign of deepening ties between the two nations as tensions rise in the region. During the welcoming ceremony, the UAE honor guard performed Israel’s national anthem *Hatikva*. Upon landing in Abu Dhabi, Pres. Herzog was greeted with a warm handshake by Emirati Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan. They then held talks in the royal palace. Sheikh Mohammed bin Zayed thanked Herzog for Israel's support of the UAE's right to defend itself, following drone and missile attacks on Abu Dhabi recently.

President Herzog met top officials including Abu Dhabi's Crown Prince Sheikh Mohammed bin Zayed Al Nahyan, the de facto Emirati leader, along with members of the country's small but growing Jewish community. He also visited Expo 2020, the world's fair in Dubai, where Israel has hosted a series of events at its national pavilion.

Israel's president plays a largely ceremonial role as a national unifier in the country's parliamentary system, where the prime minister holds the most power. Prime Minister Bennett last month made his first official visit to the Gulf emirate and discussed strengthening relations on a number of fronts with the crown prince. The UAE and Israel normalized relations in the fall of 2020, part of a series of US-brokered diplomatic deals between Israel and Arab states that had long avoided formal relations with Israel.

The president’s plane traveled via Saudi Arabian airspace *en route* to the UAE. (Various 31.01)

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* 1. Israel's Subsidized 'Drug Basket' Brings Good News For Cancer & Transgender Patients

Israel's Health Ministry announced on 19 January that it would expand its subsidized "drug basket" that allows Israelis to pay for medicine and health technologies. A committee submitted a list of 135 recommended medications and treatments for 2022, worth $175.5 million. Following 18 meetings that took place over a span of three months, the committee members finalized the list, choosing from 850 medications altogether.

New subsidized medications include artificial pancreases for children with diabetes, genetic testing for rare diseases, fertility preservation for women with diminished ovarian reserve, treatments for multiple sclerosis, prostheses for amputees, transportation funding for children in need of dialysis, cochlear implants, treatments for transgender people, including voice therapy, valued at $638 million and more. Fifteen new treatments were added this year for patients with cancer, lung, and gastrointestinal cancer, making up 20% of the allocated budget. Israel's annual health budget is roughly $14 billion.

Nevertheless, several crucial treatments and medications did not make the list, such as Darzalex, which treats multiple myeloma (cancer of plasma cells), diabetes medications Ozempic and Rybelsus, which were omitted in part due to concerns of their misuse as these are also sold for weight loss purposes. Qinlock, which treats gastrointestinal cancer and costs 300,000 shekels per patient, was also not included, with committee members sayings the price was "obscenely expensive." Additional treatments left out of the basket were a pregnancy termination for women aged 33-40 for non-medical reasons and Xospata, which treats acute myeloid leukemia (cancer of the myeloid line of blood cells). (Israel Hayom 21.01)

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* 1. Israel Signs €3 Billion ThyssenKrupp Submarine Deal

Israel signed a €3 billion ($3.4 billion) contract with German conglomerate ThyssenKrupp for the delivery of three submarines. These will be the most advanced submarines ever delivered to Israel and they will bring the number of submarines in Israel's fleet to nine. Israel's Ministry of Defense has announced that this series of submarines will be called "Dakar" and the first of this new series will be delivered to Israel in 2031.

In the past Germany has financed Israel's submarine program by paying between 33% to 50% of the total sum. But now the German government will be financing the "Dakar" series with a more modest 20%, or €600 million. This amount is in line with the German government's original commitment of €600 million in 2017, when an MoU was signed about the procurement. Since then the price of the submarines has risen significantly, but the Germans have refused to raise the level of the subsidy.

ThyseenKrupp has still not undertaken the full reciprocal procurement required by past deals including the sixth submarine, which is currently being built in Kiel as well as a deal to procure four warships to protect Israel's offshore gas rigs. (Globes 20.01)

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* 1. Israel Joins NASA's Artemis Accords

On 26 January, Israel's Space Agency officially signed an agreement with NASA to join the Artemis Accords, as part of the events of Israeli Space Week. The Artemis program aims to land astronauts on the lunar surface, establishing a long-term human presence on the moon. The agreement establishes principles for cooperation in space exploration and civilian use of the moon, Mars, comets and asteroids for peaceful purposes. Israel is the 15th country to join the NASA-led program, joining Australia, Canada, the UAE, and the UK. The signing will increase cooperation in trade and economics in the field of space between the industries of the signatory countries.

The Artemis Accords were first signed in October 2020 by the founding members and are built on ten principles, including peaceful exploration, transparency and the release of scientific data. (i24NEWS 26.01)

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* 1. Government Ministers Warn Major Food Companies Against Price Hikes

On 30 January, Finance Minister Lieberman and Economic Minister Barbivay admonished Israeli food producers and importers over the recent series of price hikes, calling the move "callous" and "cynical" at a time when Israelis are dealing with a global pandemic. Both called on producers and importers of foods and other essential products not to raise prices.

Citing global cost hikes and overhead losses, a series of major companies have announced price increases on their products in recent weeks, affecting everyday goods that can be found in nearly every home. They include detergent giant Sano, Osem-Nestle, Leiman Schlissl, the Strauss Group, Diplomat Group, Ristretto, and Shestowitz.

In a joint statement, Lieberman and Barbivay wrote that the strong currency combined with low inflation and wage increases "meant that products and raw materials brought by your company to Israeli were cheaper for you, without your reducing your prices for the Israeli consumer accordingly and [these prices] were among the highest in the world for these products."

The Competition Authority says that recently, data requirements have been issued examining whether the price increases were made in accordance with the provisions of the Food Law. This statement comes following the Competition Authority's investigation that was opened in early November over violation of the Competition Law. The CEOs of the companies Diplomat, Strauss, Rami Levy, Victory and others were called into the Authority's offices. (ILH 31.01)

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* 1. Government to Subsidize Urban Renewal Homes in High-Demand Areas

The Ministry of Housing and Construction has announced that it will subsidize apartments built under urban renewal programs in high-demand areas. The cities that signed the agreements will receive a grant of NIS 25,000 for every apartment that receives a building permit in a vacate-and-build project or an Outline Plan (Tama) 38 project in each of the next three years, on condition that at least 2,500 apartments of these kinds are constructed in each city. (Outline Plan 38 allows extra floors to be built on existing apartment buildings when they are reinforced against earthquakes. The plan will end in October unless it is extended.)

The Ministry of Housing and Construction says that currently many city mayors delay permits, claiming that they cannot absorb more residents without a budget for renewing old infrastructure. It was therefore decided to provide them with an incentive, as long as they meet the target of 2,500 building permits in three years. The ministry hopes that some 30,000 new apartments will thereby become available in high-demand areas. The ministry said that the budget for the current year was NIS 440 million, and that the total amount spent on the plan would reach NIS 750 million.

Eleven cities are in the program, according to the Ministry of Housing and Construction: Jerusalem, Lod, Bat Yam, Kiryat Ono, Haifa, Netanya, Givatayim, Ramat Gan, Ashdod, Hadera and Kiryat Yam. Some of city municipalities said, however, that they had not yet finalized agreements with the ministry. (Globes 01.02)

ISRAEL MARKET & BUSINESS NEWS

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* 1. Caja & Bastian to Deliver Mobile Goods to Person Integrations in the US

Caja Robotics will be working closely with Bastian Solutions, a Toyota Advanced Logistics company, to integrate Caja robotic systems in the USA. The two companies will leverage each other’s capabilities and leadership positions in the material handling space to serve a range of projects and customer sites.

Bastian Solutions is a trusted supply chain integrator committed to providing clients a competitive advantage. Their portfolio of solutions includes advanced automation such as mobile robots, automated storage and retrieval systems (ASRS), automated guided vehicles (AGV) and goods-to-person technology, each considered on their own merits to provide tremendous productivity gains and a quick return on investment. With offices across the United States, Bastian Solutions plans to evaluate opportunities to deploy Caja as the right automated order fulfillment.

Binyamina's [Caja Robotics](https://cajarobotics.com/‎) offers a robotic mini-load system for goods-to-person order fulfillment. Caja was founded in 2014, with the vision to lead the transition to automated warehouses with smart systems and flexible robotics that pick-up order efficiency, lift storage capacity, and optimize employees’ workplaces. The team of visionary software and robotics experts at Caja is continuously striving to elevate warehouse operations through robotic fulfillment. Caja's flexible solution operates in different market segments with adaptations to address their specific needs, such as for footwear, fashion, apparel or online grocery. (Caja Robotics 20.01)

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* 1. Israel’s Viola Ventures Raises $250 Million for its New Fund

Viola Ventures has closed its sixth fund of $250 million. It now has $1.25 billion in assets under management, largely early-stage tech companies. Viola says the fund was oversubscribed and reached its hard cap. With the new fund, Viola Ventures will invest in 25-30 early-stage (seed and A round) companies, in its core verticals such as fintech, vertical AI and deep tech, digital health, next-gen enterprise infrastructure, SaaS 3.0, web3 and cybersecurity.

Viola Ventures has invested in numerous startups, including ironSource, Payoneer, Redis, Verbit, Outbrain, Pagaya, Lightricks and Immunai. Viola Ventures says eight of its portfolio companies reached unicorn status. IronSource went public at a valuation of $11 billion. Pagaya has announced its public listing at an $8.5 billion valuation.

Herzliya's [Viola Ventures](https://www.viola-group.com]) is a venture capital firm, empowering Israeli or Israeli-related early-stage tech startups to become global category leaders. (Viola Ventures 19.01)

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* 1. Orca Security Acquires Web Application Security Startup RapidSec

Tel Aviv's [Orca Security](https://orca.security/) announced that it is acquiring fellow Israeli startup [RapidSec](https://rapidsec.com/), which focuses on protecting web applications from client-side attacks. The valuation of the deal wasn’t announced, but it is estimated that it is around $5 million, including both cash and stock components.

Tel Aviv's RapidSec was founded in 2020. RapidSec offers a software-as-a-service platform designed to provide rapid web security in a self-service manner. RapidSec has 50 paying customers including Dun & Bradstreet and Konica Minolta.

Tel Aviv's Orca Security provides cloud-wide, workload-deep security and compliance for AWS, Azure, and GCP － without the gaps in coverage, alert fatigue, and operational costs of agents. Unlike competing tools that operate in silos, Orca treats your cloud as an interconnected web of assets, prioritizing risk based on the severity of the underlying security issue combined with environmental context, including its accessibility and potential damage to the business. This does away with thousands of meaningless security alerts to provide just the critical few that matter, along with their precise path to remediation. (Orca 19.01)

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* 1. Otonomo & AUDI Partner to Enable Innovative, Data-Driven Services

Otonomo Technologies announced AUDI as a vehicle data platform partner. With access to rich, actionable vehicle data, Audi’s customers and business partners can create consumer offerings that enhance the user experience for Audi vehicle owners, ranging from pay-as-you-drive and insurance services, to general vehicle status, to first notification of loss.

The Otonomo mobility intelligence platform cleanses, harmonizes, and secures vehicle data and makes it readily accessible through Otonomo's straightforward API and user-friendly platform. Under the terms of the partnership, Audi will provide Otonomo with data points from Audi connected cars, ranging from odometer readings to crash information, including impact location and severity.

Herzliya Pituah's [Otonomo](http://www.otonomo.io) fuels a data ecosystem of OEMs, fleets, and more than 100 service providers spanning the transportation, mobility, and automotive industries. Their platform securely ingests more than 4 billion data points per day globally from over 40 million vehicles licensed on the platform and massive amounts of mobility demand data from multimodal sources, then reshapes and enriches it, to accelerate time to market for new services that improve the mobility and transportation experience. They provide deeper visibility and actionable insights to empower strategic data-driven decisions – taking the guesswork out of mobility and transportation planning, deployment, and operations. (Otonomo 25.01)

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* 1. Kornit Digital to Acquire Tesoma, Enhancing Range of End-to-End Solutions

Kornit Digital has entered into a definitive agreement to acquire Lichtenau, Germany-based Tesoma. Tesoma is globally recognized for the high-quality engineering and performance of its cutting-edge textile curing solutions. Tesoma’s technology and solutions align with Kornit’s strategy to add smart automation capabilities within its innovative, sustainable on-demand production solutions, empowering customers to improve productivity, optimize quality, and reduce the total cost of ownership—all in a more sustainable production environment.

The acquisition is expected to be completed on or before 1 April 2022, following the satisfactory completion of business transition and integration plans.

Rosh HaAyin's [Kornit Digital](http://www.kornit.com) is a worldwide market leader in sustainable, on-demand, digital fashionx and textile production technologies. The company is writing the operating system for on-demand fashion production with end-to-end solutions including digital printing systems, inks, consumables, software solutions, and an entire global ecosystem that manages workflows and fulfillment. Kornit Digital serves customers in more than 100 countries and states worldwide. (Kornit Digital 25.01)

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* 1. DigitalOwl Raises $20 Million in Series A Round Led by Insight Partners

DigitalOwl announced a $20 million Series A financing round led by New York-based global private equity and venture capital firm Insight Partners, with participation from existing investors Ibex and Fusion VC. This latest round of fundraising will be used for additional hires that will strengthen existing teams, particularly technology development, sales, marketing and client service. The round quickly follows the company's $6.5 million seed announcement in February 2021.

Tens of millions of medical records every year are manually reviewed by highly trained professionals at insurance companies in order to make important decisions for their company and customers. The sheer volume and complexity of information requires a slow and methodical review of every page, often taking days at a time. DigitalOwl addresses this issue by reading, summarizing, and analyzing medical records for insurance and legal companies to help them better combat fraud, underwrite new plans, execute claims and build strong legal cases.

All customers have to do is upload all scanned medical records to DigitalOwl’s platform. Once uploaded, DigitalOwl generates a focused data set with multiple filtering options and easy-to-use navigation. Every condition, date, and entry is clickable, redirecting users to the source of information in the record. The resulting dataset is formatted in the form of a meaningful summary that puts the most relevant data at the user’s fingertips, all in a fraction of the time and at a fraction of the cost.

Tel Aviv's [DigitalOwl](http://www.digitalowl.com) offers an innovative solution for analyzing and summarizing medical records for the insurance industry. The Company has introduced the first and only machine learning platform that interprets medical records and assists underwriters and claim adjusters in their work. (DigitalOwl 26.01)

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* 1. Hunters Secures $68 Million in Series C Funding

Hunters announced a $68 million Series C round led by growth equity firm Stripes, with participation from new investors DTCP, Cisco Investments and Databricks, and existing investors YL Ventures, Bessemer Venture Partners, Microsoft’s venture fund M12, U.S. Venture Partners, Blumberg Capital and Snowflake Ventures. The new funding brings the total investment in Hunters to $118 million.

Hunters’ SOC Platform empowers security teams to automatically identify and respond to incidents that matter across the entire attack surface. Global enterprises, including leading Fortune 500 companies in financial services, media, retail and manufacturing choose Hunters as their main SOC platform, replacing their SIEM. Hunters’ ability to ingest and normalize data from all security data sources at a predictable cost is key to seeing and stopping attacks. Its built-in detection engineering, data correlation and automatic investigation helps security teams overcome volume, complexity and false positives.

Tel Aviv's [Hunters’](https://hunters.ai) SOC Platform empowers security teams to automatically identify and respond to security incidents across their entire attack surface. We enable vendor-agnostic data ingestion and normalization at a predictable cost. Our built-in detection engineering, data correlation, and automatic investigation helps teams overcome volume, complexity, and false positives. Hunters mitigates real threats faster and more reliably than SIEMs, ultimately reducing customers' overall security risk. (Hunters 25.01)

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* 1. Addionics Closes $27 Million Series A Funding Round for Next-Generation Batteries

Addionics has raised $27 million in a Series A funding round to scale up its efforts to redesign battery architecture with the company’s Smart 3D Electrodes, which improves the cost and performance of batteries with any chemistry – existing or emerging. The funding round was led by Deep Insight, a deep tech investment firm, together with Catalyst Fund, Delek Motors and Dr. Boaz Schwartz. Additional investments include strategic and financial support from Novelis, Magna International, JX Nippon Mining & Metals, Union Tech Ventures, 8090 Partners, GiTV, Talcar Corporation, Bridges Israel impact investment fund, Doral Energy Tech Ventures (Doral Energy CVC), and Dr. David Deak. Existing investors that participated in the round include NextGear Ventures, Magna Capital Partners and Vasuki Global Tech Fund.

Addionics is focused on redesigning battery architecture, replacing the electrode’s traditional 2D layered structure with an integrated 3D structure. This revolutionary approach results in batteries with increased energy density and power, enhanced safety, and longer lifetime – all without increasing battery cost. This innovation unlocks the full potential of next-generation battery chemistries to address rising global battery demand driven by electrification trends and decarbonization mandates.

The company’s core IP is its patented and scalable electrode fabrication process that significantly lowers manufacturing costs, enabling mass market adoption of 3D electrode structures for the first time. This drop-in solution is compatible with existing battery manufacturing facilities and assembly lines. In addition, Addionics’ proprietary artificial intelligence (AI) algorithm accelerates battery development time, optimizing electrode designs to meet any battery application and performance requirement. With the combination of Addionics’ patented manufacturing process and AI algorithm, manufacturers can build high performance batteries with reduced market prices at the giga scale.

