

**The FORTNIGHTLY**

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

**26 October 2022**

**1 Cheshvan 5783**

**1 Rabi Al-Akhar 1444**

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

**TABLE OF CONTENTS**

[1. ISRAEL GOVERNMENT ACTIONS & STATEMENTS](#_Toc117616085)

[1.1. Court Rejects Petitions Against Gas Pact With Lebanon](#_Toc117616086)

[2. ISRAEL MARKET & BUSINESS NEWS](#_Toc117616087)

[2.1. Talon Cyber Security Named a 2022 Gartner Cool Vendor in Hybrid Work Security](#_Toc117616088)

[2.2. Cyolo Receives IBM Ventures Investment for Zero Trust Secure Access Platform](#_Toc117616089)

[2.3. IronVest Emerges from Stealth & Closes $23 Million Seed Funding Round](#_Toc117616090)

[2.4. Quantum Machines Partners with leading European Institutions on the EuRyQa Project](#_Toc117616091)

[2.5. SecuriThings Series B Funding to Automate Protection of Physical Security Devices](#_Toc117616092)

[2.6. Israel Aerospace Opens a Subsidiary in India](#_Toc117616093)

[2.7. Kubiya Raises $6 Million in a Seed Round for Conversational AI Assistants in DevOps](#_Toc117616094)

[2.8. Tensorleap Announces $5.2 Million Seed Round for its Debugging Platform](#_Toc117616095)

[2.9. MySize Acquires Spain's Naiz Fit](#_Toc117616096)

[2.10. TaTiO Raises $5.3 Million to Help Access America's Untapped Workforce with AI](#_Toc117616097)

[2.11. UK's Alphawave IP Acquires Optical DSP Chip Developer Banias Labs](#_Toc117616098)

[2.12. Turpaz Acquires Romania's Aromatique Food to Expand its European Presence](#_Toc117616099)

[2.13. IronVest Raises $23 Million and Emerges from Stealth](#_Toc117616100)

[2.14. ICL Makes $400 Million Investment in New LFP Manufacturing in the US](#_Toc117616101)

[2.15. Vesttoo Closes $80 Million Series C Financing Round, Increasing Valuation to $1 Billion](#_Toc117616102)

[3. REGIONAL PRIVATE SECTOR NEWS](#_Toc117616103)

[3.1. Spirit AeroSystems & Joramco Sign MoU for MRO Cooperation](#_Toc117616104)

[3.2. Xponential Fitness Signs Master Franchise Agreement in Kuwait](#_Toc117616105)

[3.3. Informatica & ADDA Sign Strategic Partnership to Accelerate Digital Transformation](#_Toc117616106)

[3.4. DNA Script Expands Access in Middle East for Same-day Enzymatic DNA Synthesis](#_Toc117616107)

[3.5. Abu Dhabi’s Mubadala Capital Acquires Pittsburgh's TruFood](#_Toc117616108)

[3.6. Yellow Door Energy Closes $400 Million Funding for Energy Projects in MEA](#_Toc117616109)

[3.7. Nadeera Wins $100,000 Grant from PepsiCo](#_Toc117616110)

[3.8. AstroLabs and the Italian Trade Agency Launch UAE's Global Startup Program](#_Toc117616111)

[3.9. UAE’s VUZ Raises $20 Million in a Series B Round](#_Toc117616112)

[3.10. Saudi’s Zid Raises $50 Million in a Series B Round](#_Toc117616113)

[3.11. Mastercard Invests in Egypt's Nclude](#_Toc117616114)

[3.12. Telda Raises $20 Million from GFC, Sequoia Capital and Block](#_Toc117616115)

[3.13. Nexta Secures a $3 Million Investment](#_Toc117616116)

[3.14. MaxAB Raises $40 Million in a Pre-Series B Round](#_Toc117616117)

[4. CLEAN TECH & ENVIRONMENTAL DEVELOPMENTS](#_Toc117616118)

[4.1. Israel Moves to Reduce Industrial Greenhouse Gas Emissions](#_Toc117616119)

[4.2. Qatar Opens the 800 MWp Al Kharsaah Solar PV Power Plant](#_Toc117616120)

[4.3. Qatar Inaugurates the World’s Largest Electric Bus Depot](#_Toc117616121)

[4.4. Mubadala Invests in World’s Largest Private Offshore Wind Energy Developer](#_Toc117616122)

[4.5. Egypt Venture Capital Firm Develops Solutions for Climate Change](#_Toc117616123)

[4.6. Cyprus to Launch Second Phase of Electric Car Scheme Shortly](#_Toc117616124)

[5. ARAB STATE DEVELOPMENTS](#_Toc117616125)

[5.1. Lebanon Asks TotalEnergies to Start Gas Exploration 'Quickly'](#_Toc117616126)

[5.2. Jordan's Inflation Rises by 4% in Third Quarter](#_Toc117616127)

[5.3. Jordan to Receive $845 Million of US Aid in November](#_Toc117616128)

[5.4. Jordan's Garment & Footwear Imports Rises During the First 9 Months of 2022](#_Toc117616129)

[►►Arabian Gulf](#_Toc117616130)

[5.5. UAE to launch its First Lunar Rover in November](#_Toc117616131)

[5.6. UAE Deploys First Israeli Barak Air Defense System](#_Toc117616132)

[5.7. Masdar City & MBRIF to Support Sustainability-Focused UAE Startups](#_Toc117616133)

[5.8. UAE and Japan Agree to Visa-Free Travel](#_Toc117616134)

[5.9. Oman Unveils Ambitious Green Hydrogen Strategy](#_Toc117616135)

[5.10. Saudi Arabia Coffee Market Report 2022](#_Toc117616136)

[►►North Africa](#_Toc117616137)

[5.11. Egypt Restricts Dollar Withdrawals Amid Liquidity Crunch](#_Toc117616138)

[5.12. Egypt Seeks to Produce Cotton that Resists Drought Better](#_Toc117616139)

[5.13. Fuel Shortages & Long Queues Anger Tunisians](#_Toc117616140)

[5.14. Morocco Becomes First Country to Sign Green Partnership with EU](#_Toc117616141)

[6. TURKISH, CYPRIOT & GREEK DEVELOPMENTS](#_Toc117616142)

[6.1. Greece Improves Its Tax Competitiveness in Tax Foundation Ranking](#_Toc117616143)

[6.2. Greek Travel Revenues Rose by 92.1% in January-August 2022](#_Toc117616144)

[6.3. S&P Keeps Greek Ratings at ‘BB+’](#_Toc117616145)

[7. GENERAL NEWS AND INTEREST](#_Toc117616146)

[\*ISRAEL:](#_Toc117616147)

[7.1. Israel's Daylight Savings to End on Saturday Night](#_Toc117616148)

[\*REGIONAL:](#_Toc117616149)

[7.2. Iraqi Lawmakers Elect Abdul Latif Rashid as New President](#_Toc117616150)

[7.3. Kuwait's New Government is Sworn In](#_Toc117616151)

[7.4. Nine Moroccan Universities Featured in the 2023 World University Ranking](#_Toc117616152)

[7.5. Morocco’s Education Spending Increases by 10% in 2023 to Reach $6 Billion](#_Toc117616153)

[8. ISRAEL LIFE SCIENCE NEWS](#_Toc117616154)

[8.1. Avant Brands and IM Cannabis Launch BLK MKT in Israel](#_Toc117616155)

[8.2. Solabia-Algatech Launches Astaxanthin Gummies with Vitamin C](#_Toc117616156)

[8.3. Lavie Bio Advances its Novel Bio-fungicide Program and Applies for Regulatory Approval](#_Toc117616157)

[8.4. CNBX Files New Patent Application for Cannabinoids-Based Cancer Therapy](#_Toc117616158)

[8.5. TempraMed Protects EpiPens Against Light & Temperatures Extremes](#_Toc117616159)

[8.6. ICL Expands Digital Suite in India with ICLeaf](#_Toc117616160)

[8.7. Cerba & Taliaz Leverage AI and Genetics to Improve Patient Care in Depression](#_Toc117616161)

[8.8. Azura Ophthalmics Expands Broad IP Portfolio to 12 U.S. and European Patents](#_Toc117616162)

[8.9. V-Wave Completes Enrollment in Trial of Interatrial Shunting for Heart Failure](#_Toc117616163)

[8.10. AIVF Acquires ART Compass to Drive the Digital Transformation of Fertility Care](#_Toc117616164)

[9. ISRAEL PRODUCT & TECHNOLOGY NEWS](#_Toc117616165)

[9.1. Rydoo & Blue dot to Provide Tax Automation Solution for Employee Benefits Reclaim](#_Toc117616166)

[9.2. SaverOne Generation-2 of its Core Technology & Global Aftermarket Product](#_Toc117616167)

[9.3. Rolls-Royce & Classiq Collaborate on Quantum Algorithm Design for Fluid Dynamics](#_Toc117616168)

[9.4. Velox Launches Micro-Pixel Drop Shape Control for Digital Printing on Plastic Tubes](#_Toc117616169)

[9.5. Otonomo Integrates Its Smart Mobility Data Platform with SAP Digital Vehicle Hub](#_Toc117616170)

[9.6. Gilat Selected for Petrobras’ Oil & Gas Industry Satellite Connectivity Project](#_Toc117616171)

[9.7. SHARK Smart Weapon Station for Light Boats](#_Toc117616172)

[9.8. Weebit Nano Advances its ReRAM Selector Development to Fit Embedded Applications](#_Toc117616173)

[9.9. impacX Partners with Gatorade to Introduce Revolutionary Smart Gx Bottle](#_Toc117616174)

[9.10. infiniDome Released Its GPSdome 2 Dual-Band Anti-Jamming Technology](#_Toc117616175)

[9.11. Scribe Security Launches World's First Evidence-Based Security Trust Hub](#_Toc117616176)

[9.12. Hensoldt & Rafael Offer Electronic Warfare Capabilities to the German Air Force](#_Toc117616177)

[10. ISRAEL ECONOMIC STATISTICS](#_Toc117616178)

[10.1. Israel's September CPI Reading Higher Than Expected](#_Toc117616179)

[10.2. Israel's Fiscal Surplus Continues To Grow](#_Toc117616180)

[10.3. Unemployment in Israel Drops Back to Below 4%](#_Toc117616181)

[10.4. New Home Sales in Israel Hits a Three-Year Low](#_Toc117616182)

[10.5. Israel's 1 November Elections to Cost $22 Per Voter](#_Toc117616183)

[11. IN DEPTH](#_Toc117616184)

[11.1. ISRAEL: IVC Israeli Tech Review Q3/2022](#_Toc117616185)

[11.2. ISRAEL: The Agreement with Lebanon: The Benefits Outweigh the Drawbacks](#_Toc117616186)

[11.3. GCC: Over in the GCC, it May Need to Go Blue, Before it Goes Green](#_Toc117616187)

[11.4. UAE: Abu Dhabi Announces New Alcohol Rules](#_Toc117616188)

[11.5. SAUDI ARABIA: Neom’s Ambition Goes Into Hyperdrive](#_Toc117616189)

[11.6. EGYPT: S&P Global Affirms Egypt’s Rating Amid IMF & GCC Support](#_Toc117616190)

[11.7. TUNISIA: IMF Staff Reaches Staff-Level Agreement on an Extended Fund Facility](#_Toc117616191)

ISRAEL GOVERNMENT ACTIONS & STATEMENTS

[Back to Table of Contents](#TOC)

* 1. Court Rejects Petitions Against Gas Pact With Lebanon

Israel's High Court of Justice has unanimously rejected the petitions concerning the maritime border agreement with Lebanon. Because of the urgency of the matter, the ruling was handed down without detailed grounds for the decision, which will be given in due course.

The hearing took place on 20 October before a senior panel of judges, consisting of the president of the court, Esther Hayut, and justices Uzi Vogelman and Noam Sohlberg. At the opening of the hearing, which was broadcast live, Hayut said that it would deal with three questions: firstly, whether a referendum should be held; secondly whether a transition government could sign the agreement; and thirdly, whether the government acted lawfully when it decided not to submit the agreement to a Knesset vote.

In the petitions filed by the Kohelet Policy Forum and the Lavi organization, it was argued that the Supreme Court had ruled in the past that the Knesset should supervise the government on diplomatic matters during the period of a transition government. It was also argued that the government should not approve an agreement which contained a diminution of territory to which Israeli law and jurisdiction applied. The petitioners claimed that such an agreement required a majority of 80 member of Knesset or approval in a referendum.

The opinion submitted to the court by Attorney General Gali Baharav-Miara stated that she had recommended that the agreement should be voted on by the Knesset. Nevertheless, she stated that there was no legal bar to sufficing with approval by the government and submitting the agreement to the Knesset for perusal. The attorney general added that the decision on which way to act was one for the government. (Globes 23.10)

ISRAEL MARKET & BUSINESS NEWS

[Back to Table of Contents](#TOC)

* 1. Talon Cyber Security Named a 2022 Gartner Cool Vendor in Hybrid Work Security

Talon Cyber Security has been named a 2022 Cool Vendor in the Cool Vendors in Hybrid Work Security report by Gartner. In the report, Gartner showcases “innovative products focusing on reducing the risk of hybrid work.”

The TalonWork browser simplifies security by allowing secure access to SaaS and web-based applications on any device, managed or unmanaged, and on any operating system. With Talon, security teams benefit from deep visibility into browser-based application activity, as well as advanced security capabilities like data loss prevention, threat protection, and Zero Trust controls. Based on Chromium, TalonWork delivers the consistent and familiar user experiences expected by today’s employees and third parties, fostering productivity while enhancing security across the enterprise. With Talon, customers experience up to 80% TCO savings compared to alternative solutions, like Virtual Desktop Infrastructure (VDI) and shipping corporate laptops.

[Talon Cyber Security](http://www.talon-sec.com) is modernizing security programs and improving user experiences for hybrid work by delivering the first secure enterprise browser. The TalonWork browser provides customers with the consistent user experiences, deep security visibility, and control over SaaS and web applications needed to simplify security for the future of work. Talon was named the Most Innovative Startup of 2022 at the prestigious RSA Conference Innovation Sandbox Contest. (Talon 12.10)

[Back to Table of Contents](#TOC)

* 1. Cyolo Receives IBM Ventures Investment for Zero Trust Secure Access Platform

Cyolo announced a new investment from IBM Ventures. Together IBM Ventures and Cyolo plan to collaborate and help modernize authentication for digital businesses. In addition to financial investment, IBM will provide cybersecurity expertise and technical resources in support of Cyolo’s Zero Trust Secure Access platform. The teams will collaborate on go-to-market initiatives ranging from partner engagements to panel sessions in support of Cyolo’s mission to connect users to the assets they need to do their job simply, safely and efficiently.

IBM Ventures’ investment in Cyolo is further evidence of the urgent need for cybersecurity solutions that reduce complexity and work seamlessly across distributed workforces and environments. Earlier this year, IBM Ventures participated in Cyolo’s Series B, contributing to the company’s total raise of $60 Million. The new investment will help Cyolo to further scale its market presence.

Ramat Gan's [Cyolo](https://cyolo.io) helps organizations in the IT and OT spaces to stay both secure and productive in an era of distributed workforces and unprecedented cyber threats. Cyolo’s next-generation zero trust network access solution (ZTNA 2.0) enables all users, including employees, third parties and remote and on-site workers, to seamlessly and securely connect to their working environments via modern identity-based access. Cyolo empowers the global workforce to securely access applications, files, servers, and workloads from any device on local networks or in the cloud. (Cyolo 12.10)

[Back to Table of Contents](#TOC)

* 1. IronVest Emerges from Stealth & Closes $23 Million Seed Funding Round

IronVest emerged from stealth mode and announced it has closed a $23 million seed funding round led by Accomplice, with participation from Trust Ventures, Ulysses, Joule Ventures, OurCrowd and a number of strategic angel investors. Data compromises, which often lead to online fraud, affected more than 53 million individuals in the United States during the first half of this year. The prevalence of these incidents underscores the need for IronVest’s innovative approach.

IronVest’s security-first approach, combined with a seamless biometric-based user experience, guarantees privacy and protects users from both the most common and the most sophisticated attacks against individuals. It protects users’ personally identifiable information by offering on-the-fly use of masked email addresses, virtual phone numbers and virtual credit cards to protect user privacy and reduce the personal data footprint vulnerable to data breaches. IronVest is available as a mobile app, a browser extension and via an enterprise software development kit. It is designed to help financial institutions and online businesses protect consumers, customers and employees from fraud. Its consumer app already has more than 200,000 active users.

The seed investment capital will be used to further expand the team, and accelerate its go-to-market efforts to meet the growing demands of both consumer and employee security and privacy threats.

Herzliya's [IronVest](https://www.ironvest.com) is on a mission to empower consumers and employees to seamlessly protect their online accounts and identity as they navigate and transact in the digital world. The IronVest security and privacy platform and digital wallet combine decentralized, face-biometric fraud prevention technology and a seamless user experience to protect account access and post-access activity in the most sensitive accounts: banks, email, file sharing, business applications and health records. The all-in-one security and privacy-first digital wallet protects individuals’ privacy and personally identifiable information with automatically generated masked emails, phone numbers and credit cards. (IronVest 12.10)

[Back to Table of Contents](#TOC)

* 1. Quantum Machines Partners with leading European Institutions on the EuRyQa Project

Quantum Machines will be a partner on the EuRyQa project. The European Commission has just launched the European infrastructure for Rydberg Quantum Computing (EuRyQa) project aimed at establishing Rydberg quantum processors as a leading platform for scalable quantum computing in Europe. Assembling eleven partners from seven countries, EuRyQa is funded under the highly competitive Horizon Europe program with a total budget of almost €5 million over the next three years.

To achieve the project's aims, EuRyQa unites partners from academia at the forefront of ultracold-atom-based quantum technology with industrial partners providing complementary expertise on quantum hardware, classical electronics, firmware and software. EuRyQa is coordinated by the University of Strasbourg (France) and other partners include the SME PASQAL (France), the University of Stuttgart, the spin-off Qruise GmbH from the Research Centre Jülich, and the consultancy EURICE GmbH (Germany), the University of Amsterdam and the Technical University of Eindhoven (the Netherlands), the research institute Idryma Technologias Kai Erevnas (Greece), Associacao Portuguese Quantum Institute (Portugal), Università degli Studi di Padova (Italy) and Quantum Machines (Israel).

Tel Aviv's Quantum Machines (QM) drives quantum breakthroughs that accelerate the path towards the new age of quantum computing. The company's Quantum Orchestration Platform (QOP) fundamentally redefines the control and operations architecture of quantum processors. The full-stack hardware and software platform is capable of running even the most complex algorithms right out of the box, including quantum error correction, multi-qubit calibration, and more. (Quantum Machines 12.10)

[Back to Table of Contents](#TOC)

* 1. SecuriThings Series B Funding to Automate Protection of Physical Security Devices

Ramat Gan's SecuriThings announced that it has raised a $21 million Series B funding round led by U.S. Venture Partners (USVP) with participation from Swisscom Ventures. Existing investors Aleph, Firstime VC, and Cresson Management also participated in the round, which brought the company’s total amount raised to $39 million.

SecuriThings’ IoTOps platform helps organizations manage and secure physical security devices at scale, aiding physical security teams to ensure device performance while reducing costs. Its platform provides real-time visibility, protection, and predictive maintenance capabilities for IoT devices. Using automation, analytics, and actionable alerts, IoTOps enables teams to shift their focus to more strategic tasks by cutting the load of manual labor and on-site visits, as well as driving cost efficiency within their processes.

With the new financing, SecuriThings plans to invest heavily in driving go-to-market plans in North America and globally, including growing its partner ecosystem. (CTech 13.10)

[Back to Table of Contents](#TOC)

* 1. Israel Aerospace Opens a Subsidiary in India

Israel Aerospace Industries (IAI) has opened a new subsidiary in New Delhi called Aerospace Services India (ASI). IAI’s investment in Aerospace Services India is a part of the company's strong support for the Indian government’s 'Atmanirbhar Bharat'- MAKE IN INDIA policy. The new subsidiary also demonstrates IAI's commitment to its strong partnership with India's Defense Research and Development Organization (DRDO) in developing and supporting advanced systems for the Indian armed forces.

ASI is establishing leading edge facilities to provide product life cycle support services for the air-defense systems in India. The new facilities will provide advanced and timely support to the Indian Defense Forces, including the Indian Air Force, Navy and Army. IAI's Aerospace Services India is the sole authorized OEM’s Technical Representative for the entire MRSAM system.

MRSAM is an advanced and innovative air and missile defense system which provides ultimate protection against a variety of aerial platforms. It is used by the Indian army, air force and navy. The system includes an advanced phased array radar, command and control, mobile launchers and interceptors with advanced RF seeker. MRSAM is jointly developed by IAI and DRDO for the Indian forces. (Globes 19.10)

[Back to Table of Contents](#TOC)

* 1. Kubiya Raises $6 Million in a Seed Round for Conversational AI Assistants in DevOps

Tel Aviv's Kubiya, founded in 2022, has raised $6 million in a seed round, led by Hyperwise Ventures alongside investors Pierre Lamond, Giora Yaron, and others. Kubiya facilitates self-serving capabilities across business functions to relieve the burden that DevOps teams face when dealing with daily demands and helps the workforce solve issues that are independent of technical expertise.

Facilitating a natural language interaction between humans and machines and converting their intent into actions effectively removes the dependency on the operator in the loop. Kubiya’s unique approach is poised to change how companies hire, train, staff and operate - especially as we move into the next generation of remote-first-workforces - we are quite literally refactoring the unit economics of DevOps. According to data provided by Gartner, 64% of IT leaders struggle to find skilled DevOps practitioners and existing operators find themselves overstretched to meet business demands. Kubiya’s conversational AI tool helps organizational users with a self-serving option that allows them to express intent in natural language and have the virtual assistant take action by automating simpler tasks. It draws data from multiple sources and contextualizes each inquiry for quicker results, thus freeing up DevOps teams and allowing them to take on more complex challenges that require human responses.

Kubiya embeds the virtual assistant within existing interfaces such as Slack and Teams, as well as low-code editors and other APIs. It is working with organizations such as Aston Martin, Earnin, ZenBusiness, and others. (Kubiya 18.10)

[Back to Table of Contents](#TOC)

* 1. Tensorleap Announces $5.2 Million Seed Round for its Debugging Platform

Tensorleap announced that it has departed from stealth and launched a new debugging platform for neural networks following a Seed round of $5.2 million. The venture is backed by Angular Ventures, Sozo Ventures, and Industry Ventures and hopes to bring transparency to deep learning models during the development phase.

Its platform claims to lower the risk of models that fail in production. Despite the growth and promise of Deep Neural Networks, their 'Black Box’ nature means that a number of challenges can limit their full potential, such as long and inefficient development cycles, a lack of explainability, or insufficient testing - all of which can contribute to AI failures in production. Life-changing decisions made by neural networks which may be found in the medical or autonomous driving sectors are vital to get correct and Tensorleap assists organizations by providing full visibility at the development stage.

The company’s platform helps data scientists understand how a Deep Learning model interprets data, how it makes decisions, and they can also see its failures and understand why they occurred. These data scientists can identify and solve problems and edge cases, deal with the overfitting of data, and perform this testing before deployment to make better decisions for which models they can trust further in production.

Tensorleap's platform is offered as a SaaS which can be installed on the clients’ existing infrastructures or in the cloud. It supports data in the form of images, text, graphs, tabular information, and more. The company is based in Ramat Gan, Israel. (Tensorleap 20.10)

[Back to Table of Contents](#TOC)

* 1. MySize Acquires Spain's Naiz Fit

MySize has acquired Spain's Naiz Fit, a provider of SaaS technology solutions that solve size and fit issues for fashion ecommerce companies. Naiz Fit's revenues and financial results will be fully integrated into MySize's consolidated results for the fourth quarter of 2022. As a result of the acquisition, Naiz Fit's customers will reap the benefits of a broader portfolio of products and solutions delivered by an unparalleled combined team of industry leaders with a deep understanding of the fashion ecommerce retail landscape.

Naiz Fit's SaaS technology acts as a digital tailor. Without asking customers to measure themselves, Naiz Fit obtains 20+ body measurements using its proprietary AI and computer vision capabilities by transforming simple images into body measurements. For customers who do not want to use photos, Naiz Fit implements statistical modeling algorithms to determine size and fit based on height, weight, age, gender and fit preference. Convolutional neural networks enable the company's technology to extract direct body measurements and body morphologies with the highest accuracy.

Airport City's MySize is an omnichannel e-commerce platform and provider of AI-driven measurement solutions to drive revenue growth and reduce costs for its business clients. Orgad, its online retailer platform, has expertise in e-commerce, supply chain, and technology operating as a third-party seller on Amazon.com and other sites. MySize recently launched FirstLook Smart Mirror, a mirror-like touch display that provides in-store customers an enhanced shopping experience and contactless checkout. FirstLook Smart Mirror extends MySize's reach into physical stores and is expected to contribute to revenues through unit sales and recurring service fees. (My Size 12.10)

[Back to Table of Contents](#TOC)

* 1. TaTiO Raises $5.3 Million to Help Access America's Untapped Workforce with AI

TaTiO announced the completion of a $5.3 million seed round led by Mensch Capital Partners and Cresson Management, with participation from Cerca Discovery, Tau Ventures, Techstars and GoodCompany. TaTiO sources and vets job seekers with their AI work experience simulations and provides employers with pre-qualified candidates to interview. Private investors included Michael Eisenberg, General Partner at Aleph VC, Jeff Swartz, former CEO of Timberland, and NirZohar, President of Wix.com.

TaTiO offers a unique method of job recruitment that eliminates the fixation on resumes, instead focusing on skills. TaTiO sources potential candidates and provides realistic job simulation tasks that predict their aptitude for a variety of careers. AI analysis learns and tracks each candidate's behavior, service orientation, and tone of voice producing a report with a job-specific prediction score and providing employers with a performance assessment before the first interview is set. TaTiO continuously learns about the employer's preferences, improving their applicant-to-hire ratio. TaTiO has been shown to reduce time-to-hire by 50% and cost-of-hire by 30%. They have already sourced and qualified tens of thousands of candidates for positions in logistics, customer support, technical support, sales, finance and insurance.

Tel Aviv's [TaTiO](https://www.tatio.io/) enables companies to improve their candidate-to-hire ratio for high-volume positions by accessing workers from previously untapped sources and assessing their actual job skills. With a pool of tens of thousands of candidates, TaTiO pairs qualified job seekers from diverse backgrounds with employment, without having to look at an application form, resume or cover letter. (TaTiO 13.10)

[Back to Table of Contents](#TOC)

* 1. UK's Alphawave IP Acquires Optical DSP Chip Developer Banias Labs

London, UK's Alphawave IP Group, a global leader in high-speed connectivity for the world's technology infrastructure, announced the acquisition of Banias Labs, an Israel-based optical Digital Signal Processing (DSP) chip developer for data centers for approximately $240 million. The acquisition strengthens Alphawave's roadmap of optical DSP silicon products for data centers, a core high growth market for Alphawave.

Alongside the acquisition of Banias Labs, Alphawave has negotiated a non-binding, multi-year purchasing framework with a leading North American hyperscaler that proposes a multi-year roadmap for Alphawave to develop and sell a portfolio of optical products and DSPs, including coherent DSP technology from Banias Labs, with sales potentially ramping to over $300 million.

Founded in 2020, [Banias Labs](https://baniaslabs.com/) is a leading provider of coherent optical DSP semiconductor technology. Based near Tel Aviv, Israel, the key core technology leaders have worked together for over two decades and have a long track record of success in the silicon, IP, and communications segments of semiconductors. Banias Labs currently has approximately 50 employees the majority of whom are R&D focused. (Alphawave IP 13.10)

[Back to Table of Contents](#TOC)

* 1. Turpaz Acquires Romania's Aromatique Food to Expand its European Presence

Holon's [Turpaz Industries](https://www.turpaz.co.il/), which develops, manufactures and markets fragrance extracts, flavor extracts, intermediates for the pharmaceutical industry, raw materials for the agro industry and fine chemicals, citrus products and aroma chemicals, signed an agreement to acquire control (65%) of Aromatique Food in Romania, a company which develops, manufactures and markets savory flavor mixtures (Savory), for $3.35 million, as well as future consideration based on Aromatique's business performance during H2/22.

The agreement includes an option to purchase the remaining shares of the company exercisable starting January 2025, according to a value that will be determined based on Aromatique Food's financial performance during the period starting January 1, 2023, and until the option exercise date. Completion of the deal is expected in Q4/22.

This purchase is a continuation of the implementation of the Turpaz group's growth strategy and expands its geographic presence and product portfolio in the savory sector in Europe and Eastern Europe in particular, which are known as markets with extensive activity in the meat, fish, snacks and soups sector. All this, while leveraging the synergy between the group's companies in Israel and across the globe in development, procurement, marketing and sales, including in the group companies - FIT, Pollena Aroma, SDA, Balirom and SDA GALIL that develop, manufacture and market products for the food industry in Israel and around the world. (Turpaz Industries 12.10)

[Back to Table of Contents](#TOC)

* 1. IronVest Raises $23 Million and Emerges from Stealth

Israel biometric security company [IronVest](https://ironvest.com/%E2%80%8E) has emerged from stealth and announced the completion of a $23 million seed financing round led by Accomplice, with participation from Trust Ventures, Ulysses, Joule Ventures, OurCrowd and several strategic angel investors. Founded in 2022 and headquartered in New York, the company's development center is in Herzliya. IronVest has developed technology to protect the individual through biometric and account-access security that protects personal accounts and personal data from fraud. IronVest uses a decentralized infrastructure to protect personal data and uses patent-pending, decentralized biometric fraud prevention technology to ensure only the correct person can access the most sensitive accounts and data during sign-in and throughout a session.

IronVest is available as a mobile app, a browser extension and via an enterprise software development kit. It is designed to help financial institutions and online businesses protect consumers, customers and employees from fraud. (Globes 13.10)

[Back to Table of Contents](#TOC)

* 1. ICL Makes $400 Million Investment in New LFP Manufacturing in the US

ICL plans to build a $400 million lithium iron phosphate (LFP) cathode active material (CAM) manufacturing plant in St. Louis. This is expected to be the first large-scale LFP material manufacturing plant in the United States. The company was awarded $197 million through the Bipartisan Infrastructure Law funding, which is subject to the completion of negotiations with the Department of Energy. The plant is expected to be operational by 2024 and will produce high-quality LFP material for the global lithium battery industry, using primarily a domestic supply chain. The LFP plant represents a significant expansion of ICL’s energy storage portfolio and demonstrates the company’s commitment to developing high-quality specialty products for agricultural, food and industrial applications.

ICL partners for the project will include Aleees, which will provide the state-of-the-art LFP process technology, and McCarthy, which will oversee the management of general contracting and is also based in St. Louis. The local community will benefit not only through more than 150 high-paying union and professional jobs, but also as ICL expands its active role in developing the next generation of ICL employees.

Tel Aviv's [ICL Group](http://www.icl-group.com) is a leading global specialty minerals company, which creates impactful solutions for humanity's sustainability challenges in the global food, agriculture and industrial markets. ICL leverages its unique bromine, potash and phosphate resources, its passionate team of talented employees, and its strong focus on R&D and technological innovation, to drive growth across its end markets. (ICL 19.10)

[Back to Table of Contents](#TOC)

* 1. Vesttoo Closes $80 Million Series C Financing Round, Increasing Valuation to $1 Billion

Vesttoo announced an $80 Million Series C financing round co-led by Mouro Capital and a private equity fund, valuing the company at $1 billion. A US-based bulge-bracket investment bank, Gramercy Ventures, Black River Ventures and Hanaco Ventures also participated in the round. The Series C comes less than a year after Mouro Capital led Vesttoo's Series B round with participation from MS&AD Holdings. Hanaco Ventures led the Series A round in August 2021. Since then, Vesttoo has further developed its AI-based marketplace, the Company's data-driven platform that facilitates the investment of new sources of capital in the insurance market.

Vesttoo intends to use the capital raised to further expand its global presence, enhance its marketplace platform and widen its offering to insurers and investors. The Vesttoo Marketplace will allow investors to access a variety of reinsurance products and monitor their performance with transparent and data-driven analytics, while also modeling risk portfolios, providing premium quotes for related reinsurance coverage, and expediting the placement of ceded risks to the market.

Tel Aviv's [Vesttoo](https://vesttoo.com) connects the insurance industry and the capital markets by combining AI-powered technology with expertise in data science, insurance, and finance, so that insurers have the capital they need, and investors have opportunities to diversify with uncorrelated, low-volatility insurance-linked assets. (Vesttoo 25.10)

REGIONAL PRIVATE SECTOR NEWS

[Back to Table of Contents](#TOC)

* 1. Spirit AeroSystems & Joramco Sign MoU for MRO Cooperation

Wichita, Kansas' Spirit AeroSystems announced a Memorandum of Understanding (MOU) with Joramco, the Amman-based maintenance, repair and overhaul (MRO) provider and the engineering arm of Dubai Aerospace Enterprise (DAE), to explore cooperation in providing a wide range of repairs to and services of composite and metallic aerostructures to customers in the region. A team of engineers and experts from both companies will be formed to support the needs of operators, and shops, and develop new repair processes as needed.

Joramco, based at Queen Alia International Airport in Amman, Jordan, has more than 50 years of experience. It has built a solid track record as a leading independent commercial aircraft maintenance, repair and overhaul facility serving a wide range of customers in the Middle East, Europe, South Asia and Africa, offering services on several aircraft models from the Airbus, Boeing, and Embraer fleets. Joramco is certified by many international regulatory authorities including the European Aviation Safety Agency (EASA), the U.S. Federal Aviation Administration (FAA) and the Jordanian Civil Aviation Regulatory Commission (JCARC).