Tel Aviv's [Addionics](http://www.addionics.com) is creating the next step change in batteries for electric vehicles by transforming battery architecture with Smart 3D Electrodes. The company’s scalable, cost-effective manufacturing process combined with its AI-based optimization software significantly improves the economics and performance for batteries with any chemistry – existing or emerging. Addionics’ technology can also be applied to consumer electronics, stationary energy storage, aviation and defense and medical devices. (Addionics 25.01)

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* 1. NextBillion.ai Leverages Otonomo’s Platform to Enhance its Offerings

Otonomo Technologies and San Francisco's NextBillion.ai, a leading provider of enterprise Map Data + AI platform in the geospatial data space, announced their partnership through which NextBillion.ai will offer its customers access to multi-layered, multi-brand OEM connected vehicle data from Otonomo’s platform across North America and Europe.

The availability of global embedded data as processed and provided by Otonomo within NextBillion.ai’s platform will assist businesses in meeting the modern mobility demands. Otonomo’s vehicle data and insights will assist NextBillion.ai in serving mobility and logistics use cases across a range of industries, including fleet management, electric vehicles, emergency response services, smart cities, on-demand services and last-mile delivery. With Otonomo as its partner for connected vehicle data, NextBillion.ai’s data platform is expected to provide its customers with better maps, enhanced routing, and more accurate ETAs. The partnership will also enable NextBillion.ai’s customers to operate their delivery fleet more effectively, manage assets more efficiently, enhance driver safety and decrease operational costs.

Herzliya's [Otonomo](http://www.otonomo.io) fuels a data ecosystem of OEMs, fleets, and more than 100 service providers spanning the transportation, mobility and automotive industries. Their platform securely ingests more than 4 billion data points per day globally from over 50 million vehicles licensed on the platform and massive amounts of mobility demand data from multimodal sources, then reshapes and enriches it, to accelerate time to market for new services that improve the mobility and transportation experience. Use cases include emergency services, mapping, traffic management, EV management, subscription-based services, micro-mobility, parking, predictive maintenance, insurance, media, in-vehicle services, and dozens of smart city solutions. (Otonomo 31.01)

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* 1. EL AL Israel Airlines Relaunches Boston to Tel Aviv Flights

EL AL Israel Airlines, Israel’s national carrier, announced the return of their non-stop service from Boston’s Logan Airport to Ben Gurion in Tel Aviv. EL AL had operated this route from 2015 until mid-2020 when it halted the flight due to COVID-19. With international travel returning, and travel to Israel in great demand, relaunching the Boston route is a priority. This flight will service Boston as well as the entire New England region. Flights will begin on Sunday, 27 March 2022, and will operate twice weekly, on Sundays and Thursdays from Terminal E at Logan. Prior to the pandemic, EL AL flew thousands of passengers from Boston to Tel Aviv annually.

The route will be operated by EL AL’s new, Boeing 787 Dreamliner fleet which has three classes of service: Economy, Premium and Business. EL AL’s all-new, Boeing 787 Dreamliner features the latest and most modern amenities including Business Class with lie-flat seats, gourmet meals, an extensive choice of wines and beverages, as well as complimentary Wi-Fi for the duration of the flight. EL AL also offers a Premium Class with oversized, comfortable seats with extended legroom and all the amenities of Business Class. EL AL also offers an interline agreement with American Airlines that allows passengers to schedule flights from across the US to TLV through Boston. (EL AL 27.01)

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* 1. Portnox Closes $22 Million Series A Round for Cloud-Native Networks for the Midmarket

Portnox closed a $22 million Series A round of growth financing led by Elsewhere Partners. Portnox plans to use the capital to substantially expand its team and speed global market penetration with a focus on mid-market organizations after establishing its new global headquarters in Austin, Texas. The primary focus for the North American expansion will be building out the operations, sales, marketing and customer success teams.

Recognized by industry luminaries as delivering cutting-edge NAC, including the RSA 2021 Global InfoSec Awards, Portnox solutions have helped nearly 1,000 organizations around the globe navigate the ever-changing regulatory compliance and cybersecurity landscape. Its coveted cloud-native NAC platform allows users to quickly and effectively implement powerful network access control, as well as endpoint risk posture assessment and remediation policies that can be automatically enforced across many sites. As cloud-native software-as-a-service (SaaS), Portnox eliminates the need for time-consuming system maintenance such as patches and upgrades. With SOC 2 Type 2 certification, Portnox CLEAR offers out-of-the-box integrations with common network hardware and critical security tools (e.g., active directory, MFA, MDM, SIEM), and works seamlessly with most anti-virus and firewall providers.

Ra'anana's [Portnox](http://www.portnox.com) offers cloud-native network and endpoint security essentials that enable agile, resource-constrained IT teams to proactively address today’s most pressing security challenges: the rapid expansion of enterprise networks, the proliferation of connected device types, and the increased sophistication of cyberattacks. Hundreds of companies have leveraged Portnox’s award-winning security products to enforce powerful network access, endpoint risk monitoring and remediation policies to strengthen their organizational security posture. By eliminating the need for any on-premises footprint common among traditional information security systems, Portnox allows companies - no matter their size, geo-distribution, or networking architecture - to deploy, scale, enforce and maintain these critical security policies with unprecedented ease. (Portnox 27.01)

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* 1. Japan's TPR Invests an Additional $5 Million In Aquarius Engines

Japanese auto-parts manufacturer TPR have invested $5 million in Yakum's [Aquarius Engines](https://www.aquariusengines.com). TPR is a Japanese publicly traded manufacturer of engine components for the global automotive industry and was already a non-material shareholder in Aquarius Engines. The new capital will accelerate the development, production, and distribution of the Aquarius Engine in Japan and beyond. The private investment would be the equivalent of 489,284 shares at NIS 32.66 per share.

The news comes as the two companies continue to negotiate an additional TPR investment in Aquarius Engines' subsidiary in Tokyo. As well as a potential manufacturing agreement under which TPR will manufacture Aquarius Engines' products in Japan. TPR was the second major Japanese automotive company to invest in Aquarius Engines following Honda-affiliate Musashi Seimitsu in 2019.

The 10kg 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. The Aquarius Engines technology currently has around two dozen patents registered worldwide. The company has manufacturing and development centers in Israel, Germany and Poland. (Aquarius Engines 01.02)

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* 1. Forwrd Raises $3.5 Million to Make Every Corporate Employee Data-Driven

Forward secured $3.5 million in seed funding to transform non-technical frontline employees into data driven decision makers. The funding round was led by Angular Ventures along with various angel investors to increase their R&D team and kick-start their go-to-market.

Forwrd's AI-based SaaS enables all employees, regardless of technical skills, to build predictive applications that detect hidden opportunities and critical risks in corporate data and recommends actions likely to convert, retain and expand customers. Under the hood is a powerful combination of scoring technology that ranks leads and customers, a smart prioritization engine that organizes which leads to pursue first, and personalized next-best-action recommendations. Recommendations are delivered via notifications right inside the business apps employees already use like Salesforce, Hubspot, Slack, Google Chrome, and more.

This no-code tool is user friendly, creating simplicity, so that any employee can base decisions on hard data in minutes, instead of days and weeks, driving tremendous corporate value and improved efficiencies across the organization.

Tel Aviv's [Forwrd](https://www.forwrd.ai/) is a leading provider of automated predictive analytics aimed at guiding business decision making. Forwrd's AI-based SaaS enables all employees, regardless of technical skills, to create predictive apps that can leverage corporate data to detect leads, opportunities, and customers that require attention, and then recommend actions via push notifications. Insights are sent to the business apps that employees already use like Salesforce, Slack, Google Chrome and more. (Forwrd 31.01)

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* 1. Danish Chain Flying Tiger Brings 'Products That Make You Smile' to Israel

The popular Danish variety chain store Flying Tiger Copenhagen opened its first branch in Israel on 31 January. It is also the company's first-ever branch in the Middle East. Shoppers at the Azrieli mall in Tel Aviv will now be able to choose from hundreds of colorful and fun home, office, and recreational products that have already proven popular among buyers at Flying Tiger Copenhagen's nearly 1,000 shops worldwide. In the next few weeks, five more stores are scheduled to open in Israel – in Haifa, Kiryat Ekron, two in Rishon LeZion and one more in Tel Aviv.

Flying Tiger Copenhagen was established in 1995 and has branches in 29 countries. Its products also include personal care, accessories, electronics, sports equipment and more. They offer goods for the home and office, party accessories, electronics, toys, sports accessories, DIY kits and more at affordable prices. (IHL 01.02)

REGIONAL PRIVATE SECTOR NEWS

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* 1. COFE App Acquires Sippy Beans

Kuwait's COFE App, the leading online coffee marketplace in the region, announced its acquisition of Sippy, Ltd. (Sippy Beans). Dubai's [Sippy Beans](Sippy%20Beans%20‎) is best known for its focus on specialty coffee via an e-commerce platform and mobile application. Since 2019, Sippy Beans has acted as the dedicated local specialty coffee marketplace by connecting coffee drinkers and independent cafes to specialty roasters from the UAE and around the world.

With this new power partnership, COFE App and SippyBeans will be able to provide a consolidated digital marketplace for all the Coffee needs and accessories. In doing so, the startup is empowering individuals to engage with coffee on their own terms and create their own blends autonomously.

The strategic move followed extensive study of the e-commerce market, its direction, and the impact of the pandemic on consumer behavior. KPMG’s Coffee in 2021 report ‘Prepare for Takeoff’ compared May 2020 sales to January 2020 sales, showing a 20% increase in sales of coffee pods, a 19% increase in espresso capsules, 44% for traditional home brewing and a 74% increase in ready-to-drink coffee. The report also showed an 11% increase in the sale of consumer coffee equipment as consumers begin to understand their preferred way of making coffee and increase investment in the right equipment.

Founded in 2017, [COFE App](https://www.cofeapp.com/%20‎) is an online coffee-centric marketplace conceptualized in Kuwait and developed in Silicon Valley, USA. They are a state-of-the-art application that runs on love, lots of COFE, and provides quick access to a wide range of international coffee franchises and artisanal coffee brands through multiple premium services and features on one platform. (COFE 31.01)

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* 1. Sanad Cash Raises $1.6 Million in a Seed Round

Sanad Cash has raised a $1.6 million seed round with participation from Impact46 seed fund, BIM ventures, Hala ventures, Derayah ventures, and a distinguished list of angel investors in KSA. Sanad Cash is a batch one alumni from Sanabil 500 accelerator. Sanad Cash offers small to medium-sized businesses (SMBS) and corporates a SaaS platform to help them track all of their spending and initiate on-demand payments for employees and others with just a few clicks.

Focusing on a segment of the market that is known to generate high turnovers with running costs on a daily, Sanad Cash is set to empower small and medium-sized businesses with the means to keep track of all money circulation. By focusing on SMBs, Sanad Cash has not only found a great market opportunity for their FinTech proposition but is also keen on empowering a segment of the market that plays a vital role in Saudi Arabia’s economy.

[Sanad Cash](https://sanadcash.com/) is a fintech company established in Jordan (2020). Their products and services are committed to looking after the employers and employee’s financial health. Their Sharia Compliant products and Services are designed to meet the progressive need for a Fast, Convenient, and Secured financial Services. (Sanad Cash 26.01)

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* 1. Fintech Platform PayBy Partners with Asfartrip.com

Abu Dhabi's [PayBy](https://www.payby.com/), a fintech company, has integrated its payment solutions with Dubai's [Asfartrip](https://asfartrip.com/en/), an online travel and tourism platform. Customers who book travel, flights, or hotels on Asfartrip may now check out securely utilizing PayBy payment alternatives. The fintech company also announced that the Asfartrip website has been incorporated into its native app, allowing clients to access travel and accommodation booking services as well as cashless travel.

Cashless travel is described as the future of tourism, as the sector recovers from the COVID-19 pandemic and mobile phones are well integrated into the post-pandemic travel and tourism experience. The partnership between PayBy and Asfartrip is a step towards making cashless travel a reality – a world in which anyone planning to travel, stay or go on vacation need not worry about cash-in-hand and adopt online payment solutions. The payment solutions from PayBy are accessible to all UAE residents, offering added convenience to unbanked or underbanked customers to book tickets online.

Asfartrip is the first third-party lifestyle product integrated on the PayBy native app. The company plans to integrate more value-added services on its app in the future, enabling customers to place orders on coupons, game credits sales, and food delivery, among others. PayBy also provides digital payment services covering multiple scenarios. This includes retail purchases, hotels, taxis, utilities, and mobile top-ups. It uses a QR-code based payment system to enable contactless and cashless payments. The QR code generated by PayBy is based on tokenization. PayBy’s platform will now be in use across hotels, malls and other tourism establishments. (GB 19.01)

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* 1. UAE's Takalam Raises $1 Million in a Pre-Seed Financing Round

Takalam has successfully raised $1 million in its latest funding round. The Pre-seed round was led by Emirates Angels Network with the participation of Nowaisi Investments, Plug n Play, and a Jordanian-based Fund. Takalam also received a grant last year from Abu Dhabi Investment Office (ADIO), the central government hub supporting investment in Abu Dhabi.

Abu Dhabi's [Takalam](https://takalamhere.com/en) (Arabic for ‘TALK’) is an award-winning online counseling platform for mental well-being. It is a Hub71 company working under the umbrella of Authority for Social Contribution (Ma'an) and Department of Health Abu Dhabi Tech-Hub. Launched under two years ago, mental health technology startup Takalam is growing rapidly, propelled by increased demand for behavioral health care services during the COVID-19 pandemic by both individuals and corporate entities.

The platform connects individuals and entities directly with mental health experts through a private and personalized, secure, digital experience using video, audio, and instant messaging, leveraging the power of AI and Data analytics. The company also plans to introduce other therapeutic tools and self-help exercises that are going to be available on their upcoming mobile application.

With the rise in the need for on-demand mental health support in light of global pressures, the startup is set to increase accessibility for such services in the region. Takalam will be able to use its newly acquired funds to further develop its platform on its mission to become a holistic online counseling provider. (Takalam 31.01)

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* 1. Dubai-Based Food Technology Platform Kitch-In Expands into Europe

Dubai-based food technology platform [Kitch-In](https://www.kitch-in.com) is set to launch its first burger delivery concept in the Netherlands with Johnny’s Burger Co. The exclusive agreement will enable consumers to order from the platform’s digital restaurant brands from 45 existing Johnny’s Burger Co. kitchens across the Netherlands and Belgium. The agreement also includes a joint rollout of an additional 50 kitchens throughout the region.

The Netherlands, which has more than five million active consumers in the delivery space annually, provides a strategic entry to the European market for Kitch-In. The companies will expand the concept across all key cities in Europe, including the UK, France and Germany.

Currently in the process of closing off its Series A Funding, the European expansion forms the initial part of Kitch-In’s international expansion strategy. The platform is also set to launch operations in 36 kitchens in the GCC before the end of year 2022, with locations confirmed across Saudi Arabia and the UAE, in partnership with Accor. Kitch-In launched in April 2021 with four virtual restaurant brands from one kitchen in Dubai. Since then, the platform has grown by approximately 1,300%, and now serves more than 20 virtual restaurant brands with a rapidly expanding kitchen network. (GB 21.01)

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* 1. UAE’s Chimera Capital Announces Second Closing of VC Fund at $10 Billion

Chimera Capital, a fund manager regulated by the Abu Dhabi Global Market, announced the second closing of its Alpha Wave Ventures II fund at $10 billion. The fund is Chimera Capital’s second venture capital fund, and is co-managed with Alpha Wave Global (formerly Falcon Edge Capital). The fund will target assets globally with a focus on fintech, AI, life sciences, consumer internet and B2B sectors, a statement said. Alpha Wave Ventures II is a multi-stage fund primarily concentrated on growth stage companies with clear exit strategies.

The Alpha Wave Ventures II Fund will provide large institutional investors with a platform to deploy significant amounts of capital in growth stage companies. Chimera Capital is a wholly-owned subsidiary of Chimera Investment, an Abu Dhabi-based private investment firm. Earlier this month, Chimera Capital listed the Chimera S&P KSA Shariah exchange-traded fund in Abu Dhabi. The product will allow traders in the UAE to track Saudi stocks via a local bourse. (Chimera Capital 25.01)

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* 1. UAE’s Etisalat Completes Acquisition of elGrocer

UAE’s Emirates Telecommunications Group Company completed the acquisition of Dubai's [elGrocer DMCC](https://www.elgrocer.com/). In November last year, Etisalat announced plans to acquire 100% of the online marketplace for groceries. The acquisition value of elGrocer will not exceed Dhs38 million and the transaction was paid by cash. Etisalat said that Smiles users in the UAE can now avail of a limited-time deal of 50% off (up to Dhs50) on online groceries from any outlet on elGrocer.

elGrocer has over 500 outlets on its platform and more than 120,000 products listed. The acquisition of elGrocer is expected to complement Etisalat UAE’s existing marketplace services under the ‘Smiles’ brand, which includes online food delivery, lifestyle offers and the ability to earn and redeem points at more than 7,000 outlets across the UAE.

The UAE retail e-commerce market reached $3.9 billion in 2020, a 53% year-on-year increase. E-commerce accounted for an 8% share of the retail market during the same year, analysis from Dubai Chamber of Commerce and Industry revealed. (GB 28.01)

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* 1. Dine Brands Plans to Open Applebee’s and IHOP Restaurants in the UAE

Glendale, California's Dine Brands International announced plans to open multiple Applebee's Neighborhood Grill + Bar and IHOP restaurants in the UAE, with the first location scheduled to open in Dubai later this year through an agreement with established IHOP Franchisee Mohamed Makawi.