Spirit’s Aftermarket business continues to grow worldwide since the 2021 acquisition of select Bombardier maintenance, repair and overhaul operations in Belfast, Northern Ireland and Casablanca, Morocco; and the acquisition of assets from Applied Aerodynamics in Dallas, Texas. (Spirit AeroSystems 19.10)

[Back to Table of Contents](#TOC)

* 1. Xponential Fitness Signs Master Franchise Agreement in Kuwait

Irvine, California's Xponential Fitness signed a Master Franchise Agreement in Kuwait for its brands Rumble, Club Pilates, StretchLab and CycleBar. The deal, signed with Kuwait Real Estate Company, Aqarat, will result in the opening of a minimum of eight studios early in the initial 10-year term of the agreement, with additional studios to be developed based on market opportunity.

The Master Franchisee for Xponential in Kuwait is the publicly traded real estate development company, Aqarat, a prominent developer and manager of commercial, residential and hospitality properties in Kuwait and the Middle East, as well as Europe and the United States. Aqarat also has investments and joint venture agreements with the hospitality brands Yotel, Courtyard by Marriott, and IFA Hotels and Resorts.

Kuwait has the fourth largest fitness industry in the Middle East with annual revenue of nearly $240 million revenue, according to research from the International Health, Racquet & Sportsclub Association. The more than 600 fitness centers are a mix of local, regional and international operators, with boutique fitness early in its lifecycle and poised for growth. Rumble, StretchLab, Club Pilates and CycleBar are all backed by Xponential Fitness, the largest global franchisor of boutique fitness brands which also include Pure Barre, Row House, YogaSix, AKT, BFT, and STRIDE Fitness. (Xponential Fitness 20.10)

[Back to Table of Contents](#TOC)

* 1. Informatica & ADDA Sign Strategic Partnership to Accelerate Digital Transformation

Redwood City, California's Informatica, an enterprise data management leader, signed a multi-year, strategic framework agreement to offer enterprise data management services to government entities in Abu Dhabi. The Abu Dhabi Digital Authority (ADDA) is enabling and supporting a digital government that is proactive, personalized, collaborative, and secure. The Data Enablement Program, a multi-year strategy led by ADDA, aims to transform Abu Dhabi into a data-driven state to advance its strategic objectives and harness the power of data to drive economic growth and accelerate the digital economy across the Emirate.

Following an intensive selection phase involving a hundred ICT manufacturers, Informatica was selected as a recommended technology in the Abu Dhabi Data Enablement Program, which aims to empower government entities with standardized technologies to help develop and build data programs across the data value chain. Informatica will be a non-exclusive supplier to all 76 Abu Dhabi Government Entities who may leverage the Intelligent Data Management Cloud (IDMC) to manage, own and derive insights from their data on any platform for any user in multi-hybrid environments.

Abu Dhabi Digital Authority is leading the digital future of Abu Dhabi government by supporting their government partners to deliver services and build ecosystems, which enrich quality of life and multiply opportunities for business and personal growth. (Informatica 12.10)

[Back to Table of Contents](#TOC)

* 1. DNA Script Expands Access in Middle East for Same-day Enzymatic DNA Synthesis

South San Francisco, California's DNA Script, a world leader in Enzymatic DNA Synthesis (EDS) for DNA on demand, has signed distribution agreements in the Middle East with Gulf Scientific Corporation (Bahrain, KSA, Kuwait, Oman, Qatar and UAE) and Eisenberg (Israel) to expand its worldwide footprint of sales, service and support. The Middle East is experiencing significant genomic research growth with increased demand for synthetic biology tools.

DNA Script has developed and deployed EDS via the SYNTAX System benchtop instrument. The SYNTAX instrument prints ready-to-use oligos in-house, giving labs complete control over their oligo production and alleviating their need to wait for deliveries from third-party DNA service providers. Same-day synthesis enables researchers to iterate in a matter of hours, dramatically accelerating workflows across Sanger sequencing, rt-qPCR, NGS target enrichment, site-directed mutagenesis, CRISPR gene editing, gene assembly, F/ISH and more. (DNA Script 12.10)

[Back to Table of Contents](#TOC)

* 1. Abu Dhabi’s Mubadala Capital Acquires Pittsburgh's TruFood

Mubadala Capital, the global asset management firm and subsidiary of Abu Dhabi’s Mubadala Investment Company, has acquired snack food contract manufacturer TruFood Manufacturing. Pittsburgh's Trufood is being acquired from funds affiliated with AUA Private Equity Partners. The company did not disclose any financial details pertinent to the transaction. However, as per the agreement, TruFood will remain a stand-alone business and will maintain the same identity and operational autonomy.

Mubadala Capital manages a diverse portfolio of investments, in particular within the consumer and food services space, where the company has invested approximately $2 billion over the past eight years. Last year, Mubadala Capital bought K-Mac Holdings, one of the largest Taco Bell Corp. franchisees in the US.

TruFood manufactures products including nutrition bars, protein bars, chocolate molded products and baked nutrition, while its customers consist of consumer packaged goods companies and retailers across the US. (Mubadala Capital 19.10)

[Back to Table of Contents](#TOC)

* 1. Yellow Door Energy Closes $400 Million Funding for Energy Projects in MEA

Yellow Door Energy (YDE), a leading sustainable energy partner for businesses, announced the closing of a new equity raise to continue its development of sustainable energy projects in the Middle East, Africa and beyond. The investment also includes a purchase of current shares, enabling the company’s initial investors to exit. The funding is substantially provided by YDE’s newest and now controlling shareholder, Actis, with existing shareholders International Finance Corporation (IFC), Mitsui & Co. and APICORP also increasing their equity commitments.

With the closure of this landmark transaction, YDE’s business plan is fully funded and the management team is now focused on executing sustainable energy solutions over the next five years, with a portfolio value expected to exceed $1 billion, which will be funded through a combination of equity and debt securities.

Dubai's Yellow Door Energy is an award-winning sustainable energy leader, serving commercial and industrial businesses in the Middle East, Africa and South Asia. The company’s solar and energy efficiency solutions enable businesses to reduce energy costs, improve power reliability and lower carbon emissions. The company is now the leading distributed solar developer in the region, with over 200 MW of solar assets in the Middle East and Pakistan. (YDE 12.10)

[Back to Table of Contents](#TOC)

* 1. Nadeera Wins $100,000 Grant from PepsiCo

PepsiCo has announced UAE-based startup [Nadeera](https://www.nadeera.org/), as the winner of the first iteration of its Greenhouse Accelerator Program: MENA Sustainability Edition following a rigorous judging process, and a six-month PepsiCo mentorship program. Nadeera will receive a grant of $100,000 and a host of other benefits to scale their sustainable packaging solution and grow their business.

Nadeera is a social enterprise that leverages technology to promote waste sorting at source. Its product ‘Yalla Return’, is the first Trash for Cash system in the MENA region which gives customers cash rewards based on the number of recyclables they turn in. The concept provides resident-centric, technology-enabled waste management solutions for municipalities and waste management authorities. In its presentation to the judges, Nadeera demonstrated consistent revenue growth since participating in the program and a strong pipeline to scalability in their concept within the next six months.

The Greenhouse Accelerator Program is a global, mentor-led accelerator program that launched in MENA in November 2021. The first iteration, in partnership with the UAE Ministry of Climate Change and Environment and Food Tech Valley, sought to identify regional startups with innovative solutions focused on sustainable packaging and recycling, driving forward PepsiCo Positive (pep+) goals to help build a circular and inclusive value chain. (Nadeera 09.10)

[Back to Table of Contents](#TOC)

* 1. AstroLabs and the Italian Trade Agency Launch UAE's Global Startup Program

AstroLabs and the Italian Trade Agency (ITA) partnered to launch the second edition of the Global Startup Program in the UAE. The program will support the business acceleration and expansion of 12 tech-enabled Italian startups to the UAE, as a launch pad for expansion into MENA and beyond.

In this Global Startup Program edition, Dubai's [AstroLabs](https://astrolabs.com/) is commissioned by the Italian Trade Agency to tailor a comprehensive market entry program that will accelerate the expansion of emerging businesses into the UAE. The duration of the market entry program is two months and it aims to strengthen the technical, organizational, and financial abilities of the participating startups.

The Global Startup Program 2022 edition encompasses 120 innovative Italian startups offering solutions across a various range of sectors including AI & data, FoodTech, MedTech, circular economy, green economy, e-commerce and more. The ITA is an Italian government agency that helps to develop, facilitate and promote Italian economic and trade relations with foreign countries, focusing on the needs of SMEs, their associations, and partnerships. (WAYA 05.10)

[Back to Table of Contents](#TOC)

* 1. UAE’s VUZ Raises $20 Million in a Series B Round

Dubai's VUZ, an Immersive Social App that allows users to stream and experience immersive realism in XR and Metaverse digital experiences, has raised $20 million in its Series B round, led by Caruso Ventures, Vision Ventures VC Fund, and strategic investors e& capital, investment pillar of e&, DFDF (Dubai Future District Fund), SRMG and WIN (Webit Investment Network). The round also saw participation from strategic funds from Europe including WIN, Elbert Capital, and Yasta Partners. Additional Investors included Faith Capital, Panthera Capital, and seven of the existing previous investors followed on.

VUZ bridges the gap between the physical and virtual worlds to offer an immersive content library in the world with immersive content covering entertainment, creators, and sports segments, and XR, VR and AR experiences from virtually anywhere in the world. VUZ's vision is to bring people together and connect the world by providing authentic immersive experiences while removing the constraints of (TTA) Travel, Time, and Access to billions of people around the world. The startup is also building on its current IOS and Android social mobile applications with new features, as well as launching its Web Platform and its Smart TV platform.

The funds will be used to fuel VUZ’s expansion plans in growing its core, accelerating the growth of its recurring subscription revenue, investing and hires, new social features, launching Web3 products, scaling into 8 additional new international markets, following its partnership and integration with Telecom Operators globally. (VUZ 14.10)

[Back to Table of Contents](#TOC)

* 1. Saudi’s Zid Raises $50 Million in a Series B Round

Riyadh's Zid has raised $50 million in a Series B funding round led by IMPACT46 with participation from new investors: Aramco venture capital arm (Waed Ventures) and Endeavour Catalyst. Previous investors: Global Ventures, Elm Company, Arzan, and MSA also participated. Founded in 2017, Zid started with enabling retailers to sell and grow their own online channels.

The startup is expanding into a new mission, “modernize the retail sector”. The company’s goal is to improve the retail sector by offering and enabling business owners and retailers with tools and products that will improve their operations efficiency and grow their bottom line. The company rolled out products and solutions to enable Zid retailers in shipping (ZidShip) and payment (ZidPay), achieving significant growth and adoption in their products. Zid's intention is to expand the offering in these products to cover: financing retailers & cross-border shipping.

The proceeds will be used by Zid to expand into new markets in Saudi Arabia and in the region and automate more innovative solutions to modernizing the retail sector. (Zid 18.10)

[Back to Table of Contents](#TOC)

* 1. Mastercard Invests in Egypt's Nclude

Mastercard has announced a strategic investment in Nclude, a fintech-focused VC investment platform launched in partnership with Egypt’s leading national banks – Banque Misr, National Bank of Egypt and Banque Du Caire – to further boost Egypt’s fintech ecosystem and support the country’s digital transformation journey. The partnership will deepen financial inclusion across Egypt by investing in promising early-and-growth-stage fintech and fintech-enabled companies. The move builds on Mastercard’s commitment to supporting the government’s efforts and favorable regulations aimed at transforming Egypt into a digital, financially inclusive society by harnessing the power of technology.

The Central Bank of Egypt (CBE) is leading a vision to position the country as an Innovation Hub for fintech across the Middle East and Africa by upskilling youths to close talent gaps, improving access to capital, and developing technology infrastructure. These efforts are geared toward rapidly increasing the rate of financial inclusion to benefit all Egyptians, only over 56% of whom are included in the formal economy. It also focuses on filling the huge SME lending gap in Egypt, as well as elevating the quality of financial services offered in the country to businesses and individuals.

Cairo's [Nclude](https://www.nclude.com/) was launched in March 2022 upon approval by the CBE, and initially saw an investment of $100 million from the 3 national banks as well as Egyptian Banks Company (EBC) and e-Finance. With Mastercard, Nclude Fund is quickly becoming a go-to fund for fintech startups looking to grow their operations and services. (MasterCard 12.10)

[Back to Table of Contents](#TOC)

* 1. Telda Raises $20 Million from GFC, Sequoia Capital and Block

Cairo's Telda, an Egyptian consumer money app, has raised $20 million in seed funding to revolutionize finance for the MENAP region. Its first market, Egypt, is one of the highest consumer spending markets in Africa. The North African market’s private consumption accounts for nearly 85% of its nominal GDP, and only 4% of its overall GDP is cashless. Card usage in the country is still in its infancy in the cash-heavy society, but startups like Telda are banking on their card products to change the narrative, or at least try.

Telda has obtained a license from the Central Bank of Egypt (CBE) under its new regulations, allowing the company to issue cards and onboard customers digitally. However, for more than a year following this approval, Telda hadn’t still launched its app and card products to its more than 30,000 signups.

Telda has yet to go live in the Egyptian market after raising that much money because it ran into issues with the CBE, among them the appropriate licensing it needed to be called a digital bank, which seemed to be Telda’s description at the time. Telda eventually secured license approval from the CBE a few weeks ago to launch as a consumer money and payment app in the Egyptian market. The company finally started operations last month and launched its app and a Mastercard-powered card to the public. It has on-boarded 25,000 cards and has a waiting list of 110,000 customers who have ordered their cards. (Telda 12.10)

[Back to Table of Contents](#TOC)

* 1. Nexta Secures a $3 Million Investment

Cairo's Nexta, Egypt’s upcoming banking app announces securing a $3 million investment. The investment was led by e-finance, Egypt’s leading provider of digital payments solutions, and the backbone of the Egyptian government’s digital transformation strategy.

Founded in 2021, Nexta is expected to launch soon & disrupt the Egyptian Fintech scene, by creating what is currently unknown to many Egyptians, a “next generation banking” experience. The Fintech Challenger will redefine the way digital natives and their households deal with money. Introducing “next generation banking.” Nexta promises better everyday lives by providing what is known as “lifestyle banking.” A Nexta card will allow for instant, easy and reliable money transfer, budgeting, tracking spending, and a multitude of other features to come.

The upcoming Fintech giant is looking to get its final license in a few weeks, after satisfying all CBE’s regulations. The investment is set to tide Nexta over until its official launch. Born out of a desire to reimagine payments and money management in Egypt, Cairo's Nexta offers a new way to bank right from your phone, focused on simplifying money management for everyone and always looking to make money tasks simple and affordable, with an evolving suite of tools to be added along the way. (Nexta 18.10)

[Back to Table of Contents](#TOC)

* 1. MaxAB Raises $40 Million in a Pre-Series B Round

Egypt's B2B E-commerce platform, MaxAB, has secured $40 million in its Pre-Series B round from Silver Lake, through its Long Term Capital strategy; British International Investment, the development finance institution of the UK government; and Disrupt AD, ADQ’s venture platform. The round also saw participation from existing investors - BECO Capital, 4DX Ventures, Flourish Ventures and Africa Platform Capital. Launched in 2018, MaxAB is aiming to transform the food and grocery supply chain by connecting suppliers with underserved traditional retailers and offering a wide range of embedded finance solutions.

In 2021, MaxAB began rolling out its fintech solutions across its merchant base with the goal of digitizing the flow of cash, transitioning MaxAB into a one-stop shop for traditional retailers. MaxAB has a presence in key cities like Egypt and Casablanca.

The new capital will be deployed to expand to Morocco, finance further growth in the E-commerce arm of its business, expand its technology and product teams, and further scale the fintech arm by offering a wider range of embedded finance solutions. MaxAB is building technology-driven products and services that solve for challenges around better integrated, efficient, reliable grocery supply chains for the MENAP region. In digitizing the vastly traditional, multi-layered, and fragmented food and grocery sector supply chain, they have broken the mold and presented a domino effect of opportunities, one of which is the launch of the fintech vertical. (MaxAB 19.10)

CLEAN TECH & ENVIRONMENTAL DEVELOPMENTS

[Back to Table of Contents](#TOC)

* 1. Israel Moves to Reduce Industrial Greenhouse Gas Emissions

Israel is in high gear preparing for the COP27 climate summit that will take place in Egypt's Sharm al-Sheikh next month. The current government has made battling climate change one of its main priorities, though environmental organizations say that Israel is still far from fulfilling its commitments on reducing greenhouse gas emissions. As part of these efforts, the Ministry of Environmental Protection published a report on 28 September that examined the technical and economic feasibilities of replacing petroleum distillates (fuel oil and LPG) with cleaner and more efficient technologies in industry.

The report formulated an action plan to accelerate the transition of factories to clean technologies with a budget of NIS 100 million ($29 million). The plan is part of Israel’s national climate strategy presented to the government in July 2018 to significantly reduce emissions during the current decade and reach a zero-emissions economy by 2050. According to the report, industry is a major player, responsible for about 16% of total greenhouse gas emissions in Israel. The plan focuses on technological and economic alternatives to the use of fossil fuels in factories.

In 2020, 10% of Israel's electricity was supposed to be generated from renewable sources, and the government has set targets of 20% in 2025 and 30% in 2030. According to the Electricity Authority, in 2020, renewables generated only 7% of the total electricity consumed. With this news, environmental groups fear that the 2025 target will not be reached. The lack of a comprehensive policy is the result of two problems: setting low goals and deficient implementation due to a lack of synergy between the various government agencies. It is hoped that external players such as the EU, the US and the international community will encourage Israel to act faster to meet its emissions goals. (Al-Monitor 20.10)

[Back to Table of Contents](#TOC)

* 1. Qatar Opens the 800 MWp Al Kharsaah Solar PV Power Plant

On 18 October, Qatar inaugurated its 800 MWp Al Kharsaah solar PV power plant. Built at a cost of QAR 1.7 billion (c. $470 million), the 800 MW facility will deliver about 10% of the country’s peak electricity demand, said TotalEnergies, a player in the consortium that owns and operates the facility. The project will feature a semi-automated cleaning system for its 1.8 million solar panels and over 3,000 string inverters — devices used to convert solar energy into usable electricity.

The independent power producer is Qatar’s first large-scale solar power plant. It is owned and operated by Siraj 1SPV, a consortium owned jointly by TotalEnergies and Marubeni (40%), and Siraj Energy (60%). Siraj Energy is a JV between QatarEnergy and Qatar Electricity and Water Company (QEWC). QatarEnergy has also reserved land for future expansion of plant.

Qatar doubled the value of its solar energy projects in 2022. The country invested QAR 2.3 billion ($631 million) in solar this year, bringing the country’s total investments in the segment to about QAR 4 billion ($1 billion). These investments will go towards the Mesaieed and Ras Laffan solar plants, which are expected to increase the country’s renewable energy capacity to 1.67 GW by the end of 2024. (QNA 19.10)

[Back to Table of Contents](#TOC)

* 1. Qatar Inaugurates the World’s Largest Electric Bus Depot

Qatar inaugurated the world’s largest electric bus depot on 18 October as it gears up to host the World Cup next month. The 400 km2 Lusail bus terminal has capacity for nearly 500 buses and is the latest addition to the Transport Ministry’s public bus infrastructure program, which is being rolled out to provide greener transportation during the World Cup. The terminal received a Guinness World Records certificate for being the world’s largest electric bus depot. Almost 250 buses can charge at the same time: The depot has 248 electric charging stations for e-buses, as well as 24 stations for bus rapid transit (BRT) e-buses.

The buildings will be powered through 4 MW of solar power generated every day through some 11,000 solar PV panels, making it the first solar-powered bus depot in the region, Qatar’s Transport Minister Al Sulaiti said. The facility won’t be fully powered by the sun’s rays though, with the ministry saying last year that a power station will also provide conventional energy.

Under the government’s public bus infrastructure program, eight bus stations, four depots and more than 650 charging points are being set up, in part to support transportation during the World Cup. The program, which will eventually see some 1,000 electric buses in use across the country, is being rolled out by Swiss electrical equipment manufacturer ABB, which secured the contract to design, supply, test and commission charging infrastructure in 2021. (Enterprise 19.10)

[Back to Table of Contents](#TOC)

* 1. Mubadala Invests in World’s Largest Private Offshore Wind Energy Developer

Mubadala Investment Company, the Abu Dhabi-based sovereign investor managing a global portfolio of assets valued at $284 billion, has acquired a stake in Skyborn Renewables, the world’s largest private offshore wind developer, alongside Global Infrastructure Partners (GIP). The acquisition of a 100% interest in Skyborn Renewables provides GIP and co-investors, including Mubadala, with access to the largest private offshore wind developer globally with a long track record of development and an established presence in Europe and Asia Pacific.

Headquartered in Bremen, Germany, Skyborn Renewables has an offshore wind track record of more than 7GW developed to date, and a portfolio of operating and under-construction projects in Germany, France, and Taiwan. The group currently has a 30GW pipeline of high diversified offshore wind projects in various stages of development. The investment by Mubadala also includes the acquisition of a stake in GIP’s 50% interest in NY Bight Project called Bluepoint Wind, an innovative 1.6GW offshore project in the U.S. that will provide investors with immediate access to the growing U.S. offshore wind market.

The Skyborn Renewables and Bluepoint Wind investments are part of Mubadala’s rapidly growing clean and sustainable energy portfolio. In April this year, Mubadala was part of a BlackRock Real Assets-led consortium which agreed to invest $525 million into the renewable energy arm of India’s Tata Power. Tata Power Renewable Energy, which will play a key part in India’s energy transition, is planning to increase its current 4.9GW clean energy capacity to more than 20GW over the next five years. (WAM 19.10)

[Back to Table of Contents](#TOC)

* 1. Egypt Venture Capital Firm Develops Solutions for Climate Change

Two Egyptian partners with extensive experience as angel investors have launched a venture capital fund targeting pre-seeded startups, primarily from the Middle East and Africa that develop nature-positive and sustainable solutions to address climate change. The Climate Resilience Fund (CRF) intends to have a strong presence in Egypt and is interested in addressing problems related to land and sea misuse.

The launch of the fund also comes as Egypt approaches the start of the next climate summit, COP27, which will take place in Sharm El-Sheikh in November. For the moment the fund has only taken small positions in some projects but expects to start announcing investments in early 2023.

CRF is especially interested in projects in fields such as precision farming, seawater farming, farmers’ access to markets, and the recovery of native species to support biodiversity in the region while sequestering carbon dioxide. The fund is confident that the upcoming COP27 in Egypt will create more momentum for this type of project. (Al-Monitor 11.10)

[Back to Table of Contents](#TOC)

* 1. Cyprus to Launch Second Phase of Electric Car Scheme Shortly

Cyprus' Ministry of Transport will be launching the second phase of a €30 million incentive scheme to convince motorists to go electric in the coming months, with the island expected to have 1,000 charging points within two years. Following the success of the first phase of the incentive scheme, which saw hundreds of motorists getting generous grants to replace their old bangers with cleaner, eco-friendly vehicles, the ministry plans to launch phase two.

The first stage of the €30 million incentive scheme was launched last December, with the Transport Ministry reporting that demand was ten-fold the ‘supply’. The ministry had then disbursed out some €8 million, covering just 360 applications for brand new electric cars and for 320 used cars, as well as a limited number for other categories, such as taxis and vehicles for people with disabilities. Some 4,000 motorists had sent in applications for a subsidy.

Grants will also be available for used electric taxis, used electric vehicles for people with disabilities and electric motorcycles and bicycles. Motorists could benefit up to €10,000 from an ‘attractive’ state incentive package. This included a €9,000 grant to buy a new electric vehicle and €4,000 for the purchase of a used car. Another €1,000 can be offered through a separate scrappage scheme.

A CyStat survey in August found most passenger cars in Cyprus (66%) are older than ten years old, and only 4% are ‘nearly new’. In 2020 only 4% of passenger cars in Cyprus were newer than two years (22,812 cars), 10% were between 2 and 5 years old (58,211), 20% were between 5 and 10 (117,506), 49% were between 10 and 20 years old (283,537) and 17% were older than 20 years (96,092). (FM 12.10)

ARAB STATE DEVELOPMENTS

[Back to Table of Contents](#TOC)

* 1. Lebanon Asks TotalEnergies to Start Gas Exploration 'Quickly'

Lebanese President Michel Aoun met with representatives of the French energy giant TotalEnergies on 19 October and told the company to “start exploration quickly” in Block 9. TotalEnergies first signed an energy exploration and production agreement with Lebanon back in 2018. The Lebanese government also said last week that TotalEnergies would begin exploring in Block 9, off the coast of Lebanon in the eastern Mediterranean Sea.

Israel and Lebanon agreed to a US-brokered deal on their disputed maritime border earlier this month. Israel has been pumping gas from the eastern Mediterranean for years, but Lebanon claimed part of the area. Lebanon is facing severe gas and electricity shortages as the economic crisis continues. Having its own natural gas supply could help, though it would take years to start pumping. Corruption and governance issues in the country could also hinder the development of an independent gas sector.

Israel and Lebanon have been technically in a state of war for decades, but the maritime agreement could lead to working relations between the two countries. The maritime agreement still needs final approval from both Israel and Lebanon's parliaments. (Al-Monitor 19.10)

[Back to Table of Contents](#TOC)

* 1. Jordan's Inflation Rises by 4% in Third Quarter

Jordan's Consumer Price Index (CPI) rose by 4.02% by the end of 2022's third quarter, reaching 106.33 points against 102.22 in the reporting period of 2021. According to the Department of Statistics (DoS), the biggest drivers of the increase were fuels and lighting at 22.37%, transportation at 5.93%, rent at 1.91%, vegetables and pulses at 8.35%, and culture and entertainment with 8.84%.

Last September, the report noted an increase in inflation of 5.39% to 108.41 points compared to 102.86 in the same month of 2021. Figures showed that fuels and lighting mainly contributed to the monthly increase with 33.30%, followed by culture and entertainment with 14.39%, health with 7%, transportation with 6.90%, and rent with 4.48%. (Petra 12.10)

[Back to Table of Contents](#TOC)

* 1. Jordan to Receive $845 Million of US Aid in November

An agreement to transfer disbursement of US assistance to Jordan’s Treasury is expected to be signed in November, of total worth of $845 million, the Ministry of Planning and International Cooperation said. The ministry said that the agreement is part of a five-year US assistance commitment of the period between 2018-2022. Earlier this year, the US Congress appropriated $1.65 billion in grants to Jordan as part of the country’s economic assistance program to Jordan.

In February of 2018, Jordan and the US signed a MoU under which the US pledged to provide Jordan with $6.375 billion over five years. Under the deal, Jordan received $1.275 billion per year from 2018-2022. The memo stipulated that no less than $845.1 million was to be allotted for Treasury support by November, and another $425 million was to be allocated for military assistance.

In September, the two countries signed a new memo providing the Kingdom with a total $10.15 billion to be distributed over a seven-year period. The aid will be dispersed in annual average increments of $1.45 billion beginning next year, marking a $175 million increase in annual aid. Under the previous deal, a total of $1,275 billion was offered in assistance.

The annual assistance package allocates at least $1.035 billion for economic aid, including $610 million in direct assistance to the Treasury. The stimulus support fund, which supports Jordan’s economic modernization and public sector reform processes, will be allotted $75 million annually under the deal. The memo also directs $350 million towards joint USAID-governmental priority development projects, in addition to some $400 million in annual military aid. (JT 12.10)

[Back to Table of Contents](#TOC)

* 1. Jordan's Garment & Footwear Imports Rises During the First 9 Months of 2022

Jordan's apparel and footwear imports increased during the past nine months of 2022 by 27.2 and 25.5%, respectively, compared to the same period last year 2021. According to Textile and Readymade Clothes Syndicate's statistics, the value of apparel imported into the Hashemite Kingdom during the past nine months of 2022 amounted to about JD174 million, compared to JD136 million for the same period last year. The value of the Kingdom's footwear imports during the January-September period amounted to JD42 million, compared to JD33 million in 2021, the data showed.

During the last nine months of 2022, China was the top exporter of clothing and footwear to Jordan by 40% and 62%, respectively. Meanwhile, the Kingdom clothing imports from China amounted to JD70 million, compared to JD56 million during the same period last year.

The rest of the Kingdom's apparel imports during the past nine months of 2022 included Turkey at a value of JD41.9 million, non-Arab Asian countries (excluding China and Turkey) at JD41.6 million, Arab states at about JD13 million and European nations at JD6 million.

Over the same period, the Kingdom’s footwear imports from China amounted to JD26 million, compared to JD21 million for the same period last year 2021. The rest of the Kingdom's footwear imports during the past nine months of 2022 included Turkey at a value of JD4 million, non-Arab Asian countries (excluding Turkey and China) at a value of about JD6 million, Arab countries at JD1.6 million and European nations at JD2.7 million. (Petra 15.10)

►►Arabian Gulf

[Back to Table of Contents](#TOC)

* 1. UAE to launch its First Lunar Rover in November

The lunar rover, named 'Rashid' after Dubai's ruling family, will be propelled aboard a Falcon 9 SpaceX rocket and deposited on the moon by a Japanese lander in March 2023. The United Arab Emirates will launch in November from the Kennedy Space Center in Florida sometime between 9 and 15 November.

The 22-pound rover is expected to study the lunar surface, mobility on the moon's surface, and how different surfaces interact with lunar particles. It will carry two high-resolution cameras, a microscopic camera, a thermal imaging camera, and a probe, among other devices. It is the first lunar spacecraft built by an Arab country and will take part in a lunar mission that is part of the UAE’s strategy to become a major player in space exploration.

In October 2021, Israel and the UAE signed an agreement on space exploration, including collaborating on the "Beresheet 2" mission to the moon set to launch in 2024 and is expected to break space history by executing a double landing on the moon in one mission. The space deal was yet another sign of the burgeoning relationship between Jerusalem and Abu Dhabi since the establishment of diplomatic relations as part of the Abraham Accords.

A team of 11 engineers from the Mohammed bin Rashid Space Center has been building "Rashid" since 2017. In what the Mohammed Space Center calls a science mission, the rover will study the properties of lunar soil, the petrography and geology of the moon, dust movement, and the moon's surface plasma conditions. (i24NEWS 21.10)

[Back to Table of Contents](#TOC)

* 1. UAE Deploys First Israeli Barak Air Defense System

[The Defense Post](https://www.thedefensepost.com/2022/10/21/uae-israel-barak-air-defense/) said the United Arab Emirates (UAE) has deployed its first Barak air defense system from Israel. The development comes a few months after Abu Dhabi quietly reached out to Jerusalem following a drone and missile attack by the Houthis on some of the country’s critical infrastructure. Sources did not mention which version of the Barak the UAE Armed Forces has deployed.

Israel Aerospace Industries produces a variety of Barak systems for medium-range, long-range and extended-range missions. The UAE’s procurement of the Barak system is reportedly the first of more substantial contracts between the two nations.

Developed jointly by Israel and India, the Barak is an advanced air defense system that provides a single integrated solution against multiple aerial threats. Its medium- and long-range variants can intercept aircraft and low-flying anti-ship and cruise missiles at ranges of 35 kilometers (22 miles) and 70 kilometers (43 miles), respectively. The extended-range variant can hit targets up to 150 kilometers (93 miles) away with the help of a dual pulse rocket motor and additional booster. The BARAK system was operationally proven against countless threats, including some of the most challenging ones today. (TDP21.10)

[Back to Table of Contents](#TOC)

* 1. Masdar City & MBRIF to Support Sustainability-Focused UAE Startups

Mohammed Bin Rashid Innovation Fund (MBRIF) and Masdar City have awarded free business licenses from Masdar City Free Zone to five startups in the MBRIF Accelerator program. The MBRIF Accelerator aims to enhance the growth potential of innovative businesses shaping the future of UAE’s economy with a focus on technology, education, health, water, clean energy, transport, and space. The program offers services and coaching to member companies to accelerate their business, elevate capabilities, unlock value and achieve scale.

The chosen startups, Biosolvit, Wahaj Solar, Alesca Life, ECOLOO and Desolenator, will join Masdar City’s growing network of sustainability-focused companies, developing innovative solutions in the key climate action areas of energy storage, agri-tech, health-tech, mobility, clean energy, AI, water and space.

Masdar City and MBRIF signed a memorandum of understanding (MOU) during Abu Dhabi Sustainability Week 2022, to cultivate entrepreneurship and economic development in the UAE and at an international level. In other developments, Emerge, a joint venture between Masdar and EDF, and Khazna Data Centers have signed an agreement to develop a ground-mounted solar photovoltaic (PV) plant. The plant will power Khazna’s new data center in Masdar City, Abu Dhabi’s sustainable urban development. (GB 20.10)

[Back to Table of Contents](#TOC)

* 1. UAE and Japan Agree to Visa-Free Travel

Beginning on 1 November, Emirati citizens will be able to travel to Japan visa-free for tourism or business purposes and stay for up to 30 days. The deal aims to boost bilateral business, trade and investment, the UAE Ministry of Foreign Affairs said. Citizens of Japan can already obtain a visa on arrival to the UAE, according to the Emirati government’s website.

The UAE prioritizes strategic partnerships in its foreign policy and has looked to some Asian countries to this end, including Japan. In June, the UAE Ministry of Industry and Advanced Technology hosted a Japanese official to discuss economic, industrial and energy cooperation. In July, the Emirates signed a trade agreement with Indonesia.