Dine Brands Global, through its subsidiaries, franchises restaurants under both the Applebee's Neighborhood Grill + Bar and IHOP brands. With approximately 3,440 restaurants combined in 16 countries and approximately 350 franchisees, Dine Brands is one of the largest full-service restaurant companies in the world. (Dine Brands 27.01)

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* 1. Sequoia Chooses a Saudi Fintech for its First Gulf Deal as it Expands Activity

Sequoia Capital has made its first investment in the Arabian Gulf region by leading a funding round for [Lean Technologies](https://www.leantech.me/), a Saudi fintech firm whose founders include the son of the kingdom’s former oil minister, Khalid Al-Falih. Lean, which enables companies to access bank data and make payments, raised $33 million. Besides Sequoia Capital India, existing investors and newcomers participated in the Series A round.

Created in 2019, Lean says it amassed dozens of major clients and has offices in Riyadh, Abu Dhabi, Dubai, Cairo and London. It intends to use the proceeds to grow its team and expand further across the region. The Saudi company is benefiting from what it sees as an open-banking transformation taking place in the Middle East. Businesses use its platform to connect to their customers’ bank accounts and carry out instant transfers.

Sequoia is deepening its presence in the Middle East after recently backing companies from Turkey to Egypt. The US venture capital firm is among the global investors eager to seize on the spread of financial technology and e-commerce in the region as local economies emerge from the pandemic. (Sequoia 20.01)

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* 1. Amazon University Esports to Expand to UAE & Saudi Arabia with MENATech

Amazon in Saudi Arabia and the UAE joins forces with MTE (MENATech), a GGTech Entertainment Group company, to launch Amazon University Esports. This will be UAE’s and Saudi Arabia’s first educational e-sports league. Amazon’s involvement in the tournament across the UAE and Saudi Arabia will help upscale the competition, increasing visibility and growth opportunities for players, in addition to providing prizes and resources for participating teams.

The agreement between Amazon and MENATech follows a first season in which the esports competitive series hosted teams from more than 130 universities across the Middle East and North Africa (MENA) region. With global partner GGTech, the University Esports project, which brings students together to compete in e-sports leagues for their universities, has already established this tournament in countries that include – France, UK, Spain, Italy, Germany, Turkey, Poland, KSA, UAE, Egypt, Morocco, Mexico, Argentina, Chile, Colombia, Ecuador and most recently Canada.

Amazon University Esports is also supported by the Saudi Esports Federation in the KSA Competition. MENATech has been among the partners of the Saudi Esports Federation in the drive to elevate the industry. (GB 20.01)

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* 1. Retailo Raises $36 Million in a Landmark Series A Round

Retailo has raised $36 million in its Series A investment round which was a mix of equity and venture debt. Retailo is a regional B2B marketplace in MENAP and has raised a total investment of $45 million in less than 1.5 years of operations, a landmark for any startup in the region. Retailo's Series A round has attracted leading investors with proven track records of impactful investments. The round was led by Silicon Valley based Graphene Ventures which was an investor of tech giants Snapchat and Lyft.

For Retailo's Series A, Graphene is joined by leading investors that include 500 Global, Agility, Aujan, Tech Invest Com and Mentor's Fund, all of which have the relevant exposure and investments in the retail industry's technology companies. The venture debt was raised from Nahda Fund - one of the Middle East's first venture debt funds which is backed by IMM Investment Global, based in Hong Kong. Additionally, Shorooq Partners, Abercross Holdings, Arzan VC, AgFunder also participated in the round as repeat investors which demonstrates their continuing belief in Retailo's successful future.

On Retailo's mobile platform, small businesses can find a wide catalogue of over 5,000 SKUs which are delivered to their doorstep in less than 24 hours. They can also avail Buy-now-pay-later (BNPL) services, which give them flexible payment options and credit lines. By providing timely supply, competitive rates, and easy credit, Retailo is able to address the needs of retailers and significantly improve their business.

To offer a one-stop shop solution, Riyadh's [Retailo](https://retailo.co) directly works with hundreds of leading local, regional and global brands. Retailo also optimizes end-to-end logistics in the supply chain via efficient warehousing operations and smart fleet management solutions. Leveraging its wide regional presence, Retailo has recently begun offering its sellers a cross-border distribution platform across the three biggest markets in the region: KSA, UAE and Pakistan. Retailo also provides data analytics services to sellers to help them evaluate sales performance and consumption trends. (Retailo Technologies 31.01)

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* 1. Egypt's Brimore Closes $25 Million in a Series A Round

Brimore has successfully raised an exceptional $25 million in its latest funding round. The Series A round was led by the International Finance Corporation (IFC) and Endure Capital with participation from Fawry, Flourish, Endeavor Catalyst Fund and existing Brimore investors including Algebra Ventures, Disruptech, Khawarizmi Ventures and Vision Ventures. The Series A round followed Briomore’s $3.5 million Pre-Series A round and Fawry’s acquisition of shares in the Egypt-based startup.

Founded in 2017, Cairo's [Brimore](https://brimore.com/) designed an extensive Social Commerce and distribution platform allowing local suppliers to have nationwide coverage through a network of individual distributors selling their products in their circles using all possible channels (omnichannel). Since its foundation, Brimore was able to grow 400x, build a massive network of almost 75,000 resellers to cover 27 cities within Egypt, with a focus on rural and remote areas. Brimore uses its unique infrastructure and proprietary technology to avail market penetration opportunities to emerging brands owners. Brimore enables its sellers, who are mostly women, to unlock an alternative and flexible income method and become local business leaders through their custom solutions of online and offline sales channels.

The new capital will fuel Brimore’s growth within the next year, growing its network of sellers and suppliers 4x, doubling the number of its employees, and increasing the number of products sold three-fold. By 2023, Brimore aims to operate in three countries and strengthen its physical logistics capabilities. Brimore has had an exemplary funding track leading to its $25 million Series A round. Starting with an initial Pre-Seed investment of only $56,000 from initial backers Flat6Labs back in 2018, the Social Commerce startup and retail network would then close 2 other rounds to raise more than $4 million in funds prior to this Series A fundraising. (Brimore 31.01)

CLEAN TECH & ENVIRONMENTAL DEVELOPMENTS

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* 1. Israel Sets an Ambitious Goal to Slash Automobile Use by Half

A new plan by Israel's Ministry of the Transportation and Road Safety has set an ambitious goal of cutting car use in Israel by half and instead promote walking and using cycling, scooters and public transportation. It follows similar attempts to reduce car travel by cities in Europe and North America, such as London, Copenhagen and San Francisco.

The plan cites that while Israeli targets may be approaching those of Europe, in reality while in Tel Aviv, more than 50% of trips are made by car, the numbers in Europe are significantly lower: Berlin – 31%, Barcelona – 25%, Singapore – 33% and Vienna – 27%. Tel Aviv is striving to achieve these targets and its light railway system will be operating soon. Jerusalem has had a light railway system for a decade and more lines are being built, in addition to flyovers and underpasses.

Nevertheless, other projects are being delayed. Ra'anana is refusing to build bus lanes and opposition to the Metro is mounting in the Sharon region. However, if the planned Greater Tel Aviv metropolitan region congestion charge is introduced as planned in 2024, this would be a major step forward in achieving these targets. (Israel Hayom 20.01)

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* 1. Israel to Plant 450,000 Trees in Cities to Counter Effects of Climate Change

Israel’s cabinet approved a plan to plant 450,000 trees in the country’s cities to mitigate some effects of climate change by offering more shade and cooler temperatures. The plan, which is predicted to cost about NIS 2.25 billion, or $716 million, will be carried out between now and 2040. The goal of the plan is for 70% of sidewalks to be shaded by trees.

The plan is meant to both protect residents of cities from sizzling temperatures as the climate changes in Israel’s already hot climate but also to prevent further damage from climate change. Trees recycle carbon dioxide, one of the gases emitted by polluting cars, as well as anchor soil and absorb rainfall, mitigating the effects of flooding, which has become an increasingly common event in Israel. The resolution passed on 23 January by the cabinet, called trees “critical urban infrastructure, especially in a time of climate change.”

But even as Israel plans for new tree saplings, hundreds of thousands of more mature trees are being cut down each year for reasons like construction. Israel’s Environmental Protection Agency said it would establish a group to “look into aspects of preventing felling, both in public areas and in private gardens.” (JTA 24.01)

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* 1. Abu Dhabi Plans Solar & Water Plants in Drive for Net-Zero Target

Abu Dhabi plans to increase solar power generation by two-thirds this decade and build more efficient water desalination plants to help the country meet its goal for net-zero carbon emissions. The projects are part of a government drive to lower industrial emissions and help reach that goal by mid-century, Abu Dhabi’s Department of Energy announced. The emirate will build two solar plants and two waste-to-energy plants, adding 2.15 GW of power.

Oil-producing states like the UAE, the third-largest producer in OPEC, and Saudi Arabia, the biggest, see renewables as a low-cost way to meet burgeoning local demand for power while cutting emissions and making more fuel available for export. The UAE became the first major Middle Eastern oil producer to declare a net zero target for its domestic emissions. However, that aim doesn’t cover oil once it has been shipped from the country, which announced the goal even as it invests billions of dollars to boost production capacity by a quarter to 5 million barrels a day by 2030. In recent months, the country has exported about 3 million barrels of a day.

The Gulf state is working to cut some of the world’s highest per capita emissions, caused by the need to desalinate seawater for home use and to rely on air conditioning during torrid summer months. Building water-treatment plants using reverse osmosis technology will help the emirate close older and less efficient facilities. The Energy Department is also set to roll out power tariff rules that will offer industrial users cheaper rates if they consume electricity during periods when demand is low. (Various 19.01)

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* 1. TotalEnergies Joins Masdar & Siemens Energy in Green-Hydrogen Aviation Fuel Initiative

Masdar, one of the world’s leading renewable energy companies, announced that TotalEnergies is adding its expertise in the energy sector to a Masdar-led initiative focused on green hydrogen to produce sustainable aviation fuel (SAF). Senior executives from Masdar, Siemens Energy and TotalEnergies signed a collaboration agreement on the sidelines of Abu Dhabi Sustainability Week (ADSW) 2022 to act as co-developers for a demonstrator plant project, which will be established at Masdar City, Abu Dhabi’s flagship sustainable urban development.

Masdar announced ahead of ADSW 2021 last year that it was collaborating with Abu Dhabi Department of Energy, Etihad Airways, Lufthansa Group, Khalifa University of Science and Technology, Siemens Energy and Marubeni Corporation on the demonstrator plant initiative. Having joined the initiative, the aim now is that TotalEnergies will offer its expertise in SAF production, offtake and supply the partner airlines. Since January 2021, the partners in the initiative have completed a range of evaluations on technology suppliers, feasibility studies and conceptual designs, while working closely with regulators on compliance issues. The aim is to proceed to the front end engineering design (FEED) stage later this year.

By leveraging their respective areas of expertise across the energy spectrum, and their local and global market reach, the co-developers believe that the demonstrator project can pave the way to commercial production of SAF, helping to reduce production costs and making it commercially viable. (WAM 19.01)

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* 1. Morocco to Invest €285 Million to Finance Water Supply in Response to Drought

The Moroccan Ministry of Equipment and Water has announced an emergency plan to deal with the drought that is drying up rivers and curbing economic activities in the kingdom. At least MAD 3 billion (about €285 million) have been mobilized for this purpose. This funding will be used to build new dams and seawater desalination plants.

Morocco is facing a drought and this situation is of particular concern to the Moroccan authorities as it has led to a drastic decrease in the filling rate of dams. From 40.6% in January 2021, this level has dropped to 34.1% in January 2022. To mitigate the effects of water stress, the government plans to build 120 new river dams.

Part of the funds will be dedicated to the exploitation of non-conventional water resources, another solution advocated by the Moroccan government to meet water demand in the agricultural sector and households. New seawater desalination plants will be built in the regions of Nador, Dakhla, Safi, as well as in coastal cities starting this year. These desalination plants equipped with tanks for storage will support the existing facilities in the North African kingdom. (Afrik21 19.01)

ARAB STATE DEVELOPMENTS

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* 1. Lebanon’s Inflation Soared to a High of 224.39% by the End of 2021

According to the Central Administration of Statistics (CAS), Lebanon’s monthly inflation rate jumped from 145.8% in December 2020 to register a record high of 224.39% in December 2021. The average inflation rate by December 2021 reached 149.65%, higher than the average inflation rate of 84.27% over the same period in 2020. Accordingly, all sub-components of Lebanon’s consumer price index (CPI) increased over the studied period.

The cost of Housing and utilities, inclusive of water, electricity, gas and other fuels (grasping 28.4% of the CPI) added a yearly 103.08% by December 2021, where Owner-occupied rental costs increased by 2.81% year-on-year (YOY) while the average prices of water, electricity, gas, and other fuels soared by 425.35% YOY. Food and non-alcoholic beverages (20% of CPI) prices surged by 438.65% yearly. The average prices of Transportation (13.1% of the CPI), Health (7.7% of the CPI) and Restaurant and Hotels (2.8% of CPI) all recorded hikes of an annual 522.39%, 404.94% and 414.71%, respectively, by December 2021. As well, costs of Clothing and Footwear (5.2% of CPI) surged by 233.75% by December 2021, and the prices of Communication (4.5% of the CPI) increased by 36.17%. Prices of Furnishings and household equipment (3.8% of CPI), Alcoholic beverages and tobacco (1.4% of CPI), and Recreation, amusement, and culture (2.4% of the CPI) increased by 243.73%, 295.20%, and 152.20%, respectively, by December 2021.

Inflation skyrocketed amid the removal of fuel subsidies in September 2021 as the Central Bank is not capable anymore of subsidizing fuel imports due to the shrinking foreign currency reserves. Most importantly, during this period the exchange rate reached USD/LBP 33,000, reaching its highest level in the parallel market and reflecting the Lebanese exchange rate severe deterioration. However, now that the exchange rate has declined to around 21,000, it would be interesting what the inflation rate is going to be in the near future. (CAS 01.02)

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* 1. BDL’s Foreign Assets Down by 26% to Reach $17.83 Billion by End of 2021

According to the balance sheet of Banque du Liban (BDL), the central bank’s total assets added 9.79% compared to last year, to reach $163.19B by end of December 2021. The increase was mainly due to the 51.07% year-on-year (YOY) rise in other assets, grasping 37.68% of BDL’s total assets and reaching $61.49B by end of December 2021. Meanwhile, the gold account, composing 10.17% of BDL’s total assets, decreased by 4.20% yearly to reach $16.59B by the same period as the international gold price is decreasing globally.

BDL’s foreign assets (grasping 10.92% of total assets) decreased by 25.99% YOY to stand at $17.83B by end of December 2021. Although large part of subsidies on essential products was removed, however the foreign assets are still diminishing as Ogero and electricity expenses are paid in foreign currency and as some imports are funded through the “Sayrafa” exchange rate platform.

On the liabilities front, financial sector deposits (66.15% of BDL’s total liabilities) recorded no change YOY to settle at $107.94 by end of December 2021, of which more than three are denominated in dollars.

Looking at Currency in Circulation outside of BDL (18.6% of BDL’s total liabilities) it increased by 48.01% jumping from $20.5B by end of December 2020 to $30.36B by end of December 2021. The Lebanese Lira had further depreciated against the dollar early to record a new high of USD/LBP 33,500 on 18 January. (BdL 22.01)

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* 1. Jordan's Trade Deficit Rises by 29.2% During 2021

Jordan's trade balance deficit in the January-November period of 2021 increased by 29.2%, hitting JOD7.824 billion compared to JOD6.056 billion in the same period of 2020. According to a monthly report issued by the Department of Statistics (DoS), total exports in the January-November period of 2021 reached JOD5.997 billion, up by 18.3% compared with the JOD5.07 billion recorded in the same period of 2020.

National exports in the same period of 2021 rose by 20.1%, reaching JOD5.447 billion compared to JOD4.537 billion in the same period of 2020, figures showed. The value of re-exports was at JOD550.2 million, up by 3.3% compared with the JOD533 million during the same period of 2020, the DoS added.

Imports also went up by 24.2%, reaching JOD13.821 billion compared to the JOD11.125 billion recorded in the same period of 2020. Accordingly, the export-to-import ratio stood at 43.4% in the January-November period of 2021, compared with 45.6% in the same period of 2020, indicating a 2.2% drop. (Petra 26.01)

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* 1. Jordan Ranks 5th Among Arab Countries on Corruption Perceptions Index

Jordan ranked fifth among Arab countries and fifty-eighth globally in the list of least corrupt countries out of 180 countries that were evaluated on the Corruption Perceptions Index (CPI) issued by Transparency International. The report shows that Jordan has progressed by several indicators, and maintained its rank in some others indicators in 2021, noting that the levels of corruption are standstill in many countries, with 86% of countries making little to no progress in the last 10 years. The CPI ranks 180 countries and territories by their perceived levels of public sector corruption on a scale of zero (highly corrupt) to 100 (very clean).

The top countries on the Index are Denmark (88), Finland (88) and New Zealand (88), all of which also rank in the top 10% in the world on the Democracy Index civil liberties score. Somalia (13), Syria (13) and South Sudan (11) remain at the bottom of the CPI. Syria is also ranked last in civil liberties (Somalia and South Sudan are unrated). 27 countries – among them Cyprus (53), Lebanon (24) and Honduras (23) – are all at historic lows this year. (Petra 25.01)

►►Arabian Gulf

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* 1. UAE Ministry of Finance to Introduce Federal Corporate Tax On Business Profits

The UAE's Ministry of Finance has announced that the UAE will introduce a federal corporate tax on business profits that will be effective for financial years starting on or after 1 June 2023. Businesses will become subject to UAE corporate tax from the beginning of their first financial year that starts on or after 1 June 2023.

The UAE corporate tax regime has been designed to incorporate best practices globally and minimize the compliance burden on businesses. Corporate tax will be payable on the profits of UAE businesses as reported in their financial statements prepared in accordance with internationally acceptable accounting standards, with minimal exceptions and adjustments. The corporate tax will apply to all businesses and commercial activities alike, except for the extraction of natural resources which will remain subject to Emirate level corporate taxation. With a standard statutory tax rate of 9% and a 0% tax rate for taxable profits up to AED 375,000 to support small businesses and startups, the UAE corporate tax regime will be amongst the most competitive in the world.

No corporate tax will apply on personal income from employment, real estate and other investments, or on any other income earned by individuals that does not arise from a business or other form of commercial activity licensed or otherwise permitted to be undertaken in the UAE. Recognizing the contribution of free zones to the UAE’s economy and competitiveness, the UAE corporate tax regime will continue to honor the corporate tax incentives currently being offered to free zone businesses that comply with all regulatory requirements and that do not conduct business with mainland UAE. (WAM 31.01)

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* 1. Abu Dhabi has the World’s First Carbon-Neutral International Financial Center

The Abu Dhabi Global Market (ADGM) said on 19 January that it had achieved carbon-neutrality status by offsetting its 2021 carbon emissions as an organization. It reportedly positioned ADGM as the first international financial center in the world to be carbon neutral. To reach its carbon-neutral position, ADGM purchased and retired all its 2021 carbon credits via the Rimba Raya project, one of the highest-rated REDD 1+ projects globally, based in Indonesia. This initiative was facilitated by AirCarbon Exchange, a digital carbon trading exchange based in ADGM Square.

ADGM’s recently decided to transform the fourth edition of Abu Dhabi Sustainable Finance Forum (ADSFF) into a carbon-neutral platform and event in the UAE. The ADSFF is an extension of the annual Abu Dhabi Sustainability Week and a platform by the UAE financial sector to accelerate sustainable financing and investments and build a sustainable economy.

ADGM is also working with the Oxford Business Group to produce the ESG Intelligence Sustainable Finance Report to highlight ADGM’s and Abu Dhabi’s efforts and contributions towards the developments of the sustainable finance industry, and how they have been supporting the evolving needs of green asset issuers and investors.

The UAE has already announced a Net Zero 2050 Strategic Initiative to reduce carbon emissions. The country will spend over Dhs600billion on renewable energy until 2050. (GB 20.01)

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* 1. UAE to Roll Out Rules for Mandatory Calorie Labels on Food Served in Eateries

The UAE will soon introduce mandatory measures for restaurants and other food outlets to display calorie content of the food served to customers so they can make informed and healthy dietary choices. Dr. Ahmed Al Jaber, Minister of Industry and Advanced Technology, said on 26 January to the Federal National Council (FNC) that his ministry is currently working with the Ministry of Health and Prevention and other food regulatory authorities in the UAE to roll out a project to set guidelines specifying the amount of calories and all ingredients in the meals served by restaurants and other food outlets in the country.

The minister noted that although most of the work for the initiative is under the Ministry of Health and Prevention, the Ministry of Industry and Advanced Technology has developed standard specifications for the explanatory data of meals served in restaurants and food establishments, as a matter of national contribution and social responsibility.

According to authorities, requiring the food outlets to give consumers nutritional and calorie information in a direct and accessible manner will help people make informed and healthy dietary choices. (KT 25.01)

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* 1. First Space Economic Zone Set to Come to Abu Dhabi

The UAE’s first Space Economic Zone is set to open in Masdar City. It will create an integrated business ecosystem to boost startups and SMEs in the space sector. This is part of the country’s efforts to create a competitive private sector, facilitate public-private partnerships, boost the national space industry, and contribute to the UAE’s economic growth for the next 50 years. Businesses will be offered an integrated package of benefits including incubation, office space, mentorship, networking, investment opportunities, priority access to government contracts and closer cooperation with leading global research centers.

The Space Economic Zone will support the establishment of home-grown startups and accelerate their growth. Experts concur that the UAE’s space ecosystem is rife for private players, and it is imperative to broaden horizons to sustain existing capabilities and meet user demands. The strategic agreement between the UAE Space Agency and Masdar was signed at Abu Dhabi Sustainability Week 2022. The Space Economic Zone's program has four key pillars that include the Space Economy Accelerator Group, Space Labs, Space Government Services, and Work Space. (KT 20.01)

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* 1. Dubai Reports Dhs15.9 Billion in FDI During the First Nine Months of 2021

Dubai attracted Dhs15.9 billion of FDI capital inflow from 378 projects in the first nine months of 2021, according to the Dubai Investment Development Agency (Dubai FDI), an agency of the Department of Economy and Tourism (DET) in Dubai. The latest figures place Dubai third position globally as attracting greenfield foreign direct investment capital and projects and for FDI into reinvestment projects. FDI reinvestment projects accounted for 11% of the total FDI projects in the emirate.

FDI job creation witnessed a significant growth of 36% during the first nine months of 2021 compared to the corresponding period in 2020. There were 16,430 new jobs were created compared to 12,090 jobs in the same period the previous year. The total number of FDI projects increased by 16% from 326 in the first nine months of 2020 to 378 in the corresponding period of 2021. As much as 58% of the inbound FDI is in strategic sectors and 52% is in greenfield projects. High- and medium-technology investments comprise 64% of inbound FDI capital, with an increase of 2% over the first nine months in 2020.

FDI source countries according to ‘Dubai FDI Monitor’ puts the UK at the top with 29% of FDI capital inflows into Dubai during the first nine months of 2021, followed by France with 19%, the US at 14%, Saudi Arabia at 6% and India at 4%. These five countries together accounted for 72% of the total capital inflow into Dubai. In terms of the number of FDI projects, the UK ranked first with 20%, followed by the US at 19%, India at 11%, France at 6%, and Germany at 5%.

Over 2020, Dubai recorded Dhs24.7 billion worth of FDI across 455 projects. Over the same period, FDI inflows to the whole of the UAE grew 44.2% to $19.88 billion compared to 2019. (GB 31.01)

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* 1. Oman & Virgin Orbit Announce Consortium for Country’s First Mission to Deep Space

The Sultanate of Oman, leading US-based launch company Virgin Orbit, Polish Small Satellite manufacturer and operator SatRevolution, Poland-originated AI data analytics specialists TUATARA, and Omani-based emerging technology innovator ETCO, have together signed a Memorandum of Understanding for collaboration on Oman’s first mission to deep space. The same agreement also lays the foundation for the consortium to collaborate on delivering additional small satellites to Low Earth Orbit, including the first in Oman’s history.

As part of the historic deep space mission, the group plans to launch a satellite designed by SatRevolution aboard a Virgin Orbit rocket, sending it to deep space with the mission of conducting cutting-edge scientific research and capturing high-resolution imagery. All collected data and images, both from the Low Earth Orbit and deep space missions, will be further analyzed digitally using computer vision, machine learning, and AI solutions developed by TUATARA in strategic partnership with ETCO. This mission will collect valuable data regarding the hidden patterns that underlie climate change, and the aftereffects of natural disasters. In addition, it could provide scientists with essential information needed to understand what occurs on the surface of Earth’s neighbors.

The final mission parameters and scientific objectives will be determined in a study conducted by the parties to the mission, and thereafter the parties expect to sign a definitive binding agreement to conduct the mission. The mission is the follow-on to the Memorandum of Understanding signed during International Astronautical Congress held in October 2021 in Dubai, which established the cooperation of the Parties to design, manufacture and launch the first Omani satellite, manufactured by SatRevolution and onboard Virgin Orbit’s LauncherOne, on the first ever launch from the United Kingdom out of Spaceport Cornwall in 2022. The launch from Cornwall and subsequent missions to deep space will be enabled through Virgin Orbit’s versatile air launched system. The Cornwall mission providing the first Oman Satellite in Space sets the foundation for allowing previously non-space faring nations the ability to launch satellites from their own soil, which is a key element of the Oman strategy for Space. (Oman 26.01)

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* 1. Saudi Arabia Reports More Non-Oil Exports & Large China Trade

The Saudi General Authority for Statistics said on 21 January that non-oil exports in November 2021 totaled SAR 26 billion ($6.9 billion), up from SAR 20.6 billion ($5.5 billion) in November 2020. This constituted an increase of 26.1%. Non-oil exports also increased 9% from October to November 2021.

The General Authority for Statistics also reported that China was the top recipient of Saudi exports in November of 2021, accounting for 17.2% of Saudi exports that month. Exports to China were valued at SAR 18.5 billion ($4.9 billion). China was followed by India, which received 11.6% of the exports, and Japan, which received 9.6%. Other countries in the top 10 were South Korea, the United States, the United Arab Emirates, Egypt, Singapore, Bahrain and Taiwan. Chemical and related products made up 34% of non-oil exports. Plastic and rubber were 31.6%, according to the authority.

Saudi Arabia, which is one of the world’s largest oil producers, is working to reduce its dependence on oil exports as part of its Vision 2030 initiative. Relatedly, the country also recently reported an increase in the number of mineral production factories. Saudi Arabia also seeks to eliminate its gas emissions by 2060. (Al-Monitor 25.01)

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* 1. Saudi Arabia to Maintain Current Level of Debt

On 24 January, the Saudi government said that it will maintain its current amount of debt this year. Saudi public debt is “estimated” to remain at approximately SAR 938 billion ($250.1 billion) in 2022. The government will focus this year on refinancing around SAR 43 billion ($11.5 billion), the National Debt Management Center said.

Debt refinancing occurs when the borrower — in this case, the Saudi government — applies for a new loan with more favorable payment conditions than the previous loan stipulated. Saudi Arabia’s debt has risen significantly in recent years, along with that of other Gulf states. In Saudi Arabia’s case, the reasons include a decline in oil export revenues as well as the state’s large public expenditures. The COVID-19 pandemic has also affected Saudi Arabia’s debt. The kingdom paid portions of private sector salaries during the crisis. Riyadh’s debt payment plan includes several funding channels, including the issuance of bonds in euros, according to the National Debt Management Center statement. (Al-Monitor 25.01)

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* 1. Saudi Crown Prince Unveils New Hospitality Brand to Revive Kingdom’s Heritage

Boutique Group, a new hospitality brand, that will manage and convert several historic and cultural palaces in Saudi Arabia into ultra-luxury boutique hotels, was launched to reinvigorate the kingdom’s heritage and culture to create a unique hospitality experience. The first phase of the project will focus on the development of three historic palaces in cooperation with the private sector. These include the Al Hamra Palace, which will offer 77 keys, including 33 luxury palace suites and 44 luxury villas in Jeddah; Tuwaiq Palace – which will provide 96 keys including 40 luxury palace suites and 56 luxury villas; and the Red Palace, which will offer 71 keys, including 46 luxury suites, and 25 luxury guest rooms.

Both Tuwaiq and Red palace are located in Riyadh. Boutique Group will conflate the kingdom’s culture and heritage with modern amenities to provide an exclusive hospitality experience to its guests. The announcement is in line with the Saudi-based sovereign wealth fund, Public Investment Fund (PIF) strategy to focus on promising sectors – such as tourism and hospitality – to support the kingdom’s regional and international position as a tourism hotspot, a statement said.

Saudi Arabia unveiled a slew of hospitality projects to underpin the economy and boost its touristic outlook. Last year, the kingdom’s Red Sea Development Company (TRSDC) signed nine hotel management agreements with international brands to operate resorts in the first phase of development at the Red Sea project. Upon completion in 2030, the project will have 50 hotels offering up to 8,000 hotel rooms and approximately 1,000 residential properties across 22 islands and six inland sites. PIF also said last year that it will invest almost $3 billion on Soudah Development, a tourism project in a mountainous region near the kingdom’s border with Yemen. (GB 20.01)

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* 1. Saudi Company for Artificial Intelligence Launches Operations

The Saudi Company for Artificial Intelligence (SCAI), a company wholly owned by Saudi-based sovereign wealth fund, Public Investment Fund (PIF), is launching operations to grow and develop artificial intelligence (AI) and emerging technologies industries in Saudi Arabia. The company will focus on delivering end-to-end cutting-edge solutions across various disciplines in AI. These will apply to a wide range of use cases for both business and consumers in prioritized sectors for the kingdom such as energy and healthcare.

As PIF’s arm in the AI and emerging technologies sector, the company will develop local capability, cutting edge technology and strategic partnerships to support the creation of Saudi-owned solutions in the AI ecosystem in line with Vision 2030 objectives of diversifying and growing the economy and improving the quality of life for Saudi citizens. SCAI will be a key enabler to promote the national AI objectives and accelerate technological adoption across various sectors in the kingdom. (GB 21.01)

►►North Africa

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* 1. Egypt's Non-Oil Exports Reach a Record $32 Billion In 2021

Egypt's non-oil exports rose by 26% in annual terms to reach a record $32 billion in 2021, up from $25.4 billion in 2020, Trade and Industry Minister Gamea announced. Government efforts to support exporters with subsidies and pay off arrears, restructure export councils and bilateral and multilateral trade agreements helped to drive the increase in revenues, she said. The figure is slightly higher than the preliminary $31 billion Prime Minister Madbouly announced at the beginning of the month.

The sectors that generated the most export revenues were chemical products and fertilizers at $6.7 billion (up 45%), engineering and electronics at $3.4 billion (up 46%), and readymade garments at $2 billion (up 39%). Egypt's leading export markets are the US, Saudi Arabia, Turkey, Italy, the UAE, Malta, Spain, the UK, Libya and Canada. Exports to the EU increased 56% to $9.2 billion, exports to the US were up 51% to $2.4 billion, exports to Africa excluding Arab nations jumped 28% to $1.9 billion and exports to other markets were up 31% to hit $7 billion. (Various 20.01)

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* 1. Egypt's State Privatization Program to Resume in March

More Egyptian state-owned companies may offer shares on the EGX in the coming weeks, according to Finance Minister Maait, who said that the state privatization program will resume in March. This comes a few days after Planning Minister El Said stated that the government plans to accelerate privatization by selling stakes in state-owned firms every month or two.

The government’s privatization drive started to gain momentum late last year with the successful IPO of state fintech firm e-Finance and a secondary stake sale by Abu Qir Fertilizers. Before then, the program had only delivered one secondary offering in the three years since its announcement, due to poor global market conditions and the pandemic. While El Said declined to name which companies the government is planning on offering to investors, state-owned Ghazl El Mahalla FC is set to offer a 67.5% stake in early February.

Heliopolis Housing and Development could finally go ahead with its secondary offering by the middle of 2022 in a revival of its plan to tap the EGX, while state fertilizer producer Mopco is also in the chute to tap the EGX before the end of the current fiscal year, Public Enterprises Minister Tawfik said in November. Meanwhile, the hotly-anticipated IPO of Banque du Caire could also be back on after it was postponed due to the pandemic. (Ent 31.01)

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* 1. Morocco Food Wholesale and Retail Market Report 2021

The "Wholesale and Retail of Food in Morocco 2021" report has been added to [ResearchAndMarkets.com](http://www.ResearchAndMarkets.com‎)'s offering. Morocco's food industry is dominated by traditional grocery shops that are informal and often family-owned and individually managed, in addition to informal open-air markets. It is, however, expected that conventional supermarkets will expand to account for 30% of retail sales by 2025 from 20% currently.

Food retail is considered to be a high potential sector, and programs to boost the industry are focused on the modernization of traditional food retail outlets. These outlets and small shops still account for 80% of grocery retailing. Retailers continue to focus on large cities for expansion due to their higher-income population and demand for imported food products. Food retail in Morocco remained stable during the pandemic. People stopped eating out during the lockdown, and ate out less since curfews were in place. This increased spending at local supermarkets.

The shift to online food retail was accelerated by the pandemic and many Moroccan grocery retail chains have launched their own apps and have started offering delivery services. In 2020, Morocco had 1,000 active ecommerce websites, 300 more than 2019. Online payments also grew by 46.5%. However, only 2% of all retail sales are made online. Online sales and increased digitization of banking services are changing the business model of food and grocery retail. Morocco is encouraging tech startups that create retail solutions through the establishment in 2021 of the startup incubator and accelerator Moroccan Retail Tech Builder. (R&M 25.01)

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* 1. Remittances to Morocco Reached $9.95 Billion in December 2021

Remittances from Moroccans reached MAD 93.3 billion ($9.95 billion) at the end of December 2021 compared to MAD 68.18 billion ($7.27 billion) a year earlier. Morocco’s Exchange Office released the latest data on remittances to the country, saying money transfers from Moroccan diaspora members experienced an increase of 36.8% or MAD 25.07 billion ($2.67 billion). The figures show that the far-reaching socio-economic consequences of the COVID crisis worldwide did not have a negative impact on money transfers from Moroccans residing abroad. In fact, remittances to Morocco from overseas Moroccans considerably increased despite the pandemic. This means COVID did not deter Moroccans from contributing to Morocco’s economy with regular financial assistance to their families, loved ones and investment transfers to sustain their businesses in Morocco.