Japan’s exports to the UAE totaled $6.1 billion in 2020, mostly in vehicles. The UAE’s exports to Japan amounted to $15.2 billion, including a large amount of oil and related chemicals. The UAE has the strongest passport in the world, with visa-free or visa-on-arrival access to more than 175 countries, according to the Passport Index. (Al-Monitor 18.10)

[Back to Table of Contents](#TOC)

* 1. Oman Unveils Ambitious Green Hydrogen Strategy

Oman outlined a strategy to increase investment in green hydrogen to $140 billion by 2050 at the government’s Future of Green Energy conference on 23 October. This includes investment in 300 million solar panels, 10,000 wind turbines and 5,200 electrolyzers, and hydrogen storage, transport and desalination. Oman is targeting annual production of 1-1.25 million metric tonnes of green hydrogen by 2030, rising to 3.25-3.75 million metric tonnes by 2040, and 7.5-8.5 million metric tonnes by 2050.

Projects are “expected to develop the full green hydrogen value chain,” including renewable energy generation, green hydrogen production, derivatives conversion and offtake. Developers can choose to produce and export hydrogen, convert it to ammonia or methanol, or use it to power “hard-to-abate industries” like steel or fertilizer production as part of their projects. Projects will be able to run for up to 47 years, starting from the point of development and the awarding of land usage rights. During that time, investors will see land fee reductions of up to 100%. Investors will pay a land lease of $0.5 per m2, along with base royalties of up to 5%.

Government owned OQ Alternative Energy will have a 20% equity stake in all projects. Oman isn’t committing to buying any electricity produced by these projects or any connection to the grid. Companies will have to pay a corporate tax.

As part of the plan, Oman announced its tender process for hydrogen projects yesterday. It launched state-owned Hydrogen Oman (Hydrom) to manage all operations — including structuring and awarding projects, allocating land, developing infrastructure, overseeing project execution and stakeholder coordination.

This is the latest policy move the sultanate has made this year to promote the development of its hydrogen industry. The country has been studying a hydrogen export terminal and repurposing its natgas infrastructure to transport hydrogen. (Enterprise 23.10)

[Back to Table of Contents](#TOC)

* 1. Saudi Arabia Coffee Market Report 2022

The "Saudi Arabia Coffee Market Forecast to 2028 - COVID-19 Impact and Analysis - by Product Type, Category, and Distribution Channel" report has been added to [ResearchAndMarkets.com](http://www.ResearchAndMarkets.com)'s offering. The Saudi Arabia coffee market share was valued at $ 1,575.52 million in 2021 and is projected to reach $2,220.70 million by 2028. It is expected to grow at a CAGR of 5.1% from 2021 to 2028.

Coffee is replacing many traditional beverages as a central part of the modern lifestyle in many regions of Saudi Arabia. Many people from the country are looking for innovative coffee flavors and new tastes to complement traditional styles. In the country, the surge in demand for coffee is due to the increased corporate culture and urbanization. In addition, the rising popularity of cafe culture in the country further promotes the Saudi Arabia coffee market. Specialty coffee is also gaining traction in the country and is likely to grow significantly in the coming years.

Furthermore, over the past few years, there have been many attempts to increase coffee production in the country. For instance, the Saudi government established Vision 2030 initiative to diversify the country's economy and reduce the country's dependence on oil exports. As part of this initiative, the government of Saudi Arabia launched the Year of Saudi Coffee 2022 campaign to promote domestic coffee consumption. Through this program, the country's government plans to grow around 5,000 tonnes of higher-quality coffee annually and export it at a major scale by 2040.

Further, in May 2022, Saudi Arabia's Public Investment Fund (PIF) launched the Saudi Coffee Company as part of a $320 million investment to develop its national coffee industry and increase production from 300 to 2,500 metric tons annually. Public Investment Fund also aims to develop dedicated academies in Saudi Arabia, where entrepreneurs, coffee plantation owners, and farmers can get the training to help them start their own coffee businesses. Therefore, various initiatives to increase coffee production in Saudi Arabia are expected to offer lucrative opportunities for the growth of the coffee market in the country during the forecast period. (R&M 14.10)

►►North Africa

[Back to Table of Contents](#TOC)

* 1. Egypt Restricts Dollar Withdrawals Amid Liquidity Crunch

On 11 October it was reported that some banks in Egypt have informed their account holders of limits on how much foreign currency — including dollars — they can withdraw before traveling or when using debit or credit cards overseas. Egypt’s foreign currency reserves have declined considerably this year amid the economic crisis in the country, falling 19% from January to July of this year. Egypt, unlike the UK and the European Union, does not have a currency swap agreement with the US Federal Reserve. The country therefore needs to take measures to protect its dollar supply.

Egypt’s economy has been negatively affected by the Russian invasion of Ukraine. Before the war, Egypt imported the bulk of its grain from the two countries. Cairo has had to search for alternatives as a result, including among domestic wheat farmers. Egypt has also experienced high inflation due to the war. Egypt announced in August plans to issue bonds denominated in China’s yuan currency. The move is part of a slight shift by Middle Eastern financial institutions away from the dollar and toward the yuan, though the dollar remains the dominant reserve currency in the region. (Al-Monitor 11.10)

[Back to Table of Contents](#TOC)

* 1. Egypt Seeks to Produce Cotton that Resists Drought Better

Egypt and Uzbekistan may cooperate in developing varieties of cotton that can better tolerate drought and salinity. In a 6 October meeting in Cairo, Egypt’s Minister of Agriculture discussed future possibilities with the Uzbek Minister of Innovative Development and Chairman of the Cotton Council. The meeting comes as Egypt prepares to host the United Nations Climate Change Conference 2022 (COP27) in Sharm el-Sheikh in November.

Sky News Arabia reported in September 2021 that Egypt set a record in cotton exports in 2021, by selling 1.8 million kantars of cotton (178 million pounds) to 28 countries at a value of EGP 4 billion (about $206 million), which revived hopes that the country would regain its cotton production glory.

Uzbekistan's cotton production has advanced in recent years, and cooperation benefits both countries. The two nations are currently working to locally produce cotton varieties that are resistant to drought and unfavorable climatic conditions, including high temperatures. It is crucial to produce cotton varieties that are resistant to drought and salinity in Egypt, especially with the water crisis that affects us and other countries. (Al-Monitor 24.10)

[Back to Table of Contents](#TOC)

* 1. Fuel Shortages & Long Queues Anger Tunisians

A fuel shortage in Tunisia has sparked public outrage and anger, amid conflicting statements by officials regarding the reasons behind the crisis, which stirred fears about the government’s inability to import energy supplies. Car and taxi drivers across Tunisia are protesting the deteriorating situation by honking their horns. Tunisia has been battling a collapsing economy amid a severe political crisis, with small protests being staged in some areas.

The head of the Union of Oil and Chemicals, affiliated with the Tunisian General Labor Union, said in a 10 October statement that the shortage of gasoline at gas stations is due to the decline in the strategic stock of fuel from two months to just over a week. The shortage of fuel supplies could continue if the government fails to secure the needed cash to pay for the upcoming shipments.

The fuel crisis unfolds at a time when Tunisian authorities have yet to resolve the depletion of basic goods in the markets, such as sugar, milk, coffee and oil. Tunisian President Kais Saied, who is preoccupied with controversial political and constitutional amendments, has long denied his liability for the crises plaguing his government, accusing his opponents of fabricating them.

Meanwhile, Tunisia is witnessing economic collapse. According to a 4 October report by rating agency Moody's, “Tunisia's large fiscal and external imbalances and elevated refinancing risks represent significant credit weaknesses for the government.” The Tunisian government is betting on a $1.9 billion rescue package with the International Monetary Fund to salvage its collapsed economy. (Al-Monitor 19.10)

[Back to Table of Contents](#TOC)

* 1. Morocco Becomes First Country to Sign Green Partnership with EU

Morocco and the European Union (EU) signed a Memorandum of Understanding on the establishment of a green partnership on 18 October in Rabat. The new agreement -- which aims to boost climate change cooperation, expedite energy transition projects, and promote the green economy -- makes Morocco the first country to conclude a partnership of this kind with the EU. Morocco stressed the importance of the agreement to Moroccan-European relations, expressing satisfaction at how the ties persisted and retained their momentum through the challenges facing the world today.

The agreement aims to establish a green partnership between the partners in the fields of climate change mitigation, energy transition, environmental protection, and the development of green and blue economies. The Morocco-EU green partnership will allow the partners to get closer to their shared objective of becoming low-carbon economies on the path to climate neutrality, while protecting their energy supplies. It also seeks to accelerate the transition to a low-carbon economy through investments in green technologies, renewable energy generation, sustainable mobility, and clean industrial output.

In addition, the pact intends to strengthen the involvement of the private sector in the green transition, including the mobilization of investments, as well as stronger contact with financial organizations and European cooperation agencies. The signed green partnership is part of the existing framework of Morocco-EU ties, under which the two partners hope to address issues of mutual interest. The agreement also guarantees that follow-up mechanisms such as ministerial meetings, monitoring committees, and a corporate forum are established. (MWN 18.10)

TURKISH, CYPRIOT & GREEK DEVELOPMENTS

[Back to Table of Contents](#TOC)

* 1. Greece Improves Its Tax Competitiveness in Tax Foundation Ranking

Greece improved its tax competitiveness, climbing four places in this year’s International Tax Competitiveness Index (ITCI) rankings published by the Washington-based Tax Foundation. Greece ranked 29th out of 38 OECD members, up from 33rd last year, the Athens-based nonprofit Center for Liberal Studies (KEFIM), which collaborated in the report. Greece received an overall score of 59.2 points in the current index, up from 58.6 points in 2021. Estonia topped the table with 100 points.

In specific taxes categories, Greece ranks 19th for corporate taxes, 17th for individual income taxes, 30th for consumer taxes and for asset taxes, and 25th for taxation of assets abroad. In terms of the best competitive taxation code, Estonia ranked first for the 9th consecutive year, while France ranked worst (38th). Greece was preceded by Poland (28th) and followed by Mexico (30th) in the 38-country index.

Greece’s stated intention of reducing the tax burden will continue, especially in consumption and asset taxation, where the margin for intervention is great, based on the index’s data. (eKathimerini 18.10)

[Back to Table of Contents](#TOC)

* 1. Greek Travel Revenues Rose by 92.1% in January-August 2022

The balance of travel services in August 2022 showed a surplus of €3.83 billion, up from a surplus of €3 billion in August 2021, according to provisional data released by the Bank of Greece. More specifically, travel receipts in August 2022 rose by 28.1% to €4 billion, from €3.156 billion in August 2021, while travel payments also increased by 56.0%. The rise in travel receipts was due to a 44.0% increase in inbound traveler flows, as average expenditure per trip declined by 11.2%. Net receipts from travel services accounted for 91.0% of total net receipts from services and more than offset (127.3%) the goods deficit.

In the January-August period, the balance of travel services showed a surplus of €11.5 billion, up from a surplus of €6 billion, in the same period of 2021. Travel receipts rose by €6 billion, or 92.1%, to €12.75 billion, while travel payments increased by €698.2 million, or 117.9%, to €1.29 billion. The rise in travel receipts stemmed from a 121.8% increase in inbound traveler flows, as average expenditure per trip fell by 14.1%. Net travel receipts offset 46.9% of the goods deficit and contributed 80.6% to total net receipts from services. (ΑΜΝΑ 24.10)

[Back to Table of Contents](#TOC)

* 1. S&P Keeps Greek Ratings at ‘BB+’

On 22 October, [Standard & Poor’s](http://www.standardandpoors.com/) affirmed Greece’s credit rating at ‘BB+,’ leaving it just one step below investment grade and avoiding to take the big step and lift it out of “junk” status. At the same time, it maintained a “Stable” outlook for the Greek economy. S&P, along with DBRS Morningstar, is one of the two agencies rating Greece one notch below investment grade.

The rating agency anticipates strong growth of 5.8% for Greece in 2022, but says that will slow down to 1.7% the following year, while the energy crisis in Europe and its effects cast a shadow on its prospects. After a strong 2022, S&P expects economic growth in Greece to slow in 2023 to levels below 2%, with possible further energy disruptions in Europe clouding the outlook.

“Higher energy prices and accelerating inflation will slow Greece’s GDP growth in 2023 to less than 2%, against an estimated 5.8% in 2022. At the same time, S&P noted that 12-month inflation in Greece looks set to recede from September’s multi-decade high, pushing wages up only marginally (0.9% year-on-year in the second quarter) and weakening demand. (Various 22.10)

GENERAL NEWS AND INTEREST

\*ISRAEL:

[Back to Table of Contents](#TOC)

* 1. Israel's Daylight Savings to End on Saturday Night

Israel will end daylight savings time at 02:00h on 30 October. At that time, clocks will be set back to 1:00h, giving Israelis an extra hour of sleep before they begin their new work week on Sunday. In 2013, the Knesset passed a law extending Daylight Saving Time, which according to the Energy Ministry has saved the country's energy consumption market over NIS 200 million (roughly $56.57 million) since it went into effect. After 210 days of summertime this year and an extra hour of daylight, Israel will institute its winter clock. Daylight savings time in 2022 began at 2:00 on Friday, 25 March.

\*REGIONAL:

* 1. Iraqi Lawmakers Elect Abdul Latif Rashid as New President

Following a year of political deadlock since general elections in October 2021, Iraqi lawmakers on 16 October elected a new president as part of the process to form a government. The parliament session was attended by over 260 of 329 members, thus reaching the necessary two-thirds quorum. Some independent MPs boycotted the session because lawmakers have not reached an agreement with the Sadrist faction.

Sadrists won the largest number of seats in last year's elections and made an alliance with the Sunni Taqaddoum party, led by Parliament Speaker Muhammad Halbusi, and the Kurdistan Democratic Party, led by Masoud Barzani. However, the group's leader, Shiite cleric Muqtada al-Sadr, failed to form a new government after his Shiite rival bloc, the Coordination Framework, convinced more than one-third of lawmakers to boycott sessions for selecting the president. Since choosing the president precedes the selection of a prime minister and requires two-thirds of lawmakers to be present for the vote, the so-called "blocking third" stalled the government's formation. In June of this year, Sadr withdrew his lawmakers from parliament, opening the way for the Coordination Framework to become the largest bloc and thus select a president in alliance with Sadr's former allies.

In Iraq's informal power-sharing tradition, the president must be Kurdish and the prime minister Shiite. As a part of a deal between the Kurds and Shiites, a prominent Kurdish figure, Abdul Latif Rashid, was nominated as a compromise candidate for the presidency. Rashid, an Iraqi Kurd from the city of Sulaymaniyah born in 1944, is affiliated with the Patriotic Union of Kurdistan. He served as minister of water resources from 2003-2010, and became a presidential advisor in 2010. (Al-Monitor 13.10)

[Back to Table of Contents](#TOC)

* 1. Kuwait's New Government is Sworn In

Kuwait's crown prince swore in the new government on 17 October, following a reshuffle aimed at addressing lawmakers' objections to the original cabinet line-up and ending a prolonged political feud. Crown Prince Sheikh Meshal al-Ahmad al-Sabah has, since taking over most of the ruling emir's duties, been trying to resolve a standoff between the appointed government and the elected parliament that has hindered fiscal reforms.

Several lawmakers publicly criticized the cabinet approved by Sheikh Meshal on 5 October for not "reflecting" the results of early legislative elections in September, in which opposition members made big gains. That prompted the crown prince to delay the opening of parliament; Prime Minister Sheikh Ahmad Nawaf al-Sabah then held talks with lawmakers and later announced several cabinet changes including new oil and foreign ministers.

New foreign minister Sheikh Salem Abdullah al-Sabah had previously served as Kuwait's ambassador to the United States and Korea and in the country's delegation to the United Nations. Bader al-Mulla, named oil minister, is a former lawmaker who had headed parliament's budget committee. Oil policy in Kuwait, which is heavily dependent on oil income, is set by a supreme petroleum council. Stalemates between Kuwait's government and parliament have often led to cabinet reshuffles and dissolutions of the legislature over the decades, hampering investment and reforms. (Petra 17.10)

[Back to Table of Contents](#TOC)

* 1. Nine Moroccan Universities Featured in the 2023 World University Ranking

The Times Higher Education’s (THE) 2023 World University Ranking has featured nine Moroccan universities among its list of the top 1,799 higher education institutions across 104 countries and regions. Even though the ranking of Moroccan universities has slightly improved compared to past years, Moroccan institutions still remain at the bottom of the list.

Kenitra’s Ibn Tofail University, Marrakech’s Cadi Ayyad University and Fez’s Sidi Mohamed Ben Abdellah University placed in the 1,001-1,200 section of the ranking. Meanwhile, Abdelmalek Essaadi University in Tetouan, Hassan II University in Casablanca, and Mohammed V University in Rabat ranked in the 1,201-1,500 section. Hassan I University in Oujda and the International University of Rabat featured in the 1,501+ section.