In 2021, the flow of remittances from Morocco’s diaspora represented 7.4% of Morocco's GDP. Morocco’s government wants to further encourage diaspora members to invest in the North African country.

Morocco’s Deputy Minister for Investment said in January that 10% of money transfers from Moroccans residing abroad were channeled towards investment last year. The minister said $864 million went to the real estate sector, while $216 million were invested in other productive sectors. In addition to remittances, Morocco’s Exchange Office said Morocco’s balance of trade in services experienced a slight increase of 0.3% in December 2021.

The country’s balance of trade in services amounted to more than MAD 64.16 billion ($6.84 billion), according to the Office’s latest data. Exports improved by 6% to stand at MAD 139.018 ($14.83 billion) billion at the end of December 2021, while imports also increased by 11.4% to reach MAD 74.885 billion ($7.99 billion). (MWN 01.02)

TURKISH, CYPRIOT & GREEK DEVELOPMENTS

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* 1. Turkish Economic Statistics Paint Mixed Picture After Lira's Crash

Turkey’s central bank and statistics agency published data on 25 January that painted a mixed picture of the economic repercussions of a crash in the lira’s value late last year. Confidence in the industrial sector, retail and services climbed in January, the figures showed. Meanwhile, capacity usage among manufacturers and confidence in the construction industry fell.

The Turkish lira has slid by 37% against the dollar since the start of September, when the central bank began cutting interest rates despite a rise in inflation. The slump in the lira has raised concern for economic stability in the country and a possible recession. Turkey’s consumer price inflation rate surged to 36.1% in December, the highest level since 2002. The rate has almost doubled from the 19.3% reported for August.

Industrial confidence increased to 109.5 points this month from 106.1 in December and from 108.4 in November, the central bank said. Any figure above 100 points reflects optimism. Production and orders were expected to increase in the next three months, the bank said. Meanwhile, capacity usage among manufacturers dropped to 77.6% this month from 78.7% in December and 78.1% in November.

In the retail sector, confidence increased to 124.4 points in January from 121.5 points in December, despite the jump in annual inflation. It stood at 115.6 points in September, when the central bank began cutting interest rates. A similar trend was observed in the services industry, where sentiment improved to 120.2 this month from 118.8 in December, according to the data, published by the Turkish Statistical Institute. It had stood at 117.8 in September. In the construction sector, confidence dipped to 85.5 points from 90 points in December. The January figure was the lowest since June. (Ahval 25.01)

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* 1. Turkish Trade Deficit Widens by 49.3% in December

Turkey’s foreign trade deficit grew by an annual 49.3% in December as a surge in energy prices spurred imports. The trade gap increased to $6.79 billion, the Turkish Statistical Institute reported. Imports rose by 29.9% to $29.1 billion, while exports advanced by 24.9% to $22.3 billion.

Turkey’s lira slumped to successive record lows in December, making exports cheaper to purchase in foreign currency terms, before reversing those losses after President Erdoğan announced a savings scheme linking lira deposits to the value of the dollar. His government is seeking to close the country’s trade deficit by boosting exports and reducing demand for imports.

Turkey imports nearly all the oil and natural gas it consumes, meaning any increase in global prices has the potential to buoy imports. The foreign trade deficit decreased by 7.5% to $46.1 billion in 2021 as a whole. Exports rose by 32.8% $225.3 billion, while imports increased by 23.6% to $271.4 billion, the institute said. Exports covered 83% of imports last year compared with a ratio of 77.3% in 2020. (Ahval 31.01)

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* 1. EU Budgets $736 Million for Power Cable Connecting Israel, Greece & Cyprus

The European Union has budgeted €657 million ($736 million) for the construction of a 2,000 MW undersea electricity cable that will link the power grids of Israel, Cyprus, and Greece, Cypriot Energy Minister Pilides said on 27 January. Pilides told reporters that the funding is Cyprus' largest-ever investment as well as the lion's share of the total sum that the EU's Connecting Europe Facility, which funds infrastructure projects, has allocated to a single project this year.

Pilides said the money enables crews to start constructing the segment of the cable that will connect Cyprus with the Greek island of Crete, the total cost of which is estimated at roughly €1.6 billion ($1.8 billion). Negotiations to transfer the funds are expected to be concluded this summer. The minister said beyond the project's geopolitical weight, it will ensure Cyprus' energy security, boost competitiveness in the power supply sector, and help the island nation more easily transition to a green economy.

With the cable's completion, it is expected that more investment will flow into renewable sources enhancing the energy mix of Greece, Cyprus and Israel. Pilides said a study showed that the cable in combination with power storage facilities could push Cyprus' use of renewable energy sources above 50% by 2030.

Pilides and her Greek and Israeli counterparts signed an agreement last October to speed up technical work on the cable dubbed the "Eurasia Interconnector." The agreement aimed to expedite permits and approvals for feasibility studies and to help the three countries' national electricity coordinators cooperate on how best to move forward. The cable's first phase is expected to be completed by 2025. (ILH 28.01)

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* 1. Cyprus is Planning its First Green Bond

Cyprus could issue its first green or sustainability bond next year and aim to raise at least €500 million. Proposals for such a deal have been discussed but still need government approval.

Green bonds are a fast-growing market where borrowers tap to fund environmentally-beneficial projects. Cyprus will look for an issue size of at least €500 million and could also opt for a sustainability bond, proceeds of which can be spent on both green and social projects instead of a green bond.

Luxembourg was the first European government to issue a sustainability bond in 2020 and Andorra and Slovenia followed last year. European governments have shown strong interest in the green bond market as demand for environmental, social, and green assets have surged. Germany, Britain, Italy, Spain and the European Union issued their debut green bonds over the last two years. Interest remains high, with Denmark issuing its first green bond this month and Greece and Austria among countries expected to follow suit. (fm 26.01)

GENERAL NEWS AND INTEREST

**\*ISRAEL:**

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* 1. WHO Says Israel Becomes World Leader In Live Donor Kidney Donations

In 2020, Israel was the country with the most living kidney donors worldwide, according to a recent World Health Organization (WHO) report. Published by the Global Observatory on Donation and Transplantation in December, the report listed Israel's average annual number of living kidney donors as just over 30 people per one million inhabitants.

The United States boasted the greatest average number of kidney donations from deceased donors at more than 55 per million. However, the number of living donors was less than half of Israel's average – about 15 per million.

Matnat Chaim, an Israeli non-profit that recruits and supports healthy volunteers to donate kidneys to patients waiting for a transplant, accounted for two-thirds of all live kidney donations in Israel in 2020 and 2021. The Jewish state ranked 28th on the worldwide list before Matnat Chaim's founding in 2009. So far, the organization has assisted in the donation of 1,170 healthy kidneys in Israel. (JP 23.01)

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* 1. Record 2 Million Israelis Contracted COVID Since the Outbreak of the Pandemic

While the total number of documented Corona virus infections since the start of the pandemic stands at 2,006,131, the actual number is likely much higher as Israel struggles to keep its database coordinated with the rapid spread of the Omicron variant. Of the 458,232 Israelis who tested for the virus on 19 January, 71,844 were found to have the disease, for an infection rate of 17.07%. There were 388,392 active cases of the virus. Although 1,638,440 Israelis have recovered from the virus, 8,362 have died.

Meanwhile, the Health Ministry has released new findings that point to children and adolescents vaccinated against COVID-19 being better protected against the Omicron variant than the unvaccinated. The study, conducted in collaboration with the Weizmann Institute of Science, the Hebrew University of Jerusalem, and Sheba Medical Center at Tel HaShomer's Gertner Institute, found vaccines administered in the past few months to be effective against the ultra-contagious variant.

Children aged 5 to 11 who received two doses of the Pfizer vaccine were half as likely to be infected with Omicron than unvaccinated children, the study found. Additionally, adolescents aged 12 to 15 who received a booster dose within the last two months were four times less likely to be infected than those who did not. In total, only about 12% of children aged 5 to 11 in Israel have received two doses of vaccine, and less than 12% of children aged 12 to 15 have received three doses.

Over 4.3 million people have received three doses of vaccine, and over 530,000 people have received four doses. (Israel Hayom 20.01)

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* 1. Israeli Basketball Association Scores Historic Cooperation Deal With Morocco

In a historic first, the Israeli and Moroccan basketball associations agreed on 20 January to sign a cooperation agreement during a Zoom conversation between the two parties. The deal will be signed at a special ceremony in Morocco in the spring and will constitute the first cooperation of its kind between Israel and an Arab nation. A symbolic basketball game will also take place. The agreement is expected to include professional, social, and educational ties, with Aourach having said one of Morocco's goals is to learn from Israeli basketball achievements.

The Moroccan delegation said that Israeli basketball player Mohamed Abu Arisha, who has recently signed a contract to play for a team based in Morocco, will be invited to the ceremony in the spring. ((IHL 23.01)

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* 1. Israel is Home to 165,800 Holocaust Survivors with 90% Over the Age of 80

Israel is home to 165,800 Holocaust survivors, 90% of whom are over 80 years old, according to a report released by the Labor and Social Affairs Ministry. The data was published prior to the annual International Holocaust Remembrance Day, which will be commemorated on 27 January - the date that the Auschwitz concentration camp was liberated by the Red Army in 1945.

The average age of Holocaust survivors is 85, with 19% of them, or about 31,000 people, over the age of 90. More than 950 are over 100 years old. Figures also show that 60% of survivors are women — around 105,000, with an average age of 85.4. In addition, 64% of the survivors are from Europe, of which 59,900 are from the former Soviet Union. A total of 19,100 were born in Romania, 8,900 in Poland, 4,500 in Bulgaria, 2,400 in Hungary and 2,300 in Germany.

The Nazi Holocaust also reached Asia and North Africa, with 36% of survivors from outside of Europe. Among them, 30,600 were from Morocco and Algeria and suffered from antisemitism and various restrictions under the French "Vichy regime." In addition, 18,000 survivors are from Baghdad and 11,000 are from Tunisia and Libya — they suffered racial laws and were sent to concentration and labor camps. A total of 5% of survivors immigrated to Israel even before the establishment of the state; 11% of the survivors came to Israel at the end of 1948, about 80,500 people (48%) immigrated in the late 1950s and more than a third (35%) in 1989. In 2021, 98 Holocaust survivors immigrated to Israel. (i24NEWS 26.01)

\*REGIONAL:

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* 1. Likely Dates for Ramadan 2022 in UAE Announced

According to a UAE astronomer, 2 April will mark the first day of the holy month of Ramadan in 2022. The actual date will be determined by the sighting of the crescent moon, on which the Islamic calendar is based.

Islamic months last either 29 or 30 days, depending on the sighting of the crescent. This year, Ramadan is expected to last 30 days till 1 May. This means that 2 May is likely to be the first day of the Islamic festival of Eid Al Fitr. Ibrahim Al Jarwan, member of the Arab Union for Astronomy and Space Sciences, also revealed the fasting hours during the holy month. Muslims fast from dawn to dusk – from the call for the Fajr prayer till that of Maghreb. These timings vary during the course of the month. Fasting hours would be 13 hours and 40 minutes at the start of the month. By the time the month ends, the hours would have increased to 14 hours and 20 minutes.

The Islamic festival of Eid Al Fitr will mark the end of the holy month. UAE residents are likely to get a five-day break for the festival. Ramadan is the holiest in the 12-month Islamic Hijri calendar. Eid Al Fitr is marked on the first day of Shawwal – the month that comes after. It is celebrated with an act of charity called Zakat Al Fitr, a special prayer in the morning, a feast and sweets. (KT 23.01)

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* 1. Survey Finds Young People in Casablanca See English as Critical to Economy

British political advisory firm Hardcastle conducted a survey in Casablanca to collect young people’s opinions on the importance of English to Morocco’s economic development. They also sought to gauge whether English is the preferred language of Moroccan youth. The survey targeted young people between 18 and 25 years old.

Data shows that a staggering 86% deemed English more important to the economic development of Morocco than French. This reinforces a recent study by the British Council released in its ‘Shift to English’ report, in which 82% of Moroccans “considered speaking English as beneficial.” The survey’s results are important data to consider as the Casablanca region is considered to be the heart of the Moroccan economy.

The recent launch of the country’s new investment strategy with the unmistakably English marketing slogan “Morocco Now” is reflective of a wider shift taking place across Morocco. Many current billboards are plastered with English words such as “love,” “life” and “enjoy.” Observers believe that the Moroccan government needs to build on the structural changes introduced in recent years to continue to support English language learning. (MWN 19.01)

ISRAEL LIFE SCIENCE NEWS

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* 1. DouxMatok & Blommer Announce Strategic Partnership to Reduce Sugar in Chocolate

DouxMatok (Israel/USA) and Blommer Chocolate Company (USA), the largest cocoa processor and ingredient chocolate supplier in North America, announce a strategic commercial partnership to produce and sell a game changing portfolio of chocolate products with significantly less sugar. Together, the companies have developed a breakthrough in chocolate applications, and are launching initially with a chocolate-flavored chip, which will be available to the Blommer network of customers in North America.

Incredo Sugar is an innovative sugar reduction product and the only solution on the market made of real cane sugar. It allows for up to 50% sugar reduction and enhances the perception of sweetness with substantially less sugar and no compromise on taste, texture, or sweetness. The collaborative effort will allow both Blommer and DouxMatok to offer its customers a range of delicious chocolate products with significant sugar reduction. The first available product in the innovative Discovery product line is a new chocolate-flavored chip, with 50% sugar reduction, lower calories and higher fiber compared to traditional full sugar chocolate chips but tastes just as decadent.

Petah Tikva's [DouxMatok](http://www.douxmatok.com) is pioneering the development of efficient nutrition and flavor delivery technologies of food products. Recognized as a special mention in the ‘Best Inventions of 2020’ by TIME, Incredo Sugar is the flagship product of DouxMatok, a global food-tech company pioneering the development of efficient nutrition and flavor technologies and enabling tastier and healthier consumption of foods. Incredo Sugar is a first-of-its-kind, sugar-based sugar reduction solution that improves the efficiency of sugar delivery to the sweet taste receptors and enhances the perception of sweetness enabling substantial sugar reduction without compromising taste, mouthfeel, or texture. Based on real cane sugar, this breakthrough, patented sugar reduction solution enables food manufacturers to develop delicious, better-for-you formulations that deliver great taste experiences and enhance nutritional values of sweet food products while reducing sugar. (DouxMatok 19.01)

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* 1. VUZE Medical Announces U.S. FDA 510(k) Clearance for Its VUZE System

VUZE Medical received 510(k) clearance from the U.S. FDA for its VUZE System. Using proprietary image processing, the VUZE System is a software-only solution that overlays a graphical representation of tools seen in intra-operative 2D images onto axial and sagittal views generated from the patient’s standard pre-operative 3D scan. The system is designed for use during common spinal stabilization surgeries that are performed in outpatient or ambulatory settings and are currently aided solely by X-ray.

The VUZE System’s hardware consists only of an on-cart, off-the-shelf PC and the only imaging required in the OR is a standard 2D X-ray. The system uses no sensors, cameras or reference arrays whatsoever, nor does it require any calibrations or lines of site. It can be used with standard surgical tools and implants with no tool add-ons or modifications. The VUZE System offers pre-operative surgical planning including implant sizing, entry location and trajectory determination, along with intra-operative guidance and tool trajectory / position confirmation.

Ra'anana's [VUZE Medical](http://www.vuzemedical.com) is a privately-held medical technology company that aims to provide highly accurate and cost-effective surgical guidance for common spinal interventions currently aided only by standard 2D X-ray alone. The company’s VUZE System is a unique software-only solution that instantly merges intra-operative X-ray with pre-operative CT, providing surgeons with the cross-sectional images they need most during surgery and currently lack. The system is designed for use during common spinal surgeries that are performed in outpatient or ambulatory settings. (Vuze 18.01)

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* 1. A Noninvasive Test for Gut Inflammation

A new method developed at the [Weizmann Institute of Science](https://www.weizmann.ac.il/pages/) in collaboration with the [Sheba Medical Center](https://eng.sheba.co.il/) at Tel HaShomer may offer a noninvasive alternative to colon detecting inflammation in the intestines by analyzing a fecal sample. In the future, stool testing might facilitate the diagnosis of disorders such as Crohn’s disease and ulcerative colitis and help monitor their course, as well as enable physicians to select the most appropriate therapy for each patient. The study’s findings are being published this week in the journal Gut.

The idea for this study was born when researchers at Weizmann’s Molecular Cell Biology Department saw that cells shed from the gut lining of mice and expelled in the feces stay alive for several hours. They realized that they could analyze gene expression in cells shed daily from the lining of the human gut, using this expression to learn about potential disease processes in the intestines. Researchers from Sheba and Weizmann analyzed cells collected from the gut lining of thirty patients with inflammatory bowel disease during the course of colonoscopy. Some of the cells came from fecal samples taken from the lower intestinal tract, others from biopsies of the gut lining in the same area. The researchers compared the cells collected from the patients with those taken from fecal samples or biopsies of some thirty healthy people who had undergone colonoscopies as part of routine cancer screening.

Using specially adapted RNA sequencing and other advanced methods, the scientists determined which cell types were present in each of the samples. They found that apart from the regular cells making up the gut lining, the fecal samples contained four immune-related cell types associated with inflammation, among them inflammatory monocytes and regulatory T cells. By means of algorithms developed in Itzkovitz’s lab, they then identified distinct expression patterns, or RNA signatures, of the cells in each sample. These signatures helped reveal the exact proportion of each immune-related cell type in the gut lining; no less important, they enabled the scientists to determine whether or not a person had an active case of intestinal inflammation. The fecal samples proved to be more reliable in this respect than the biopsies. (Weizmann 21.01)

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* 1. Israeli Researchers Reveal 'Achilles Heel' of Pancreatic Cancer

An extensive study by the Tel Aviv Sourasky Medical Center into how pancreatic cancer cells choose to metastasize – spread to other parts of the body – might be the key to treating this type of tumor and increasing patients' life expectancy. The research included 17,000 pancreatic cancer patients from around the world whose information was added to a database of the world's largest cancer genetics company.

Professor Ido Wolf and Tami Rubinek, who led the research, found that the mutation that causes the disappearance of the so-called p15 and p16 proteins is found more in liver metastases than in other kinds. The scientists were also able to prove that when these proteins disappear, the cancer cell changes its properties and metabolic activity in a way that makes it easier for it to grow in the unique environment of the liver.

The study helps understand the process of metastasis formation and reveals the Achilles heel of the cancer cell. Now, the goal is to find appropriate treatments based on the findings of the study. While this discovery will not cure the patient, it will prolong his life because what kills pancreatic patients are the fatal metastases in the rest of the organs. (IHL 23.01)

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* 1. RSIP Vision New Technology for Intra-op Virtual Measurements in Robotic Surgeries

RSIP Vision announced new supporting technology for intraoperative video analysis. This technology provides real-time, accurate anatomical measurements in surgical videos, supporting a variety of clinical use cases, such as bariatric surgery, small bowel resection, and more. With this new technology, a surgeon will be able to accurately measure tissue’s physical dimensions by indicating points on top of the tissue, using the surgical tools, rather than eyeballing the distance as approximation being done today, or using a cumbersome intraoperative ruler.

RSIP Vision’s new vendor-neutral technology will be available to third-party endoscopic imaging systems and medical robot manufacturers, allowing a more accurate and efficient way to perform surgical procedures by providing precise intraoperative measurements. For example, in sleeve gastrectomy, where avoiding damage to the pylorus is essential, while maintaining the benefits of the surgery, an accurate measurement of resection distance simplifies the procedure and reduces complications. Performing other procedures, such as Roux-en-Y gastric bypass, biliopancreatic diversion or even Whipple or gastrectomy for oncological purposes, the length of intestine being bypassed is important for avoidance of bile reflux on the one hand and malabsorption on the other hand. This new technology will grant the surgeon the precise length or distance of tissues or spaces.

Jerusalem's [RSIP Vision](http://www.rsipvision.com) is driving innovation in Visual Intelligence for Medical Devices, through advanced AI and computer vision applications. RSIP Vision offers clinical-grade AI solutions that provide medical device companies with advanced visual intelligence capabilities, to stay ahead of the rapid AI adoption curve and maintain their competitive edge. (RSIP Vision 25.01)

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* 1. Smart-Thermometer May Replace a Stethoscope

Wolfson Medical Center and OmnySense have commenced a clinical trial to evaluate the use of OmnySense technology to monitor and analyze respiratory sounds as recorded at the mouth.

Holon's [OmnySense](https://omnysense.com/) is pioneering the use of a next-generation smart-thermometer which measures multiple parameters as part of an integrated device/cloud Digital Health information system. An in-mouth microphone within this thermometer-shaped device detects respiratory sounds and transmits them to the cloud for analysis using the company's algorithms, to detect and analyze lung sounds indicating medical conditions. Vital signs and other parameters measured by the current version of the device include temperature, ECG, pulse rate, respiratory rate, respiratory sounds and blood oxygenation – enabling a remote medical team to remotely track the health condition of patients at home.

[Wolfson Medical Center](https://www.wolfson.org.il) is a leading Israeli hospital with expertise in pediatrics, cardiology ophthalmology and genetics, and with extensive experience in running clinical trials for new medical innovations. (OmnySense 01.02)

ISRAEL PRODUCT & TECHNOLOGY NEWS

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* 1. Self-Repairing Electronics Are on the Way

The field of self-repairing materials is rapidly expanding, and what used to be science fiction might soon become reality, thanks to Technion – Israel Institute of Technology scientists who developed eco-friendly nanocrystal semiconductors capable of self-healing. Their findings, recently published in Advanced Functional Materials, describe the process in which a group of materials called double perovskites display self-healing properties after being damaged by the radiation of an electron beam. The perovskites, first discovered in 1839, have recently garnered scientists’ attention due to unique electro-optical characteristics that make them highly efficient in energy conversion, despite inexpensive production. A special effort has been put into the use of lead-based perovskites in highly efficient solar cells.

The Technion research group specializes in the synthesis of nano-scale crystals of new materials. By controlling the crystals’ composition, shape, and size, they change the material’s physical properties. The perovskite nanoparticles were produced using a short, simple process that involves heating the material to 100°C for a few minutes. When Ph.D. students examined the particles using a transmission electron microscope, they discovered the exciting phenomenon. The high-voltage electron beam used by this type of microscope caused faults and holes in the nanocrystals. The researchers were then able to explore how these holes interact with the material surrounding them and how they move and transform within it.

They saw that the holes moved freely within the nanocrystal but avoided its edges. The researchers developed a code that analyzed dozens of videos made using the electron microscope to understand the movement dynamics within the crystal. They found that holes formed on the surface of the nanoparticles, and then moved to energetically stable areas inside. The reason for the holes’ movement inwards was hypothesized to be organic molecules coating the nanocrystals’ surface. Once these organic molecules were removed, the group discovered the crystal spontaneously ejected the holes to the surface and out, returning to its original pristine structure – in other words, the crustal repaired itself. (Technion 02.01)

This discovery is an important step towards understanding the processes that enable perovskite nanoparticles to heal themselves and paves the way to their incorporation in solar panels and other electronic devices. (Technion 20.01)

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* 1. Israel Successfully Tests Arrow 3 Anti-Ballistic Missile System

Israel conducted a successful test of its Arrow 3 anti-ballistic missile system on 18 January outside the Earth’s atmosphere, the Defense Ministry announced. The trial tested a number of breakthrough capabilities for the missile defense system, which can be used immediately by the Israeli Air Force. These include the detection arrays, in the launches, even in the interceptors themselves, so that they match the threats that are expected in the region. There were highly, highly significant technological breakthroughs here that were assessed and can be used by the air force in its operational systems immediately.

The live-fire test was held over central Israel, with two Arrow 3 interceptors being fired at the same target. The operational radar arrays of the Arrow system detected the target and sent the data to the fire management system, which analyzed the data and fully plotted the interception. Once the plans were completed, two Arrow 3 interceptors were fired at the target, and they completed their mission successfully. Two interceptors had two different missions in the exercise, having been given two different flight paths to shoot down the same target.

The Arrow 3 is currently Israel’s most advanced long-range missile defense system, meant to intercept ballistic missiles while they are still outside of the Earth’s atmosphere, taking out projectiles and their nuclear, biological, chemical or conventional warheads closer to their launch sites. It was developed in a joint project between the Defense Ministry’s Missile Defense Organization and the American Missile Defense Agency. Work is underway on the development of a yet more advanced system, the Arrow 4. Complemented by a number of other missile defense systems designed to protect Israel from short-, medium- and long-range attacks, the Arrow 3 represents the highest level of Israel’s multi-tiered missile defense network. (ToI 18.01)

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* 1. A.L. Group Launches IN-EX Air Filters Against COVID-19 & Other Airborne Viruses

AVVIR, the innovation division of A.L. Group, launched IN-EX, a medical-grade, scientifically-proven solution for indoor air safety. The IN-EX solution, which was recently included in the 2021 Top Ten Emerging Technologies in Chemistry by the International Union of Pure Applied Chemistry (IUPAC), leverages a unique sono-chemical-coating technology to convert any air filter into a machine for killing viruses and bacteria.

By meeting the challenges of limiting COVID-19’s spread head-on, the A.L. Group has developed and launched IN-EX, the first scientifically-proven indoor air quality solution. IN-EX is an easy-to-install cabin air filter which transforms your air conditioning unit into an active air purifier, applicable for cars, buses (and other public transportation), ambulances and taxis. Jointly developed with a team of scientists from Bar-Ilan University Department of Chemistry, the filter coating utilizes a unique and patented sono-chemical technology, which initiates a chemical reaction with ultrasonic energy. The agreement between A.L. Group and Bar-Ilan University was carried out by Birad, a research and development company serving as the commercializing arm of Bar-Ilan University.

After activation, it would take 30-40 seconds for a small-to-midsize vehicle using IN-EX to be deemed to have safe air to breathe. The filter is simple to use, easy to assemble or replace, and does not require a power source. It is also manufactured using natural, eco-friendly, and cost-efficient materials. It can be combined with additional filter layers such as carbon or HEPA to help create a multifunctional cabin filter. For both automotive and indoor spaces, IN-EX’s solution has a wide applicability to help transform hesitant passengers into content, clean, and safely-protected travelers.

Founded in 1965, Ashdod's [A.L. Group](https://algroup.com) designs, manufactures, and supplies advanced filtration solutions to various industries. The company has spent the last five decades working closely with customers and combining the latest designs, technology, and manufacturing processes to bring innovative products to the market. By finding solutions for complicated filters, the company offers an effective alternative to OEM. A.L. Group invests in long-term strategic partnerships with its customers, and is recognized as a leading global filtration solution provider trusted by major international brands in the automotive filter industry. (A.L. Group 20.01)

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* 1. WalkOut Rebrands as Flow, Bringing Frictionless Shopping to the In-store Experience

WalkOut, the developer of an autonomous end-to-end frictionless checkout platform, announced its new brand identity, Flow. Leveraging machine learning and computer-vision technology, the company’s smartcart solution can be retrofitted onto any existing cart and provides large stores and supermarkets with the most accurate product-identification solution on the market. Flow made waves in 2021 after announcing a partnership with one of Israel’s leading supermarket chains, Machsanei Hashuk, to fully roll out its frictionless devices on existing carts across the country.

Flow’s mountable device's multiple high-precision cameras utilize different proprietary algorithms to accurately recognize products and identify the items as shoppers load or remove them with 99.2% accuracy. Flow’s edge computing and machine-vision algorithms also curtail the need for costly on-cloud servers and high-bandwidth internet support. This use of single-sensor architecture and edge computing allows retail stores to operate a much more robust and cost-effective solution. Through a large touchscreen, the device also communicates with the customer to offer personalized recommendations, store navigation, supplementary product information, and relevant promotions based on the shopper's history and location in the store.

Founded in 2018, Tel Aviv's [Flow](http://www.shopandflow.com/‎) (formerly WalkOut) changes the way consumers make purchases in the physical world by moving the checkout directly to the user’s shopping cart or basket. The company’s solution uses machine-vision to identify each item placed into or removed from the cart, eliminating unnecessary effort and reducing checkout time to zero. WalkOut’s solution includes a large touchscreen on the cart, which offers personalized content such as suggestions and promotions based on past behavior and the products selected, store navigation, supplementary product information and more. (Flow 18.01)

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* 1. Kovrr Translates Cyber Risk into Business Impact with its Quantum Platform

Kovrr announced Quantum, the new version of its cyber risk quantification (CRQ) platform. Quantum leverages multiple cyber risk models trusted by world-leading cyber insurers, to financially quantify exposure to cyber-attacks and third-party failures that can lead to significant financial loss. This empowers CISOs, Chief Risk Officers, and CIOs to make well-informed risk management decisions and enables them to justify cybersecurity investment and risk management strategies. The latest features of the Quantum platform help companies make even better risks management decisions including:

● Cybersecurity Investment Optimization: Prioritize and justify cybersecurity investments based on business impacts and risk reduction.

● Measure Effectiveness of Cyber Security Programs: Assess the effectiveness of a cybersecurity program and stress test it based on potential risk mitigation actions, thereby supporting better resource allocation.

● Quantitative Benchmarking and Cyber Risk Exposure Comparison: The platform can now perform a single financial quantification analysis on global offices or subsidiaries and business units of an organization for a more holistic view of cyber risk. Additionally, companies can benchmark and compare between different business entities in a consistent, measurable and accurate way.

Tel Aviv's [Kovrr](http://www.kovrr.com) financially quantifies cyber risk on demand. Their technology enables decision makers to seamlessly drive actionable cyber risk management decisions. (Kovrr 18.01)

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* 1. Gilat and Intelsat Expand Their Strategic Partnership in Commercial Aviation

Gilat Satellite Networks announced that the Company is expanding its strategic partnership in commercial aviation with Intelsat, operator of the world’s largest integrated satellite and terrestrial network headquartered in McLean, Virginia.

To enable the expansion of commercial and business aviation services in Asia, Intelsat will be using Gilat’s SkyEdge II-c system, which, in addition to providing in-flight connectivity, is designed to deliver fixed and mobility services for maritime and land-mobility, as well. Its industry-leading network management system, TotalNMS, enables full configuration, control and monitoring of all system elements and remote terminals. SkyEdge II-c is a proven operational system that allows aviation service providers like Intelsat to streamline service fulfillment and provide a superior user experience to airline passengers.

Petah Tikva's [Gilat Satellite Networks](http://www.gilat.com) is a leading global provider of satellite-based broadband communications. With 30 years of experience, they 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 24.01)

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* 1. Weebit Nano Demonstrates its First Crossbar ReRAM Arrays

Weebit Nano announced that together with its development partner CEA-Leti, it has demonstrated its first operational crossbar arrays, a key milestone on the Company’s path to creating discrete (stand-alone) non-volatile memory (NVM) chips. The 1T1R (one transistor one resistor) architecture used in embedded ReRAM arrays is not sufficient to support the large arrays of memory cells needed in discrete memory chips. For this reason, Weebit’s crossbar arrays were developed using a 1S1R (one selector one resistor) architecture that enables the high density needed for discrete chips. Such an architecture also allows Weebit’s arrays to be stacked in 3D layers so they can deliver even higher densities.

Weebit’s 1S1R crossbar ReRAM architecture has potential applications in storage class memory, persistent memory and as a NOR flash replacement. It is also ideal for AI architectures such as in-memory computing and neuromorphic computing.

Hod HaSharon's [Weebit Nano](http://www.weebit-nano.com) is a leading developer of next-generation semiconductor memory technology. The company’s ground-breaking Resistive RAM (ReRAM) addresses the growing need for significantly higher performance and lower power memory solutions in a range of new electronic products such as Internet of Things (IoT) devices, smartphones, robotics, autonomous vehicles, 5G communications and artificial intelligence. Weebit’s ReRAM allows semiconductor memory elements to be significantly faster, less expensive, more reliable and more energy efficient than those using existing Flash memory solutions. Because it is based on fab-friendly materials, the technology can be quickly and easily integrated with existing flows and processes, without the need for special equipment or large investments. (Weebit Nano 24.01)

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* 1. Classiq & ColdQuanta Provide a Complete Solution for 100-Qubit Quantum Circuits

Boulder, Colorado's ColdQuanta, the leader in cold atom quantum technology, and Classiq announced a partnership to make 100-qubit quantum circuits a reality for companies and researchers that crave quantum computing solutions to their most pressing problems. The partnership combines the power of two industry-leading platforms: ColdQuanta’s cold atom quantum computer and Classiq’s quantum algorithm design software. Together, this combined solution provides customers the unique ability to create, simulate and execute unique quantum circuits to address a wide range of finance, material science, supply chain and machine learning challenges. With this partnership, ColdQuanta and Classiq are unlocking a new set of possibilities in two important ways:

1. Classiq’s quantum algorithm design platform makes it possible to create complex quantum circuits by starting from a high-level functional model of the circuit and then automatically synthesizing and optimizing a working quantum circuit from it.
2. The ColdQuanta Hilbert quantum computer will offer companies and researchers the opportunity to simulate and execute 100-qubit quantum circuits, with even larger models becoming available in the future.

Tel Aviv's [Classiq](http://www.classiq.io)’s Quantum Algorithm Design platform is revolutionizing quantum software development. Forward-thinking companies use our platform to solve real-world problems with quantum circuits that could not be created otherwise. Their patented breakthrough technology automatically transforms high-level functional models into optimized quantum circuits for a wide range of back-end systems, turning months into minutes of work and making it possible to harness the true power of today’s and tomorrow’s computers. (ColdQuanta 25.01)

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* 1. Pentera Redefines Cybersecurity with Industry-First Unified Testing Platform

Pentera unveiled its next-generation security validation platform; the Company ends the era of disparate security testing systems by launching a unified security validation platform that combines External Attack Surface Management (EASM), Breach and Attack Simulation (BAS) and automated penetration testing. Recently elevated to unicorn status, Pentera autonomously emulates the entire cyberattack kill chain, from external-facing assets all the way to the core of the enterprise, thus revealing the most risk-bearing security gaps. The platform frequently tests organizations’ entire attack surface to identify exploitable vulnerabilities and delivers an actionable strategy to solidify their security posture.

Until now, security practitioners have been building their cyber resilience strategies using assumptions about their network’s known vulnerabilities. Pentera offers security professionals an ever-growing array of attack emulation tactics and techniques, including ransomware, across their cloud, hybrid and on-premise IT infrastructure. With this approach, enterprises replace assumptions with certainty to prioritize their security gaps and take surgical remediation steps ahead of a potential adversary.