Morocco’s Ministry of Higher Education, Scientific Research and Innovation considers international university rankings as one of the “most important indicators that can be inferred to highlight the quality of higher education and the development of scientific research” in Morocco. The ministry noted that the ranking of Moroccan universities has witnessed a “remarkable improvement,” as it went from five universities featured in the 2021 top 1,500 to seven universities in the 2023 top 1,500.

The ranking is based on 13 “carefully calibrated performance indicators” that measure the universities’ performance across several areas, including research, teaching, knowledge transfer, and international outlook, indicated THE. (MWN 14.10)

[Back to Table of Contents](#TOC)

* 1. Morocco’s Education Spending Increases by 10% in 2023 to Reach $6 Billion

Education spending in Morocco for the upcoming year is set to total MAD 69 billion ($6.2 billion) under the country’s recently adopted state budget for 2023. The education budget in 2023 marks an annual increase of about 10% from the previous year’s MAD 62.5 billion (equivalent to $6.8 billion at the time), Morocco’s Finance and Economy Minister Fettah Alaoui said while presenting the 2023 draft budget bill in parliament.

During her presentation, Fettah Alaoui detailed the main education sub-sectors that would see a rise in spending. As pre-schooling becomes a focal point of the government’s rhetoric on education reforms, the minister first revealed that the state is allocating MAD 2 billion ($181.5 million) in 2023 to expand access to preschool in Morocco. The 2023 state budget is equally set to allocate MAD 1.8 billion ($163.4 million) to boost access to free housing and meals for disadvantaged students.

To address the shortage of teachers, the minister said that 20,000 new teachers would be recruited in 2023, adding that the government is allocating MAD 4 billion ($163.4 billion) for their training. In addition to spending on human resources and pre-schooling, the 2023 state budget is set to fund the construction of 224 new schools and renovate1,746 others.

In terms of pre-schooling, data shows that as of 2018 only half of Moroccan students have access to preschool education, the rate drops to less than a third in rural areas. In 2020, the country made pre-schooling mandatory for all students and announced measures to expand access to it. However, recent studies from the World Bank reveal that pre-schooling in Morocco remains suboptimal at best due to lack of proper teacher training among other issues. (MWN 21.10)

ISRAEL LIFE SCIENCE NEWS

[Back to Table of Contents](#TOC)

* 1. Avant Brands and IM Cannabis Launch BLK MKT in Israel

Kelowna, British Columbia's Avant Brands and IM Cannabis Corp jointly announced the signing of an international trademark licensing agreement granting IMC the exclusive right to launch the BLKMKT brand in the Israeli medical cannabis market. The Licensing Agreement constitutes a significant milestone in the maturing and mutually beneficial relationship between the two premium cannabis companies in the Canadian and Israeli medical cannabis markets.

Under the terms of the licensing agreement, a subsidiary of Avant will license the Company's premium- cannabis flagship BLKMKT brand to an Israeli subsidiary of IMC for use on IMC's medical cannabis product packaging. All such packaging will contain cannabis cultivated exclusively by Avant, and sold to IMC affiliates. The integration of unique and exclusive varieties of the high-quality BLKMKT brand into the current IMC premium product portfolio will serve to bolster the cooperative and synergistic partnership forged between the two companies over the past two years. It will further strengthen IMC's business model in Israel that offers medical cannabis patients quality premium brands.

Glil Yam's IM Cannabis is a leading international cannabis company providing premium products to medical patients and adult-use recreational consumers. IM Cannabis is one of the very few companies with operations in Israel, Germany, and Canada, the three largest federally legal markets. The ecosystem created through its international operations leverages IMC's unique data-driven perspective and product supply chain globally. With its commitment to responsible growth and financial prudence, and the ability to operate within the strictest regulatory environments, IMC has quickly become one of the leading cultivators and distributors of high-quality cannabis globally. (IM Cannabis 12.10)

[Back to Table of Contents](#TOC)

* 1. Solabia-Algatech Launches Astaxanthin Gummies with Vitamin C

Kibbutz Ketura's Solabia-Algatech Nutrition will unveil its astaxanthin whole algae complex, AstaPure Arava in a new gummy format as it makes strides to broaden its portfolio of astaxanthin-based products. The microalgae cultivators offer a unique, vegan, pectin-based food supplement in a move to offer a new more flavorsome medium for delivering its flagship astaxanthin ingredient drawn from the microalgae Haematococcus pluvialis. This comes a year after the company launched its ready-to-mix AstaPure powder concept mainly targeting premix formulations for smoothies.

The plant-based gummies are currently available as a delicious cherry flavored chewy treat. Each gummy houses 4 mg of the whole astaxanthin algae complex and 50 mg vitamin C and contains no preservatives or synthetic colors. One to two gummies per day can award the recommended daily dose of the two antioxidants.

As the trend for gummies continues to sweep the nutraceutical landscape, the company says their astaxanthin gummies are designed to offer supplement providers a ready-to-market gummy product and will be commercialized on a private- label basis.

AstaPure is manufactured in a fully controlled closed cultivation system made up of long tubular structures nestled in the desert region south of Israel and are fully exposed to natural sunlight all year round. This results in an extremely pure product that is highly concentrated in actives. AstaPure lines includes also oleoresins, beadlets and sofltgels. The gummies are both kosher and halal certified and available. (Solabia-Algatech Nutrition 12.10)

[Back to Table of Contents](#TOC)

* 1. Lavie Bio Advances its Novel Bio-fungicide Program and Applies for Regulatory Approval

Lavie Bio announced submitting the registration package for LAV.311, its novel bio-fungicide targeting fruit rots and powdery mildews, to the United States Environmental Protection Agency (EPA). Over the past three years, LAV.311 has consistently demonstrated control of fruit rots and powdery mildew in grapes, strawberries, cucurbits, and fruiting vegetables, in over 30 trials conducted in the U.S., Europe and Israel. LAV.311 is based on a novel bacteria that is naturally present in nature, which was selected by Evogene's MicroBoost AI. This enables flexibility of product use and integration into customized and existing fungicide application programs. Furthermore, it meets an Integrated Pest Management (IPM) approach, of reduced use of synthesized chemistry, based on more sustainable materials.

LAV.311 is a water dispersible granule (WDG) based on Pseudomonas coleopterorum. This strain has multiple modes of action, combining preventative, competitive and plant induced resistance modes of action against key fruit rot and foliar diseases.

Ness Ziona's Lavie Bio, a subsidiary of Rehovot's Evogene, aims to improve food quality, sustainability, and agriculture productivity through the introduction of microbiome-based ag-biological products. Lavie Bio utilizes a proprietary computational predictive platform, the BDD platform, harnessing the power of big data and advanced informatics, for the discovery, optimization and development of bio-stimulant and bio-pesticide products. (Lavie Bio 12.10)

[Back to Table of Contents](#TOC)

* 1. CNBX Files New Patent Application for Cannabinoids-Based Cancer Therapy

CNBX Pharmaceuticals has filed a new patent application titled COMPOSITIONS COMPRISING CANNABINOIDS AND METHODS OF USE THEREOF IN THE TREATMENT OF CANCER under the Patent Cooperation Treaty (PCT). Said patent application relates to several of the drug candidates currently under development by the Company for the treatment of various types of cancer, including Colorectal Cancer, Breast Cancer and Melanoma, and specifically to the usage of said drug candidates as a new form of Neoadjuvant Cancer Therapy.

Neoadjuvant therapy is the administration of cancer therapy prior to the main treatment, with the goal of making the main treatment more likely to have a successful patient outcome; for example, treatment given as a first step to shrink a tumor before the main treatment, which is usually surgery (National Cancer Institute).

The company continues to put much effort in growing and maintaining its IP portfolio. The company's portfolio includes 8 patent families, with 7 granted patents and 17 additional pending. The company's IP portfolio is focused on cancer patients and cancer treatments, and includes claims relating to Pharmaceutical Compositions, Methods and Systems. The company is actively pursuing the development of its core drug candidate CNBX RCC-33 in preparation of a pre-IND meeting with the FDA and with plans for conducting a First In-Human Phase l/ll(a) clinical validation study.

CNBX Pharmaceuticals is a U.S. public company and a global leader in the development of cancer related cannabinoid-based medicine. The Company's R&D is based in Rehovot, Israel, where it is licensed by the Ministry of Health to conduct scientific and clinical research on cannabinoid formulations and cancer. (CNBX 18.10)

[Back to Table of Contents](#TOC)

* 1. TempraMed Protects EpiPens Against Light & Temperatures Extremes

TempraMed is introducing a new protection device for the EpiPen. The VIVI Epi is specifically designed for a critical market that needs to protect lifesaving medication from the damaging effects of temperature extremes and light. Built upon patented technologies developed originally to shield insulin pens, the VIVI Epi affords millions of allergy sufferers all-day, go anywhere protection for their medications.

Epinephrine should be kept at regular room temperature of between 68 and 77 degrees, F. It should not be refrigerated, nor exposed to extremes in temperature or excess light. The VIVI Epi meets these criteria, protecting an EpiPen within an easy-to-use, self-contained enclosure. The device features built-in temperature control, requires no maintenance or user intervention, is reusable for years and is even TSA compliant. The VIVI Epi fits in a purse or backpack. Better yet, like other new-gen TempraMed products, it fits in an allergy sufferer's life, providing a carry-anywhere solution that will continue working 24/7, 365 days a year.

Tel Aviv's [TempraMed](http://www.tempramed.com) develops, manufactures and markets innovative personal storage solutions for injectable medications. Its goal is to fill the previously unmet need for people who inject medications and would like to live their lives more spontaneously, more conveniently and more safely. (TempraMed 13.10)

[Back to Table of Contents](#TOC)

* 1. ICL Expands Digital Suite in India with ICLeaf

ICL announced the launch of ICLeaf, a revolutionary diagnostics tool that will provide farmers with a personal prescription for maximizing yield. The tool measures 10 different elements in a leaf sample and then delivers accurate, real-time feedback and a recommendation regarding nutrient use. The process begins with the collection of leaves from the targeted crop, which are then analyzed using unique technology. Results are rapidly available – within up to three days after initial sampling – versus several weeks using traditional methods, and the new tool is also more sustainable than traditional testing. It will allow farmers to make quick and data-driven decisions, based on the measurements, and enable them to take multiple samples each year and make immediate, in-season improvements.

ICLeaf is complementary to Crop Advisor, an optimized data-based crop nutrition plan, which provides customized fertilizer recommendations, based on type of crop, location and environmental conditions. This customer-focused solution is supported by professional agronomists, who offer personal guidance throughout the process. ICLeaf is currently available for grape, cotton, banana, tomato and pomegranate crops in India, with other crops being added. The revolutionary diagnostics tool was created at the Center for Fertilization and Plant Nutrition (CFPN), which was founded through a partnership between ICL and the Volcani Institute (Agricultural Research Organization ARO). The Volcani Institute is the research arm of the Israeli Ministry of Agriculture and leads in its field, with among the widest range of technologies and developments in advanced agriculture.

Tel Aviv's [ICL Group](http://www.icl-group.com) is a leading global specialty minerals company, which creates impactful solutions for humanity's sustainability challenges in the global food, agriculture and industrial markets. ICL leverages its unique bromine, potash and phosphate resources, its passionate team of talented employees, and its strong focus on R&D and technological innovation, to drive growth across its end markets. The company employs more than 12,000 people worldwide and its 2021 revenues were some $7 billion. (ICL 21.10)

[Back to Table of Contents](#TOC)

* 1. Cerba & Taliaz Leverage AI and Genetics to Improve Patient Care in Depression

Saint Ouen L’Aumône, France's Cerba, the foremost specialty clinical pathology reference, and [Taliaz](https://predictix.ai/), a Tel Aviv based digital health company dedicated to improving mental health disorders, announced a partnership to provide physicians with an AI-driven precision psychiatry solution that predicts treatment effectiveness in depression. By finding the right treatment from the very first prescription, the test helps physicians make the best therapeutic decision faster for their patients and can accelerate recovery of the 280 million people suffering from depression globally.

To face this challenge, Cerba and Taliaz have joined forces to provide clinicians with a new clinical test that predicts the effectiveness of antidepressant treatments: PREDICTIX, developed by Taliaz, harnesses a biological test coupled with artificial intelligence to guide the management of depressed patients by presenting the medication with the best chance of therapeutic success the first time. Designed as a clinical decision support tool, the solution brings AI-driven precision psychiatry to the next level and is expected to improve care for millions of patients globally. It should be available for patients by January 2023 throughout the Cerba HealthCare clinical routine pathology network in France and abroad. (Taliaz 20.10)

[Back to Table of Contents](#TOC)

* 1. Azura Ophthalmics Expands Broad IP Portfolio to 12 U.S. and European Patents

Azura Ophthalmics announced the company’s U.S. 11,459,351 patent (the ‘351 patent) was granted by the U.S. Patent and Trademark Office. This patent strengthens the company’s extensive portfolio protecting its use of dual-action keratolytic drug conjugates in development for the treatment of ocular diseases associated with the eye lid margin and Meibomian Gland Dysfunction (MGD).

Azura Ophthalmics dual-action keratolytic drug conjugates has the potential to improve the signs, symptoms, and burden of numerous eye conditions being inadequately managed today. Their lead keratolytic, AZR-MD-001, is being investigated for the treatment of MGD in a Phase 2b trial and we look forward to sharing initial results from the study this quarter. Azura’s extensive IP portfolio protects various drug conjugates, including azithromycin-keratolytic dual drug conjugates protected in the ’351 patent; lifitegrast-keratolytic dual drug conjugates protected by previously granted U.S. Patent 10,875,845; as well as other disease modulating agents conjugated with keratolytic agents.

Tel Aviv's [Azura Ophthalmics](http://www.azuraophthalmics.com) is utilizing our deep understanding of ocular surface diseases and drug development to deliver a new therapeutic class of Ophthalmic Keratolytics to treat underserved ophthalmic conditions. Their differentiated approach combines ophthalmologic and dermatologic solutions to harness the unique properties of keratolytics to treat the root cause of numerous underserved ocular indications. Their internally discovered pipeline of new chemical entities allows us to develop a portfolio of first-in-class ophthalmic therapeutics for significant unmet needs. (Azura Ophthalmics 19.10)

[Back to Table of Contents](#TOC)

* 1. V-Wave Completes Enrollment in Trial of Interatrial Shunting for Heart Failure

Caesarea's [V-Wave](V-Wave%2024.10%29%E2%80%8E) completed enrollment in RELIEVE-HF, a prospective, randomized, double-blinded, sham-controlled, multi-center pivotal clinical trial. The RELIEVE-HF study is assessing the safety and effectiveness of the V-Wave Ventura Interatrial Shunt for the treatment of heart failure (HF) with the potential to reduce future hospitalizations as well as improve symptoms and quality of life for HF patients.

The Ventura Shunt is an investigational device that has received Breakthrough Device Designation from the FDA and CE Marking in the EU. The shunt is implanted during a standard minimally invasive catheter-based procedure. Patients typically are discharged after an overnight stay. The shunt is designed to create a small amount of blood flow from the left atrium to the right atrium sufficient to lower elevated left atrial pressure while protecting the right heart from failing due to blood volume overload. (V-Wave 24.10)

[Back to Table of Contents](#TOC)

* 1. AIVF Acquires ART Compass to Drive the Digital Transformation of Fertility Care

AIVF announced the acquisition of California's ART Compass, a leading application for the management of the IVF laboratory. The acquisition of ART Compass expands the AIVF offering and creates considerable traction in the US with an extensive user base. The ART Compass application is a first step toward digitalization of the unstructured, complex, and often 'on paper' data in the IVF lab. It is a perfect fit to be part of the advanced AI-powered platform that AIVF is bringing to global fertility clinics.

Tel Aviv's [AIVF](http://www.AiVF.co) is a reproductive technology company driving the evolution to AI-powered fertility care. The company's flagship product, EMA, is an AI software platform that delivers automated and actionable insights to optimize the fertility journey. The company partners with leading global clinics to advance research and innovation in reproductive medicine. (AIVF 24.10)

ISRAEL PRODUCT & TECHNOLOGY NEWS

[Back to Table of Contents](#TOC)

* 1. Rydoo & Blue dot to Provide Tax Automation Solution for Employee Benefits Reclaim

Blue dot launched a new partnership with Belgium's Rydoo, a leading international SaaS software solution for managing business expenses. The partnership offers a one-of-a-kind, AI powered solution empowering Rydoo customers with unprecedented visibility and control within the Rydoo workflow, and effortless VAT compliance and support for taxable employee benefits, also known as fringe benefits or benefits-in-kind.

Rydoo's AI-powered integrated solution streamlines, simplifies, and automates the spend management process, enabling on-the-go expense capture and submission while staying compliant with local regulations. Supported by Blue dot technology, Rydoo customers will now enjoy the benefits of advanced automated tax tech, perfecting invoice reading (OCR) and matching, providing powerful analytic capabilities and insights with unprecedented data integrity and validation, and safeguarding the highest level of governance and compliance in pursuit of VAT recovery revenues.

Tel Aviv's Blue dot, the world's leading automated tax compliance solution has created the first dynamically updated financial technology platform for employee-driven transactions. Blue dot's all-in-one Tax Compliance Platform harnesses digitization and automation to process and analyze a company's employee spend data for VAT, taxable employee benefits and corporate income tax. Blue dot is fully dedicated to providing its clients with value as well as the peace of mind that comes from full compliance. (Blue dot 12.10)

[Back to Table of Contents](#TOC)

* 1. SaverOne Generation-2 of its Core Technology & Global Aftermarket Product

SaverOne announced the release of its second generation technological platform which is the basis for the Global SaverOne System for solving the problem of driver cellular distraction. The new and advanced second generation product, is built on top-tier elements, including an Analog Devices RF front-end and Xilinx dual core processor and FPGA. The product will operate globally with improved accuracy and response time, enhancing the user experience. The new second generation product has passed laboratory tests for certification by the main international regulatory bodies, the FCC (Federal Communications Commission of the United States) and CE (EU requirements). The second generation technological platform is also the basis for SaverOne's OEM solution for vehicle manufacturers as well as for other verticals, within the automotive industry and beyond it.

SaverOne systems is installed in private vehicles, trucks and buses to provide a solution to the problem of driver distraction away from the road, that results from drivers using specific distracting applications on the mobile device while driving, in a way that endangers their safety and the safety of passengers. This phenomenon is considered one of the main causes of road accidents in the world. SaverOne's technology specifically recognizes the driver area in the vehicle and prevents the driver from accessing distracting applications such as messaging, while allowing navigation, without user intervention or consent, creating a safer driving environment.

Petah Tikva's SaverOne is a technology company engaged in the design, development and commercialization of transportation safety solutions designed to save lives by preventing car accidents resulting from distraction from the use of mobile phones while driving. The SaverOne system provides an advanced driver safety solution that can identify and monitor mobile phones located in the driver's vicinity and selectively block use of distracting applications that may become life-threatening. (SaverOne 12.10)

[Back to Table of Contents](#TOC)

* 1. Rolls-Royce & Classiq Collaborate on Quantum Algorithm Design for Fluid Dynamics

Classiq is working with Rolls-Royce to implement novel computational fluid dynamics algorithms. Computational fluid dynamics (CFD) deals with heavy, and complex numerical simulations of fluid and gas phenomena. Used in many industrial applications, CFD is key to improving advanced equipment design by, for example, optimizing aerodynamics and thermodynamics. The collaboration will combine quantum and classical computing techniques, leveraging the strengths of each technology.

Classiq will provide an efficient implementation of the linear problem definition into the quantum circuit and will generate optimized circuits for the different quantum functions within the HHL algorithm. Using the Classiq platform, Rolls-Royce will develop state-of-the-art optimized quantum circuits for the HHL algorithm. The Classiq platform will enable Rolls-Royce to design, optimize and analyze quantum algorithms that scale. This will allow Rolls-Royce, a leader in aerospace and power systems, to implement novel computational fluid dynamics algorithms in a way that is hardware independent.

Tel Aviv's Classiq is the leading quantum software company, taking quantum software to a higher level. Built for organizations that want to jumpstart or accelerate their quantum computing programs, Classiq’s patented software automatically converts high-level functional models into optimized quantum circuits for most quantum computers and cloud providers. Customers use the Classiq platform to build software they could not create otherwise, bypassing the quantum assembly level. (Classiq 18.10)

[Back to Table of Contents](#TOC)

* 1. Velox Launches Micro-Pixel Drop Shape Control for Digital Printing on Plastic Tubes

Velox announced its latest ink technology innovation: Micro-Pixel Drop Shape Control for extruded plastic and laminated tubes. The new technology delivers exceptionally photorealistic accuracy in images, fine graphic elements, and ultra-sharp text and lines, with high ink efficiency, and with no impact on Velox's extremely high decoration speed of 250 cpm on the largest diameter and length tubes. Micro-Pixel Drop Shape Control regulates each drop as it hits the substrate, creating drop diameters that are up to 60% smaller than previously possible with Velox's ink technology, while allowing other drops of the same volume to spread and cover large areas.

Converters and fillers for tubes will be the first customers to benefit from the newest breakthrough in Velox ink technology for the Velox IDS-PT Series. The cosmetics and personal care markets have the highest demand for package decoration with extremely small text and fine details, as well as sharp and accurate photorealism. Customers testing Micro-Pixel Drop Shape Control technology note that the level of accuracy and sharpness of even the smallest text and fine elements, like thin lines, is comparable to analog printing, while the quality of other decoration elements like images and gradients are superior. With the combination of Velox's unprecedented printing speed and the new, advanced ink technology, customers will no longer need to decorate the container using multiple printing methods to achieve a high-quality product.

Rosh HaAyin's Velox develops, manufactures, sells, and supports industrial-grade direct-to shape digital decoration solutions for the rigid container industry. Its proprietary technology, based on uniquely formulated inks and dedicated deposition architecture, introduces an entirely new approach to digital printing that is poised to disrupt the packaging decoration market. Velox's commercial solutions include industrial-grade digital decorators for mass production of tubes, aerosol cans and beverage cans. They deliver superior decoration quality and capabilities that outstrip the benefits of analog printing solutions, while allowing a more efficient and flexible production process, a low total cost of ownership (TCO), and outstanding sustainability. (Velox 18.10)

[Back to Table of Contents](#TOC)

* 1. Otonomo Integrates Its Smart Mobility Data Platform with SAP Digital Vehicle Hub

Otonomo Technologies announced the integration of its Otonomo Smart Mobility Data Platform with SAP Digital Vehicle Hub. The integration will help enable businesses to derive new insights for fleet management and maintenance based on connected vehicle data, drive future mobility business models, and generate new value and revenue streams.

SAP Digital Vehicle Hub is a central cloud-based repository for vehicle-related master, transactional and usage data based on SAP Business Network for Asset Management enhanced for the automotive industry. It helps enable the creation of digital twins of vehicles, or vehicle components, and provides a 360-degree view of the vehicle lifecycle data. The solution also helps companies share vehicle data between relevant stakeholders and enables collaborative business models and value streams along the automotive and mobility value chain.

The Otonomo Smart Mobility Data Platform helps deliver clean, normalized, embedded vehicle data collected from multiple OEMs. The integration with SAP Digital Vehicle Hub further enables the utilization of connected vehicle data. By integrating embedded vehicle data within the SAP ecosystem, it will combine vehicle data with ERP systems, offering new insights to create additional value and revenue streams.

Herzliya's Otonomo, the platform powering the mobility economy, is igniting a new generation of mobility experiences and services. With Otonomo, providers in the transportation, mobility, insurance, and automotive industries are finally able to harness mobility data and insights and transform them into strategic assets and market advantages. Architected with privacy and security by design their platform is GDPR, CCPA, and other privacy regulation compliant, ensuring all parties are protected and companies remain privacy compliant across geographies worldwide. (Otonomo 18.10)

[Back to Table of Contents](#TOC)

* 1. Gilat Selected for Petrobras’ Oil & Gas Industry Satellite Connectivity Project

Gilat Satellite Networks was selected by Sencinet for Petrobras’ oil and gas industry satellite connectivity project. Petrobras, Brazil's largest oil and gas company, is modernizing and expanding its onshore/offshore telecommunications capabilities with satellite connectivity solutions powered by Gilat's SkyEdge II-c SATCOM network. Sencinet is deploying Gilat's SkyEdge II-c within offshore platforms, ships, and land stations as part of the innovative managed services satellite connectivity project they are providing to Petrobras.

Petah Tikva's Gilat Satellite Networks is a leading global provider of satellite-based broadband communications. Delivering high value solutions, our portfolio is comprised of a cloud-based platform and high performance satellite terminals designed to work in harmony with satellite constellations, including Very High Throughput Satellites (VHTS) and Software-Defined Satellites (SDS) in multiple orbits; high performance Satellite On-the-Move (SOTM) antennas; and highly efficient, high-power Solid State Power Amplifiers (SSPA) and Block Upconverters (BUC). (Gilat 20.10)

[Back to Table of Contents](#TOC)

* 1. SHARK Smart Weapon Station for Light Boats

Moshav Beit Nehemia's General Robotics’ new SHARK Remotely Controlled Weapon Station (RCWS) addresses the need for SOF to operate their weapons on small boats. These compact boats move at high speed and agility. Yet, the constantly moving platform degrades fire accuracy with conventional weapon mounts, requiring operators to get dangerously close to the enemy to deliver the desired effects. Crews on larger boats often operate stabilized weapon stations to improve fire accuracy, but these systems are much larger and heavier for RHIBs. To meet this challenge, General Robotics has introduced the SHARK, a unique RCWS that applies to naval roles, from special operations to law enforcement interception, including interception, coastal security, counter-terror, and anti-piracy activities.

Addressing the most demanding needs of Naval Special Warfare (NSW), SHARK was designed and tested with users and experts from the local and international NSW community. SHARK fits on small manned and unmanned naval vessels, NSW boats, and raiding crafts to deliver versatile and accurate firepower. At a net weight of 85 kg (without weapon and ammunition), SHARK is much lighter and smaller than other naval weapon stations. Built as a rugged, robust, seaworthy system, it is versatile enough to operate remotely on a cluttered deck, scoring direct hits at a sea state up to 3, where the platform and targets constantly move.

The new SHARK is based on General Robotics’ combat-proven Pitbull RCWS. SHARK uses dual-axis electro-mechanical stabilization coupled with automatic tracking, video motion detection and fire control for accurate weapon laying to deliver fast and precise firepower. This feature improves its capability to compensate for motions induced by the sea waves, platform, and target movements to engage moving targets. Weapon control is done locally or remotely through an intuitive touch screen tablet encased in a jacket providing the intuitive operating and safety buttons for the “Point & Shoot” control. Another feature added to SHARK that benefits remote operators is the rear camera, providing the operator with a point of view to assess the weapon status and overcome malfunctions associated with the ammunition, weapon, or mount. The integration on USV poses additional challenges since the boat’s cluttered deck and constant movement add to a situational awareness complexity, restricting the sectors of fire the weapon can use. SHARK is built for platform-independent operation; it maintains an autonomous situational awareness that includes built-in Anti-Collision functions and multiple Fire Inhibiting Zones (FIZ) and is integrated with other systems onboard. Optional integration with onboard radar enables SHARK to detect and alert hostile fires aimed at the unmanned platform and take responding measures accordingly. (General Robotics 18.10)

[Back to Table of Contents](#TOC)

* 1. Weebit Nano Advances its ReRAM Selector Development to Fit Embedded Applications

Weebit Nano has made significant progress in its selector development with new results confirming its ReRAM selector is suitable for both embedded and discrete (stand-alone) applications, greatly increasing the number of possible applications for Weebit’s technology. Weebit Nano, together with its development partner CEA-Leti, have demonstrated the potential of the Weebit ReRAM selector to achieve the high densities needed for discrete chips using standard materials and tools. In addition, this same selector technology will fit embedded applications, enabling unprecedented Non-Volatile Memory (NVM) densities for future system-on-chips (SoCs).

The new Weebit ReRAM selector was manufactured in CEA-Leti’s R&D fab, and the silicon wafers were thoroughly tested for both programing and leakage currents. The results from this internal testing showed that the ratio between programing current and leakage current was at industry standard, signifying high on-state and low leakage current. In a memory array, the role of a selector is to ensure that only the specific cells which should be accessed actually are, and all other cells are disconnected and not impacted. Embedded designs currently use a transistor as the selector device, but transistors increase the cell area of a memory bit and therefore cannot support the high densities required for discrete chips.

Hod HaSharon's Weebit Nano 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 Nano 13.10)

[Back to Table of Contents](#TOC)

* 1. impacX Partners with Gatorade to Introduce Revolutionary Smart Gx Bottle

impacX announced a partnership with global sports fuel brand Gatorade. The result: Gatorade Smart Gx bottles powered by impacX’s science and technology. At the heart of this partnership is the “connected experience” – a new and personal way for Gatorade Smart Gx bottle consumers to interact with the physical product. impacX’s patented smart cap technology transforms reusable bottles into a smart, digital device that, tracks and collects hydration data for the user while calculating beverage intake based on the user’s profile and sport activity when paired with the accompanying Gx app. This innovation encourages hydration with intelligent reminders that are triggered by sensors located within the bottle’s cap that detect the level of liquid inside the bottle.

The smart bottle technology benefits both customers and the brands. Customers gain insights from a user-friendly mobile app that coaches them to achieve their hydration and wellness goals once they have entered personal information catered to their current fitness and health journeys. The technology inside the users’ Smart Gx bottle also shows a progress gauge that reminds and coaches them when they should take another sip, when their bottle is empty, how many more ounces they need to consume, and more. Meanwhile, brands receive access to customer and usage insights using impacX’s unique smart hydration platform.

Rehovot's [ImpacX](https://impacx.io) is a smart packaging company that delivers a connected experience for brands through innovative technology. Its end-to-end Internet of Packaging platform uses a unique combination of sensors, algorithms, cloud services and mobile apps to provide a complete personalized experience for consumers as well as products and brands. ImpacX was originally founded as Water.io in 2015. (impacX 13.10)

[Back to Table of Contents](#TOC)

* 1. infiniDome Released Its GPSdome 2 Dual-Band Anti-Jamming Technology

infiniDome released the newest product of their anti-jamming solutions, the GPSdome 2, a cost-effective and lightweight device, provides simultaneous dual frequency protection from 3 directions of attack for both smaller and larger applications.

InfiniDome’s new GPSdome 2 comes to bring protection of mission-critical assets in GPS-challenged environments in a more efficient and cost-effective manner than ever before. With a small form factor (500g, 87 x 91 x 61.55mm) and minimal power consumption, it is very well-suited for loitering munitions as well as drones and small-med UAVs, increasing resiliency while prolonging mission time and providing a superior ROI. Fully retrofit and completely standalone, the system is compatible with almost any off-the-shelf GNSS receiver on the market as well as standard active GNSS antennas, meaning that it can be integrated into existing GPS systems or into new product lines, manned or unmanned, including LAVs and ATVs.

With sophisticated algorithms and a proprietary RFIC (chip), infiniDome’s GPSdome 2 analyzes the RF interferences in the environment, combines multiple antenna patterns to create and dynamically steer three nulls in the direction of any hostile signal. The GPSdome 2 is a dual-use, non-ITAR device and comes with optional mil-spec compliance. Only recently launched, it has already been chosen by a leading Israeli defense contractor for integration with their platforms.

Caesarea's [infiniDome](https://www.infinidome.com/), founded in 2016, develops disruptive GPS protection and resilient navigation solutions tailored for defending UAVs and vehicles from jamming attacks. Its technology is built on redefined EW algorithms and its proprietary RFIC (chip) allows for its protection solutions – the GPSdome product line – to have the best performance vs. C-SWaP (Cost, Size, Weight and Power) balance in the world. (infiniDome 25.10)

[Back to Table of Contents](#TOC)

* 1. Scribe Security Launches World's First Evidence-Based Security Trust Hub

Scribe Security launched its unique evidence-based security trust hub, offering for the first time true end-to-end software supply chain security.

Security professionals, software engineers and DevOps teams are challenged with building transparent, evidence-based trust in the software they use or deliver. Scribe Security took the lead and became the first vendor to introduce the concept of one, consolidated hub for security evidence for software products, launching a friendly and easy-to-use platform. Unlike other software supply chain security solutions, Scribe's evidence-based security hub supports a workflow for sharing SBOMs, along with other security aspects of software, across or within enterprises, making software products' security transparent to customers, buyers, and security teams.

[Scribe Security](https://scribesecurity.com/%E2%80%8E) was founded by cyber security and cryptography veterans on a mission to build and provide innovative end-to-end software supply chain security solutions. They applied their expertise to create a novel platform that leverages leading concepts and frameworks to deliver uncompromising security to code artifacts, from production to delivery throughout the entire software lifecycle. (Scribe Security 24.10)

[Back to Table of Contents](#TOC)

* 1. Hensoldt & Rafael Offer Electronic Warfare Capabilities to the German Air Force

German sensor solutions provider Hensoldt and Rafael Advanced Defense Systems are joining forces to offer a readily-available, state-of-the-art, and mature solution to the Luftwaffe’s requirement of airborne electronic warfare capabilities with Initial Operating Capability (IOC) in 2028. Hensoldt and Rafael agreed to embark on a joint endeavor to integrate and enhance Rafael's Sky Shield airborne electronic warfare pod as a mature off-the-shelf Escort Jammer (ESJ), with the latest airborne electronic attack national sensitive technology (KALÆTRON Attack) by Hensoldt. This new capability supports the Luftwaffe's decision to adapt the Eurofighter Typhoon into an electronic attack (EA) platform. The new EA pod utilizes the existing interfaces of the Litening Pod, already combat-proven on the Typhoon, thus significantly simplifying the integration efforts and saving invaluable resources. Together, Hensoldt and Rafael bring the necessary experience not only as solution providers for ESJ, but also in the program environment of the Eurofighter and related integration and certification processes.