Tel Aviv's [Pentera](http://www.pentera.io) is the category leader for Automated Security Validation, allowing every organization to test with ease the integrity of all cybersecurity layers, unfolding true, current security exposures at any moment, at any scale. Thousands of security professionals and service providers around the world use Pentera to guide remediation and close security gaps before they are exploited. (Pentera 24.01)

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* 1. Electreon's First Public Wireless Electric Road System in the US

Electreon will deploy its first public wireless EV charging road system in the U.S. The company won the RFP to build an Electric Road System (ERS) in Detroit as part of the inductive vehicle charging pilot program in partnership with the Michigan Department of Transportation (MDOT), the Michigan Office of Future Mobility and Electrification (OFME) and the Michigan Economic Development Corp. (MEDC). The wireless charging infrastructure, which will be implemented in the Michigan Central district, will support a suite of use cases involving various vehicle types and partners including autonomous vehicles. This news follows Electreon’s official entrance into the U.S. market earlier this month with the opening of the company’s Los Angeles office.

Electreon will lead the design, evaluation, iteration, testing and implementation of the pilot program, which aims to be operational by 2023. The project is currently slated for a stretch of road up to one-mile long in Detroit and will include dynamic and stationary wireless EV charging. The project will be hosted by and live within Michigan Central, a mobility innovation district, and supported by Next Energy, Ford Motor Co., DTE, Jacobs Engineering Group and the City of Detroit.

Beit Yannai's [Electreon](http://www.electreon.com) is the leading provider of wireless charging solutions for electric vehicles (EVs), providing end-to-end charging infrastructure and services to meet the needs and efficiency demands of shared, public and commercial fleet operators and consumers. The company’s proprietary inductive technology dynamically (while in motion) and statically (while stopped) charges EVs quickly and safely, eliminating range anxiety, lowering total costs of EV ownership, and reducing battery capacity needs - making it one of the most environmentally sustainable, scalable, and compelling charging solutions available today. (Electreon 01.02)

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* 1. Cybellum Announces New Technology Partnership with SIEMENS Polarion

Cybellum announced a technology partnership with Siemens Digital Industries, to integrate its product and device security platform with Polarion Application Lifecycle Management (ALM) solution. Polarion automates the management of systems engineering projects and enables the development of quality embedded software with the industry's highest efficiency and ROI. Cybellum continuously monitors the software for vulnerabilities and cybersecurity threats, mitigating software risks from design to post-production. Cybellum's Cyber Digital Twins technology provides developers with a blueprint of their product component's software to rapidly identify vulnerabilities.

The integration of these best-of-breed solutions provides development organizations with a cohesive and comprehensive product development ecosystem, encompassing advanced development management with the ability to identify, manage, prioritize and mitigate cybersecurity and safety threats throughout the engineering cycle. This will enable the production and maintenance of secure products in industries such as automotive, medical devices, and industrial IoT (IIoT). It will also enable faster compliance with emerging and growing regulatory complexities.

Tel Aviv's [Cybellum](http://www.cybellum.com) enables manufacturers to mitigate software risks throughout their entire lifecycle, from design to end-of-life. Cybellum's Product Security Lifecycle Management platform, powered by its Cyber Digital Twins technology, enables OEMs and suppliers to detect, manage and remediate vulnerabilities automatically at scale. They can rapidly comply with existing and emerging regulations, more quickly and efficiently than ever before. Cybellum's customers include leading product and device manufacturers in the automotive, medical, and industrial device industries. (Cybellum 01.02)

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* 1. Cato Networks Delivers Instant Visibility and Control of Cloud Application Data Risk

Cato Networks introduced Cato CASB, the first Cloud Access Security Broker (CASB) to deliver actionable value in under 60 minutes. Along with the Cloud Application Catalog launched last month, Cato provides the quickest to deliver and easiest to run solution for managing cloud application data risk.

With Cato CASB, Cato brings the benefits of a true SASE platform to the challenge of managing cloud application risk. Legacy, stand-alone CASB solutions require extensive planning and deployment times that can take several months. By contrast, Cato CASB is instantly available offering full visibility and control of cloud application access -immediately. As part of Cato SASE Cloud, Cato CASB is available worldwide from 70+ locations for every site or user accessing any cloud application. This broad footprint enables optimized enforcement of corporate policies on all cloud access without introducing high latency, even when accessing cloud applications across geographical regions. Legacy CASB solutions coverage vary by location or available capabilities.

Tel Aviv's [Cato](http://www.CatoNetworks.com) provides the world's first SASE platform, converging SD-WAN and network security into a global, cloud-native service. Cato optimizes and secures application access for all users and locations. Using Cato, customers easily migrate from MPLS to SD-WAN, optimize connectivity to on-premises and cloud applications, enable secure branch Internet access everywhere, and seamlessly integrate cloud datacenters and remote users into the network with a zero-trust architecture. (Cato Networks 01.02)

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* 1. Cymulate Launches Co-Managed Solution to Close Critical Security Blind Spots

Cymulate announced the launch of Amplify, a human powered offering designed to accelerate the implementation and optimization of their continuous security assurance. By providing an on-hand advisor, Amplify augments in-house security teams to better leverage Cymulate's platform and manage the optimization of a network's cyber-security posture, end-to-end across the entire MITRE ATT&CK® framework.

Cymulate eliminates blind spots by assessing the current security posture of an organization and establishes a security baseline for visibility and control. For Cymulate's customers with stretched security teams, Amplify helps them close security gaps quickly and efficiently, rationalizing technology, helping upskill staff and improving processes. Cymulate integrates its off-the-shelf Extended Security Posture Management (XSPM) suite with a customer's infrastructure, offering a customizable solution that demonstrates an organization's security performance. By assessing the attack surface and effectiveness of security controls including endpoint, email gateway, web gateway, DLP and WAF, results are used to evaluate the organization's capability to detect, alert and block malicious behaviors and make informed decisions on what action to take next.

Tel Aviv's [Cymulate](http://www.cymulate.com) SaaS-based Extended Security Posture Management (XSPM) deploys within an hour, enabling security professionals to continuously challenge, validate and optimize their cyber-security posture end-to-end, across the MITRE ATT&CK framework. The platform provides out-of-the-box, expert and threat intelligence led risk assessments that are simple to deploy and use for all maturity levels, and constantly updated. It also provides an open framework to create and automate red and purple teaming by generating penetration scenarios and advanced attack campaigns tailored to their unique environments and security policies. (Cymulate 01.02)

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* 1. Island Introduces First Enterprise Browser to Radically Improve Enterprise Security

Island unveiled a new category of enterprise software that revolutionizes security control, visibility and governance with the introduction of the world’s first Enterprise Browser. After almost two years of product development, the company emerged today from stealth mode to introduce the Enterprise Browser, eliminating the massive gaps between current consumer-focused browsers and the increasingly complex IT and security requirements of enterprises worldwide. With core needs of the enterprise naturally embedded within the browser itself, Island is the first browser to provide end-users with the same Chromium-based experience they expect, while giving the enterprise much needed functionality to vastly improve corporate security and employee productivity.

The Enterprise Browser enables organizations to deeply govern how users interact with all SaaS and internal web applications. Through the use of the Island Enterprise Browser, security teams can fully control last-mile actions from advanced security demands to more basic data exfiltration protections such as copy, paste, download, upload, screenshots and other activities that might expose critical data. This opens up unprecedented opportunities across a growing number of enterprise use cases, including securing critical SaaS and internal web applications from data leakage, safe access for contractors and BYOD workers and full governance over privileged user accounts. It can also reduce VDI dependency while also supporting built-in safe browsing, web filtering, web isolation, exploit prevention, smart network routing, and Zero Trust access.

Tel Aviv's [Island](https://www.island.io), the Enterprise Browser is the ideal enterprise workplace, where work flows freely while remaining fundamentally secure. With the core needs of the enterprise naturally embedded in the browser itself, Island gives organizations complete control, visibility and governance over the last mile, while delivering the same smooth Chromium-based browser experience users expect. (Island 01.02)

ISRAEL ECONOMIC STATISTICS

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* 1. Composite State of the Economy Index for December 2021 Declined by 0.05%

The Bank of Israel's Composite State of the Economy Index declined by 0.05% in December, with the beginning of the fifth (Omicron) wave of the COVID-19 pandemic. Since most of the data for building the index are obtained at a lag, the index for December only partly reflects the change in economic activity resulting from the fifth wave, at the beginning of which it was decided to close the skies, resulting in a decline in incoming tourism, which was in any case very low.

The Index was negatively affected by declines in the Industrial Production Index (November), the retail trade revenue index (November), the import of consumer goods (December), the import of production inputs (December), and the decline in building starts (September). In contrast, the services revenue index (November), services exports (October), and employee posts (October) increased and had a positive effect on the Index. The job vacancy rate remained unchanged in December, at a record high level that reflects the continued desire of employers to expand their operations following the reopening of the economy. Goods exports (December) remained virtually unchanged.

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. (BoI 24.01)

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* 1. Israel's Falling Unemployment Rate Nears Pre-COVID Level

The Central Bureau of Statistics' Israel manpower survey shows that the percentage of the workforce out of work fell to 3.5% in the first half of January from 3.9% in the second half of December. This compares with 3.1% in March 2020, just before the COVID-19 pandemic began. There were 148,000 unemployed in the January count in Israel, versus 144,000 job vacancies in the economy. The figures look even better of one takes account of the rise in participation in the workforce from 63.1% of the working age population in December 2021 to 64.1%, 4.24 million people, in the first half of January 2022.

At the same time, the unemployment rate under the broad definition remained unchanged in the first half of January from the second half of December, at 5.8%, or some 250,000 people. The broad definition of unemployment includes people on unpaid leave and those who have ceased to work because they were dismissed or because their place of work shut down following the outbreak of the pandemic in March 2020.

It should be noted that these are initial figures that are likely to be revised, and that, because of the difficulty in estimating unemployment figures precisely, the Ministry of Finance looks at the employment statistic. This rose from 60.9% in the second half of December to 61.3% in the first half of January. (CBS 31.01)

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* 1. Israel's Cybersecurity Industry Raises $8.8 billion in 2021

The Israeli cybersecurity industry raised a record-setting $8.8 billion in 2021, triple the amount raised the year before, the Israel National Cyber Directorate reported on 19 January. The money was raised via over 100 deals. In addition, Israel set a record for overall cyber exports and in the number of companies entering the billion-dollar "unicorn" club. According to the data, one in three cybersecurity unicorns in the world is an Israeli company. Israel's cybersecurity industry has been growing internationally and is expected to continue to climb over the next decade, reaching as high as $366.10 billion by 2028, according to a report by Fortune Business Insights. (IHL 21.01)

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* 1. Omicron Could Cost the Israeli Economy Some $1.5 Billion

The fifth coronavirus resurgence, dominated by the Omicron variant is likely to cost the Israeli economy between NIS 5 and 6 billion ($1.5-1.8 billion), projections by the Finance and Health Ministries show. The recent coronavirus wave has been different from its predecessors as it didn't include a nationwide or even partial lockdown and the majority of economic activity continued unhindered, albeit slower in some sectors. Several limitations imposed as part of the government's efforts to curb the spread of the virus were lifted despite morbidity rates, most notably the Green Pass, which cost the economy tens of millions of shekels each day, and the end to schoolchildren's blanket quercetin directive, which has allowed parents to return to work.

The Finance Ministry said that it was too soon to fully estimate the losses the economy incurred as a result of slower activity. The Bank of Israel, however, said that the gross domestic product could dip by NIS 1.2-2.5 billion ($370-780 million). The central bank explained that the assessment was based on the estimated daily cost of quarantine for a single individual, which affects consumption, and a decrease in labor output, since not every industry allows employees to work remotely. (Various 31.01)

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* 1. Israeli Startups Raised $2.1 Billion in January

Israeli startups raised $2.1 billion in January 2022, according to press releases from the companies, and information received by Globes. The figure may be more as some companies prefer to remain in stealth and sometimes do not publicize the investments they have received. Israeli privately-held tech companies raised a record $25.6 billion in 2021, according to IVC-Meitar, more than double 2020's figure of $10 billion, which was itself a record.

In January, the major financing rounds that were completed were led by cryptocurrency security platform Fireblocks, which raised $550 million. AI Ops company Big Panda raised $190 million, cybersecurity company Pentera raised $150 million, meat alternative company Redefine Meat raised $135 million and dairy alternative company Remilk raised $120 million.

Other large financing rounds were completed by cloud data warehouse company Firebolt, which raised $100 million and retail analytics company Placer.ai, which also raised $100 million. Diagnostics company MeMed raised $93 million, AI personalization company Personetics raised $85 million, AI data platform Weka raised $73 million, compostable packaging company TIPA raised $70 million and cybersecurity company Hunters raised $68 million. (Globes 01.02)

IN DEPTH

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* 1. ISRAEL: Israeli Entrepreneurs to Set Up First Medical Center in Arab-Israeli City

Danny Zaken noted in [Al-Monitor](https://www.al-monitor.com) on 17 January that the city of Sakhnin in the Galilee is one of the centers of the Arab community in Israel and is famous for, among other things, the large proportion of medical professionals who were born and raised there. It is often called the “City of Doctors,” but the shoemaker’s children are going barefoot, as it were — it’s one of the cities in Israel that lacks a hospital. The nearest medical center is in Nahariya, almost 40 kilometers away, a medical center that like many other hospitals in the periphery of the country, suffers from a shortage of some important medical services.

A group of Arab entrepreneurs who are residents of Sakhnin, headed by businessman Mohamed Abu Younis, wish to change this situation. The entrepreneurs, together with the Tel Aviv hospital Ichilov announced the creation of a medical center, that while small, approaches the definition of a hospital for the first time in an Arab city in Israel.

According to the entrepreneurs and Ichilov, the medical center will include 14 specialist clinics in various disciplines and six operating rooms. It will also include an imaging center equipped with a CT scanner, an X-ray machine, mammography and ultrasound machines. It will have dialysis services and four surgery theaters intended for midlevel surgery, equipped with the newest technology and a recovery and outpatient department with 20 beds.

Eighty people will be employed at what will be known as Sakhnin Ichilov, all of them from the region, and there will be an arrangement with Ichilov specialists who will travel from Tel Aviv to Sakhnin for consultation and treatment of complex cases. “The establishment of the hospital in the region is a national mission,” said Roni Gamzu, director of the Ichilov-Tel Aviv Medical Center. “Ichilov will contribute the best specialists, knowledge and experience in order to give the population of the region the excellent care that Tel Aviv residents receive. We are proud to take part in this important project with a huge impact on all aspects of life in the State of Israel.”

Abu Younis, who lives in Sakhnin, told Al-Monitor, “It’s the realization of a dream in which I can help my neighbors receive medical care close to home and a workplace for medical staff who live in the area and now will have an opportunity to care for their city and its residents.” He explained that the new center will work within the Israeli health system, which is based on HMOs that provide referrals and funding for hospitalizations, and that negotiations are being held with the HMOs. In Israel, every citizen pays a percentage of their income as a health tax that functions as health insurance. The money is transferred to one of four HMOs chosen by the citizen, and they provide regular medical services. When hospitalization is needed, the HMOs refer the patient to a hospital and fund the hospitalization and treatment.

Abu Younis added, “We promise to provide the best service experience. For us in Sakhnin, Ichilov is considered the best hospital in Israel, and I thank Professor Gamzu and members of the board of directors Professor Yitzhak Shapira and Mr. Ilan Sofer, for understanding the weight of the moment and for helping us bring the excellence of Ichilov to our home in Sakhnin.” The Sakhnin medical center is expected to open in October 2022, to be headed by Dr. Saadi Abed, a former director of the Zebulon Medical Center.

Husam Halaili, another of the entrepreneurs, said in an interview with Israel Army Radio that the idea emerged from the urgent needs of more than half a million residents of the region who don’t have adequate medical services. They have to travel far to receive certain medical treatment, and wait lists at area hospitals are long. Halaili clarified that at this stage it won’t be a hospital in the strict sense of the term: “It’s a kind of boutique hospital for outpatient care, which will start small and later become the first hospital in the Arab sector. Ichilov is a hospital with a lot of experience in medical administration and infrastructure operation and the connection between the center and periphery will lead to success.”

The idea to establish a hospital in Sakhnin is several years old, but in Israel such ventures require government resources. A proposed law to establish a hospital in the Arab city was introduced by members of the Joint List party, who are in the opposition, and it surprisingly passed the first reading on 10 November despite the opposition of the government, with the vote of coalition member Mazen Ghanaim, who is not only a member of the Ra’am Party but a resident of Sakhnin and its former mayor, who previously tried to advance the establishment of a hospital. The proposed law says that it would be the director of the Health Ministry's decision whether to establish the hospital. The bill includes amendments that will enable the Israel Land Authority to hasten the process.

Although the bill might get stuck in the Knesset and not pass, a senior figure at the Health Ministry told Al-Monitor that the establishment of the private medical center will lay out the initial infrastructure for a full hospital, and it is plausible that the ministry will eventually take up the initiative.

However, the Health Ministry's original plan to establish a new hospital in the north was actually intended for Kiryat Ata, adjacent to Haifa, which houses the large Rambam hospital. Supporters of the proposal to switch the location to Sakhnin say that the distance of the Galilee from other hospitals was decisive. They express wonder that after 73 years of existence, the State of Israel has established no public hospital in an Arab city. Such a hospital would not only provide health care for the population of the region but function as an important employment engine, considering that the medical and paramedical professions are growing in the Arab sector.

The Sakhnin entrepreneurs didn’t wait for the government, and their initiative may prod officials and politicians in Jerusalem to bring in the necessary funding and infrastructure for a hospital that provides full medical services. (Al-Monitor 17.01)

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* 1. SAUDI ARABIA: Walking the Line with Social Opening & Curbing Harassment

Eman Alhussein posted on 20 January in [Arab Gulf States Institute in Washington](https://agsiw.org/) that before Saudi Arabia began working to open up the country in 2016, social media was consumed by debate over the implications of social relaxation, particularly considering opening cinemas or allowing women to drive. Saudis were divided between those who considered social relaxation harmless and others who argued that it would lead to incidents of sexual harassment. At that time, the religious police monitored public spaces and maintained gender segregation to prevent what they deemed “immoral” acts and behaviors. Additionally, religious scholars were vocal against proposed anti-harassment laws, arguing that they would pave the way for increased gender mixing. Since the launch of Vision 2030, with the increased social opening and curbing of the powers of the religious police, there has been a rise of reports on social media of harassment during events and concerts. To address concerns over harassment, Saudi leaders have issued several laws and regulations to establish expectations for public behavior in order to allow for a broader social opening.

**Opposition to Anti-Harassment Laws**

Saudi religious scholars and conservatives have long opposed introducing anti-harassment measures. Much of the opposition has centered on the belief that introducing an anti-harassment law would be a “cover to legalize gender mixing” and normalize relationships between sexes outside of marriage. Moreover, religious scholars expressed concerns that introducing such measures would be adhering to Western norms and regulations that they view as abominable regarding the treatment of women. They stressed that maintaining Islamic sharia law would prevent such incidents. Despite the active work of the religious police and the continued enforcement of gender segregation pre-2016, reports of harassment often appeared on social media and in local newspapers. Such coverage would regularly reinvigorate the discussion of the need for an anti-harassment law to deter such acts.

In 2013, Saudi Arabia approved the Protection Against Abuse law aiming to tackle two pressing issues at the same time: domestic abuse and sexual harassment. The law addressed the rising number of domestic abuse cases reported across the kingdom. Moreover, a widely covered campaign launched by the King Khalid Foundation paved the way for the introduction and normalization of measures against domestic violence. At the same time, the Ministry of Labor’s efforts to allow women to work in mixed gender environments, such as shopping malls, led to increased reports of sexual harassment in the workplace. As a result, the new law was a compromise – it did not upset those against implementing a specific anti-harassment law, but it did try to tackle harassment, though under the pretext of treating it as a subset of “abuse.” However, the new law did not deter domestic abuse as the guardianship system was still in effect putting further constraints on reporting abuses, especially in cases when the alleged abuser was the guardian. It was also ineffective at preventing sexual harassment, which led Saudi commentators to argue that a specific anti-harassment law was still necessary to fully combat harassment.

**Constraining Public Behavior While Relaxing Social Life**

The move to curb the powers of the religious police in April 2016 was a necessary step toward opening up the country and allowing various social and entertainment events to take place without interference. However, as expectations were unclear when concerts were first permitted, authorities and event organizers tried to regulate social behavior to deter public criticism. For example, event organizers asked attendees at the beginning of concerts to refrain from dancing or included such rules on concert tickets. However, videos of Saudi women enjoying the new social openness, even if fully veiled, continued to stir public debate and criticism against social relaxation. The frequency of such incidents pushed the state to attempt to regulate public behavior by announcing the public decency law in 2019. Like other laws before, it does not clearly specify what is considered appropriate behavior but rather stresses the importance of considering the appropriate behavior or dress for a specific place. This has resulted in many inconsistencies as the law can apply to some settings and not others and can be enforced, for example, on citizens but not foreigners. The public decency law was not meant to deter harassment but to regulate social behavior to reflect positively on the state’s image during its transitional phase.

**Introducing Anti-Harassment Measures**

In May 2018, Saudi Arabia began criminalizing sexual harassment. The measure came less than a month before the lifting of the ban on women driving. While the new anti-harassment law was considered an important achievement, it did not include details on how harassment should be reported. A Shura Council member argued there was a sense of hastiness that led to adopting the new law without incorporating a clear mechanism on how to report abuses. The law was also interestingly subject to considerable debate initially since the first prominent case was against a woman after she hugged a male singer on stage at a concert. This came across as ironic as the vast majority of harassment cases profiled on social media and publicly reported have been perpetrated by men. On the other hand, there were also commentators who deemed the case a “full-fledged sexual harassment incident against a man,” as it was described in one Saudi newspaper.

Harassment-related debates regarding taking tougher measures, such as naming and shaming offenders, have persisted. After the announcement of the anti-harassment law in 2018, a spokesman for the Ministry of Interior stated that defamation would not be enforced. Furthermore, the Shura Council refused in early 2020 to include naming and shaming on the list of punishments under the anti-harassment law but agreed to those amendments later that year. In early January 2021, the kingdom announced an amendment to the anti-harassment law that included publishing the name and sentence of offenders convicted of harassment in local newspapers. During the celebration of Saudi Arabia’s national day in September 2021, images and videos of women being harassed spread widely on social media, prompting the Ministry of Interior to tweet a reminder of the anti-harassment law. During the December 2021 MDLBeast music festival there was a spike in reports of harassment, despite the organizer’s attempt to warn against it on their social media accounts. Videos spread on social media showing men repeatedly touching female attendees inappropriately. Such frequent incidents, combined with limited measures to deter harassment, cast a negative light on certain entertainment events. Moreover, videos from these events have driven public debate about the need to take tougher measures against harassment even while acknowledging the benefits of opening up the country. On 9 January, local and regional media for the first time published the full name of a Saudi man from Medina charged with sexual harassment by detailing his crime, fine and prison sentence. Not all offenders will be named, as judges will be left to determine appropriate punishments.

**Trial and Error**

The ambiguity of recent laws has allowed commentators and lawyers to provide their own interpretations of regulations to the public. Lawyers and commentators have repeatedly debated the appropriate length of shorts for men and others have said that decent attire for women is left for society to determine. Shortly after the release of the name of the Saudi offender, a television show hosted a Saudi lawyer to comment on the incident and further explain the anti-harassment law. The lawyer warned that asking for someone’s social media account can be qualified as a form of harassment. This further fueled criticism and ambiguity regarding the new laws.

These anti-harassment regulations come at a time when Saudi Arabia is working on legal reforms to codify its laws more broadly and create a more appealing environment for foreigners to live in the country. They additionally demonstrate an acknowledgment of the existence of sexual harassment, which some Saudi commentators have previously dismissed. The new regulations on harassment and public decency also show the kingdom’s attempt to fill the vacuum left by the religious police, while also establishing a public understanding of the appropriate behavior expected from Saudi citizens as part of the social opening. While the public decency law has been designed to regulate social behavior in a way that reflects positively on the state’s image, and in theory, perhaps, reduces the prospect of behavior that increases harassing behavior, the anti-harassment law is meant to regulate public behavior among individuals in society and is aimed directly at culprits engaging in such actions. However, the different laws that have been introduced in the past few years show the complexity of striking a balance between opening up the country and curbing harassment.

*Eman Alhussein is a non-resident fellow at the Arab Gulf States Institute in Washington*. (AGSIW 20.01)

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* 1. EGYPT: Egypt Officially Enters State of Water Poverty

On 25 January, [Al-Monitor](https://www.al-monitor.com) reported that Egyptian President al-Sisi announced that his country has reached the stage of water poverty with less than 500 cubic meters of water per capita a year. Speaking to foreign reporters on the sidelines of the World Youth Forum’s fourth edition in Sharm el-Sheikh on 13 January, Sisi noted that the global water level is set at 1,000 cubic meters per capita a year. He said that the volume of water falling on the Ethiopian Highlands amounts to 900 billion cubic meters, which means that Egypt’s and Sudan’s shares do not exceed 10% of the rainfall in Ethiopia.

Mohamed Nasr al-Din Allam, a former Egyptian irrigation minister, told Al-Monitor that water poverty, as defined by the World Bank, is when a country’s renewable internal freshwater resources per capita is less than 1,000 cubic meters annually, which is the minimum rate to meet the citizens’ needs of water and food. He noted that since 1991, Egyptians have been living with less than the minimum water share. “For 30 years, we have been suffering from water poverty and from a food gap, because we produce less than we consume, which prompts us to import some food crops, especially those that we cannot grow due to lack of sufficient water,” Allam explained.

“The per capita share of water in Egypt now ranges between 550 and 560 cubic meters per year. Meanwhile, Egypt’s annual share of water has been stable despite the population growth, with 55.5 cubic meters from the Nile water and 3.5 billion cubic meters from rain and groundwater. This means that Egypt’s overall annual share of water amounts to 60 billion cubic meters, while the country needs 114 billion cubic meter per year. Thus, our annual water deficit stands at 54 billion cubic meters,” he said.

Allam added, “Therefore, compromising Egypt’s share of the Nile water is a red line and is not acceptable. We are currently unable to expand our industries due to the lack of the necessary water. The state’s water projects are just a means to mitigate the effects of water poverty but do not serve as a drastic solution to the problem.” “Egypt is not ready and will not allow this major problem to continue because of Ethiopia’s unilateral actions regarding the Grand Ethiopian Renaissance Dam [GERD] crisis,” he added.

On 20 January, Ethiopian Prime Minister Ahmed shared a statement on his Twitter account, calling on Egypt and Sudan to change their discourse on the GERD crisis. “Ethiopia has an ambition to build a modern economy based on agriculture, manufacturing and industry. It is committed to developing social infrastructure with quality education, health systems and the provision of clean water for its people. … Electricity is a basic infrastructure lacking in Ethiopia and over 53% of my fellow citizens or about 60 million people do not have access,” the statement read.

Commenting on Ahmed’s statement, Allam said, “Cairo welcomes any call for peace and the resumption of negotiations on the GERD. Egypt does not object to Ethiopia building the dam, but we want to reach a binding legal agreement in relation to the mechanisms of operating the dam.” He stressed that Egypt does not seek any benefits from the GERD, saying that Cairo is ready to assist in Addis Ababa’s development and optimize its investments, provided that a binding agreement is reached. Allam expected to see a resumption of negotiations in the coming period.

Mohamed al-Orabi, member of the Egyptian parliament and former foreign minister, told Al-Monitor, “Egyptian senior officials have officially confirmed that Egypt has reached a stage of water poverty. The state is undertaking many water projects to alleviate the ongoing risks of water poverty on the country’s development.” He stressed that Sisi’s latest address to reporters was a message to the international community that the situation is dangerous and not mere propaganda or allegations against anyone, and the international community ought to assume its responsibility to protect Egypt against the dangers of water poverty.

“Ahmed’s statement is political and far from establishing a practical and legal framework to solving the problem [over the GERD]. He feels somewhat relieved after having controlled the crisis at home and achieved some gains in the Tigray region. He also sees that Sudan is going through difficult conditions internally, and that it has been a year since the African Union has been under Congo’s presidency and nothing has materialized yet,” Orabi noted. He said. "[Ahmed] came out with this political statement that is devoid of any pledge or commitment to the existing tripartite administration to operate the dam, which is what Egypt and Sudan have been calling for. I think his statement was merely a message to the international community that his country is now witnessing stability at home.”

Abbas Sharaki, professor of geology and water resources at Cairo University, told Al-Monitor, “Egypt has indeed been in a stage of water poverty for more than 30 years now, which is due to the fact that the country’s share of the Nile water has been limited since [construction] on the GERD began. Egypt’s annual water share is estimated at about 60 billion cubic meters. Meanwhile, the population has been increasing.” He said, “The annual water flow from the Nile is estimated at an average of 84 billion cubic meters of water. Given its population density, Egypt gets 55.5 billion cubic meters per year of this share, while Sudan’s share is 18.5 billion. There are also 10 billion cubic meters that are lost because of evaporation."

Sharaki explained, “With this, Egypt’s annual per capita share stands at 550 cubic meters. Meanwhile, Ethiopia’s per capita share reaches thousands of [cubic meters] given the country’s abundance of rain, with the average rainfall rate in the Ethiopian Highlands amounting to more or less 936 billion cubic meters per year. Egypt and Sudan receive less than 10% of Ethiopia’s rainwater.”

According to Sharaki, 80% of Egypt’s water share is dedicated to agriculture. “This is why the Egyptian government has been establishing several water projects to optimize the use and reuse of water in a bid to meet the Egyptians’ needs of water and food,” he said. “Egypt has been establishing aqueducts and inaugurating many water wells to make use of groundwater for irrigation and agriculture, as well as projects for water treatment plants,” he added. Sharaki noted that the government has also established many desalination plants to provide drinking water to residents of new cities located far from the Nile River, as well as to increase crop productivity.

“For example, in the past, an acre of a rice field produced 2 tons of rice, opposed to 4 tons today. Also, we no longer depend on sugar cane to produce sugar. We introduced the sugar beet crop, which consumes less water. All these projects are designed to meet the citizens’ need for water and food amid water poverty and Egypt’s unchanging water share and increasing population,” he said. “Every water drop stored behind the GERD is from Egypt’s share, which is also not enough to meet the citizens’ need for water and food. Some 8 billion cubic meters of water have been so far stored in the dam,” Sharaki said, stressing that Addis Ababa was not successful in generating electricity from the dam yet.

He argued that generating power would come to Egypt’s interest as this operation requires opening the gates of the two turbines of the dam, which would allow water to flow to Egypt. “It is not acceptable for Ethiopia to generate electricity amid the stalled GERD talks. Politically speaking, this would upset Egyptians. This is why Ahmed should, according to his most recent statement, be honest and serious in making a breakthrough in negotiations to reach a legal agreement that would meet the aspirations of the three countries before starting to generate electricity,” he said. Sharaki suggested that Saudi Arabia and the United Arab Emirates could play a pivotal role in resuming negotiations, given their huge investments in Ethiopia and good relations with Egypt. (Al-Monitor 25.01)

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* 1. EGYPT: Egypt Endeavors to Turn Suez Canal Green

George Mikhail noted in [Al-Monitor](https://www.al-monitor.com) on 21 January that Egypt's Suez Canal Authority (SCA) is currently working to reduce the rising pollution rates and confront climate change. In this context, the authority recently announced its plan to declare the canal as a “green canal” next year. In a TV interview on 14 December, SCA head Lt. Gen. Osama Rabie said, “The SCA launched an initiative of 16 renewable energy monitoring posts as part of its digital transition plan, and the Suez Canal will be declared as a green canal in 2023.”

During a 13 December meeting, Egyptian President al-Sisi discussed with Rabie the SCA’s efforts to assume its international environmental responsibility, in addition to its decision to give incentives to transiting ships’ operators that follow environmentally friendly standards that contribute to reducing carbon emissions. This decision aims to encourage ships to use liquefied natural gas and various types of low carbon fuel, so that the Suez Canal shifts into a green canal that encourages and supports the preservation of the environment, a statement by the Egyptian presidency said following the meeting.

Sisi and Rabie also discussed ways to develop the energy system of the Suez Canal, where wind and solar renewable energy will be used to light up monitoring stations along the canal to reduce pollution. Rabie said in a press interview, “The Suez Canal is supported by three of the most modern vessels that counter the effects of environmental pollution in the canal through modern equipment that disperses oil spills in the shipping lane, and then suck them through skimmers operated from vessels to protect the water from pollution caused by ships."

He continued, “A number of eco-friendly measures have been taken at the Suez Canal, and there are strict regulations in this regard, with the SCA preventing any container vessel or ship leaking oil or petroleum from entering the canal's navigational line. We also take periodic samples to measure and monitor pollutants in the water. As it is classified as the shortest shipping route, the ships would consume less fuel and therefore emit less toxic gas.”

On 3 January, the SCA announced the use of renewable energy to operate the 16 monitoring stations along the canal in order to reduce gas emissions as part of its green initiative.

In April 2019, the SCA announced the building of Egypt's first green port in East Port Said. The announcement came after the SCA signed a contract with SESCO Trans Egypt to design, build, manage and operate a multipurpose terminal at East Port Said port, with a technology that adheres to environmental requirements for a period of 30 years. In July 2019, Sisi discussed with Egyptian Prime Minister Madbouly mechanisms to turn the Egyptian ports into green ports, by establishing a joint ministerial technical working group tasked with developing innovative solutions to environmental problems.

Egypt has in recent years increased its green projects. On 10 January, the Egyptian Ministry of Planning and Economic Development announced an increase in the share of green projects to 30% of the state investment plan, and a 50% share in 2024-25. Egypt has also adopted a plan to increase reliance on renewable energy sources and to create more green spaces in order to preserve the environment and deal with climate change resulting from pollution and fossil fuels. In May 2019, the government announced the formation of the National Council for Climate Change tasked with developing the state’s general policies in countering climate change.

In December 2020, the council’s high committee held its first meeting, headed by Madbouly, who called on the council to prepare a general strategy to confront climate change and to present its framework to the committee in its next meeting.

On 1 August 2021, the committee held its second meeting during which Minister of Environment Yasmine Fouad presented the national strategy for climate change and its objectives. She said, “The plan ensures the achievement of low emissions in various sectors, increasing [the share of] renewable and alternative energy sources in the energy mix, and preserving natural resources and green spaces.”

In November, Egypt will host the 27th session of the Conference of the Parties (COP 27) to the UNFCCC in Sharm el-Sheikh. Egypt is increasingly relying on renewable energy in generating electricity. The Ministry of Electricity said that Egypt has developed a strategic plan that sets a renewable energy target of more than 42% by 2035 of the energy mix. (Al-Monitor 21.01)

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