Rafael's Sky Shield Escort Jammer is a military-off-the-shelf solution already delivered to several customers worldwide, therefore allowing for easy integration onto fast jet platforms. Sky Shield leverages the vast experience of RAFAEL in the Electronic Warfare domain and its experience with German Air Force platforms. By using AESA (Active Electronically Scanned Array) technology, the single wideband jamming pod covers present and future high frequency range while providing a high Effective Radiation Power (ERP). Sky Shield is able to generate simultaneous jamming and deception transmissions against multiple threats, and its commonality with existing technology, coupled with its open architecture, allow Hensoldt and Rafael to offer a very robust growth potential to address future challenges and provide for exclusive national building blocks.

Haifa's [Rafael Advanced Defense Systems](http://www.rafael.co.il) designs, develops, manufactures and sustains a wide range of state-of-the-art defense systems for air, land, sea, cyber and space applications. RAFAEL promotes a corporate culture of partnerships and cooperation — sustaining cooperation agreements with dozens of governmental, aviation, space and defense organizations domestically and globally. (Hensoldt 19.10)

ISRAEL ECONOMIC STATISTICS

[Back to Table of Contents](#TOC)

* 1. Israel's September CPI Reading Higher Than Expected

The Central Bureau of Statistics announced on 14 September that Israel's Consumer Price Index (CPI) rose by 0.2% in September. Pundits expected the CPI last month to remain unchanged or rise by 0.1%.

The rate of inflation for the twelve months to the end of August remains at 4.6%, unchanged from the twelve months to the end of August, despite falls in the price of fuel and the cost of vacations last month. The CPI rose by 4.3% in the first nine months of 2022.

The main contributor the rise in the CPI in September was a 3.3% rise in fresh fruit and vegetables, while health and education services each rose by 1%, and housing costs and furniture each rose by 0.6%. Housing rents rose by 0.7%. Culture and entertainment prices fell 1.2% last month, transport and communications fell 0.5% and food prices without fresh fruit and vegetables, fell 0.4%. (CBS 14.10)

[Back to Table of Contents](#TOC)

* 1. Israel's Fiscal Surplus Continues To Grow

Despite recording a fiscal deficit of NIS 100 million in September 2022, Israel has recorded an accumulative fiscal surplus of NIS 33 billion since the start of the year, the Ministry of Finance Accountant General announced. Over the same period of 2021, Israel recorded a fiscal deficit of NIS 51 billion, as the country tackled the Covid crisis.

The fiscal surplus over the 12 months ending September 2022 was 0.9% of GDP, totaling NIS 15.7 billion, up from 0.6% and NIS 9.8 billion in the 12 months ending August, 2022. However, the Accountant General noted that taking into account tax deviations of NIS 8 billion in September 2021, the fiscal surplus for the past 12 months falls to 0.4% of GDP (about NIS 7.5 billion). This decline stems from tax deviations from September to October last year due to the holidays.

The improvement in fiscal data is reflected in both revenues and expenditure. State revenues since the beginning of 2022 have amounted to NIS 355 billion, up 20.2% from the corresponding period of 2021. Government expenditure since the start of 2022 has amounted to NIS 321.7 billion, down 7.2% from the corresponding period of last year. The continuous increase in state tax revenues saw the tax collection forecast revised upwards last July. Despite the latest revision, the reality managed to exceed the forecasts and in the third quarter of 2022, NIS 106 billion was collected in taxes in Israel, NIS 3 billion above the forecast. (Globes 13.10)

[Back to Table of Contents](#TOC)

* 1. Unemployment in Israel Drops Back to Below 4%

On 24 October, the Central Bureau of Statistics Unemployment announced that Israel's unemployment rate has fallen to 3.9% (172,800) in September from 4.1% (180,000) in August. After falling to a low of 3.1% in April 2022, unemployment had been steadily rising over the summer but this trend has now been reversed.

At the same time, the unemployment rate under the broad definition also fell to 5% in September from 5.2% in August. The broad definition includes employees put on unpaid leave at the start of the Covid crisis two years ago and who have still not returned to work. These employees are mainly in the tourist industry. However, overall participation in the workforce in Israel fell to 63.7% in September from 64.2% in August. (CBS 24.10)

[Back to Table of Contents](#TOC)

* 1. New Home Sales in Israel Hits a Three-Year Low

New home sales in Israel have hit a three-year low, the Central Bureau of Statistics reported. Some 2,780 new homes were sold in August 2022, down nearly 50% from August 2021 and down 50% from August 2020. In July 2022, the number of new apartments bought was down 45% from July 2021.

New home sales have been falling by an average of 2.8% per month since October 2021. The number of new homes bought in August 2022 was similar to the monthly numbers of H1/19. New home sales are expected to have continued falling during the holiday months of September and October 2022, and it is possible that new home sales levels will reach the low levels of 2018.

Central Bureau of Statistics data show that purchase deals for new apartments in Israel are falling faster than for second-hand apartments. At the same time the falling number of new apartments sold is increasing the supply and inventory of available new, which reached 49,300 new apartments at the end of August 2022, the highest number since June 2020.

Another surprising figure was that for the first time in many years the biggest number of new apartments is being sold in Jerusalem. Between June and August 2022, 581 new apartments were sold in Jerusalem, followed by 513 new apartments in Netanya, 506 new apartments in Tel Aviv, 388 new apartments in Lod, 380 new apartments in Beit Shemesh, and 352 new apartments in Rishon LeZion. (Globes 18.10)

[Back to Table of Contents](#TOC)

* 1. Israel's 1 November Elections to Cost $22 Per Voter

Israel's 1 November elections are to have a budget of some $151 million, according to the Knesset's Finance Committee. This costs the voter around $22, a calculation based on the number of potential voters during the time the budget was prepared - 6,788,804. Around $43 million - 28% of the budget - will be allocated to poll workers' salaries and another $6.5 million will be spent on COVID-related precautions. The polling stations will be operated by over 60,000 officials, as well as over 70,000 polling committee members.

This budget does not include the Central Elections Committee's 2022 budget, which amounts to a little less than $13 million and was approved in November 2021. The Finance Committee said that this year's proposal was lower than last year's elections due to lower COVID-related costs. The March 2021 elections had $66 million saved for pandemic expenses.

In June, the Israel Democracy Institute stated that Israel's economy would suffer a cost of nearly $840 million due to the elections, the fifth since 2019. Election Day - a paid day off in Israel - will cost almost $435 million. (i24NEWS 23.10)

IN DEPTH

[Back to Table of Contents](#TOC)

* 1. ISRAEL: IVC Israeli Tech Review Q3/2022

In Q1–Q3/2022, Israeli high-tech companies raised $12.3 billion in 538 deals. In Q3/2022, $2.6 billion were raised in 143 deals. The numbers for the first nine months of 2022 show the extent of the slowdown in almost all parts of the Israeli tech economy, except in early-stage companies.

According to Timor Arbel-Sadras, CEO of LeumiTech: "The quarterly report indicates that reality has yet to be stabilized and we are still working under great uncertainty. Not enough valuations have been set in recent financing rounds to determine how valuations have had been changed since the 2021 rounds, and it would be interesting to see if the "multiplier shift" develops into a real economic shift reflected in the financial results of the companies. Such a crisis may occur in case of a deep recession and also due to execution challenges in the current market conditions".

**Graph 1: Israeli Tech Capital Raised Totals, 2015–Q1-Q3/2022**

*Source: IVC-LeumiTech Israeli Tech Review Q3/2022*

In addition, Arbel-Sadras clarifies the importance in separating the 'Start-up Nation' from the 'Scale-up Nation: "While the accumulated experience of the high-tech industry - both of managements and investors - lead to a quick response by start-ups to the market changes, the Israeli Scale-up scene is still relatively new. These companies are pioneers in our market, and that includes being pioneers in coping with the dramatic market changes we are facing today. The market is constantly tracking the performances of Scale-up companies, waiting to see the outcome of big investments made during the high valuations in 2021".

Marianna Shapira, IVC Data Senior Analyst**,** stated: “The downtrend in the global capital markets continued to influence Israeli high-tech activity in the third quarter of 2022. On the bright side, some of the assets’ inflated valuation generated in 2021 has subsided in the first nine months of 2022, returning to average figures similar to what we saw in the last few years.

However, this change in pricing took place alongside a massive departure of foreign investors from the Israeli tech market, thus affecting the available liquidity for fast-growth Israeli companies. Currently there is a high uncertainty regarding Q4/22, as well as for 2023.

As long as the activity scope and capital raising figures for Israeli-early-stages-companies has not been impacted (as we seen so far), we can be optimistic about the high-tech performance for this period.

We saw 15 large deals (over $50 million each) in Q3/22, which accounted for 50% of the total capital raised in this period. The mega deals (over $100 million each) trend collapsed, returning to 2018–2019 levels with just 3 deals in Q3 and 20% of the overall, significantly down from 53% of the total in Q3/21.

**Graph 2: Israeli Tech Capital Raised in Mega Deals – Over $100M, Q1/2018–Q3/2022**

*Source: IVC-LeumiTech Israeli Tech Review Q3/2022*

Early rounds (Pre-Seed, Seed and A Series) came in with $0.88 billion, somewhat lower sequentially but similar to Q3/21. Early rounds’ data, so far, do not show any meaningful downtrend and from a certain perspective even point higher, such as the rise in median amounts of seed rounds.

**Graph 3: Israeli Tech Early Rounds Capital Raising, Q1/2018–Q3/2022**



*Source: IVC-LeumitTech Israeli Tech Review Q3/2022*

Only one new unicorn (a start-up company with a valuation of $1 billion or over) joined this group during Q3/22, following 20 companies in H1/22. This special herd raised $470 million in 6 rounds during Q3, back to the levels in 2018–2019.

**Graph 4: Israeli Tech Unicorns Capital Raising, Q1/2018–Q3/2022**

****

*Source: IVC-LeumiTech Israeli Tech Review Q3/2022*

**Israeli High-Tech Exits**

In the first nine months of 2022, 100 Israeli high-tech exits accounted for a total of $13.4 billion. Excluding one acquisition mega-deal of Tower Semi by Intel for $5.8 billion (not complete yet), total amounts of M&A deals reached $7.4 billion. Only 2 IPOs took place in Q3/22, with a total post-valuation of $61 million.

**Graph 5: Israeli Tech Exits, 2015–Q1-Q3/2022**

*Source: IVC-LeumiTech Israeli Tech Review Q3/2022*

**Newly Established Israeli Tech Companies**

While the final number of companies established during 2021–2022 is still not known, our model suggests that 746 companies were established last year and 580 new companies have been established so far in 2022.

**Graph 6: Number of New Israeli High-Tech Companies, 2012–Q1-Q3/2022**\*

****

Estimate # of Companies

# of Known Companies

*\*Q3/2022 – estimated # of newly established companies*

*Source****: IVC-LeumiTech Israeli Tech Review Q3/2022***

**About the Quarterly High-Tech Report**

The Israeli Tech Review is the first report of its kind in Israel. The report evaluates fundraising, mergers & acquisitions, and the capital markets, to provide a comprehensive analysis of the Israeli high-tech activity industry. The report contains comparative data from previous years, leading trends, insights into future trends, and fund raising projected data. The report summarizes the Israeli high-tech companies and companies associated with Israel in the years 2015–Q1-Q3/22. The number of deals and their volume may change throughout the reported year due to ongoing online IVC database data updates.

**About IVC**

IVC is Israel’s largest research center of high-tech and venture capital. It has been evaluating these areas for over 25 years, analyzing trends and developments in the industry. Our studies, services, and publications have been widely used by international and local entities, including high-tech companies, venture capital funds, investors and financial institutions, the Central Bureau of Statistics, the Israel Bank, and the Chief Scientist of the Ministry of Economy, among many others.

IVC operates the comprehensive information database [www.ivc-online.com](http://www.ivc-online.com) which contains information on over 9,500 active high-tech companies by tech sector and development stage, and hundreds of venture capital and private equity funds in Israel and overseas, investment companies, angels, incubators, accelerators, multinational corporations, and more.

**About LeumiTech**

LeumiTech, the banking arm of Leumi Group, specializes since 2014 in banking for high-tech companies and VC Funds, servicing companies from early stage through fast growing to giant corporates. We provide a comprehensive, personalized, tech-specific banking products and financing services as part of our complete solution for all of our clients' financial needs. Such services include high-tech credit expertise, hedging and investment tech center and access to global and local ecosystems. (IVC 23.10)

[Back to Table of Contents](#TOC)

* 1. ISRAEL: The Agreement with Lebanon: The Benefits Outweigh the Drawbacks

Orna Mizrahi posted in [INSS Insight](https://www.inss.org.il/) on 25 October that the agreement between Israel and Lebanon is a win-win situation, notwithstanding the criticism leveled against it. The maritime arrangement is indeed a compromise, yet one that serves the interests of both states, and most important, does not harm – and even contributes to – Israel’s national security. What does the agreement include, and what are the interests of the respective parties?

A review of the maritime border agreement between Israel and Lebanon reveals an agreement that both reflects a compromise between the two parties and creates a win-win situation. Its achievement is a milestone in the history of the relations between the two states and serves their respective economic, security, and strategic interests. For Israel, in any case, the advantages clearly outweigh the disadvantages, and it is scheduled to be signed on 27 October 2022, after its approval by the Israeli government.

In early October 2022 United States mediator Amos Hochstein submitted the final compromise proposal for an agreement between Israel and Lebanon on the demarcation of their maritime border and gas production. But only on 11 October, after the conclusion of the final round of pressure leveled by the parties – last-minute Lebanese demands for amendments to the wording, which were rejected by Israel; an Israeli decision to begin reverse flow testing in the Karish field (checking the pipeline prior to beginning the production process) – was it announced by Israeli Prime Minister Yair Lapid and Lebanese President Michel Aoun that the final version was acceptable to them and they would submit it for final authorization by their respective countries. The following day the Israeli cabinet and government approved the agreement, and the government decided (despite this not being the preferred option of the Attorney General) that the agreement would not be brought to the Knesset for authorization, but rather presented to it for two weeks, after which the government would give its final authorization.

**What Enabled the Agreement?**

Reaching the agreement became possible first and foremost due to the change this past June in the Lebanese stance. Lebanon is in the midst of an economic collapse and a deep political crisis. With the arrival of the Karish gas rig in Israel on 5 June, Hochstein was called to Beirut, which relinquished its maximalist demand (Line 29) and presented a compromise position and a willingness to complete the deal soon. Nasrallah’s threats and action (UAVs sent over the Karish field on 29 June and 2 July and threats during July and August that the organization would attack the rig) also contributed, raising security tensions and concerns of military escalation. Furthermore, with the forthcoming elections in Israel and the approach of the end of the Lebanese President’s term on 31 October, there was a sense of a limited window of opportunity that should be utilized. An additional contribution was Hochstein’s focus on what was most important to each of the sides, so that both would have a sense of achievement.



**The Contents of the Agreement**

In light of Lebanon’s refusal to engage in direct talks with Israel, the agreement is formulated as a letter from the United States to the parties that includes all of the clauses that were agreed upon and the procedure for implementation. The principles set in the agreement are:

* **Maritime border demarcation:** The two sides agree on marking a “permanent and equitable boundary,” based on Line 23 (which Lebanon claimed once again after it withdrew its demand for Line 29). In the first 5 kilometers adjacent to the coast, the current status quo will be maintained, in accordance with the buoy line that Israel marked in the wake of its withdrawal from Lebanon in the year 2000 (this was a demand on which Israel was unwilling to compromise for security reasons). Here section E1 is important: it determines that the parties agree that the demarcated boundary is a “permanent and equitable boundary” that resolves the maritime dispute between them, including with regard to the clause stating that the first 5 kilometers will be set along the current buoy line. As such, this dispute cannot be reopened in the future. Regarding implications for demarcating the land border, it was stated that the demarcation of the maritime border will not affect the land border. Israel did cede a majority of the disputed area between Line 1 and Line 23 (860 square kilometers) but most of this area is in its Exclusive Economic Zone (EEZ) and in practice Israel gave up only 5.8 square kilometers of territorial waters.
* **Gas Production:** The Karish field itself is not mentioned given that it is entirely in Israel's EEZ and presumably there is nothing preventing Israel from operating it. At the same time, it is noted that Lebanon has full rights to the potential Sidon-Kana gas field, which at its tip crosses into the Israeli side. The search there for gas will be conducted by a reliable international consortium that meets high professional standards and does not face international sanctions and will begin immediately after the agreement is signed. Israel will receive compensation in exchange for the part of the field that lies in its EEZ. The extent of the compensation will be agreed upon in negotiation between Israel and the consortium that will operate in Sidon-Kana (which will be led by the French company Total and supported by the government of France) and will be anchored in a financial agreement, prior to the beginning of the search. Lebanon will not have contact with this compensation or obligation to give it. The consortium will be given the opportunity to drill as needed on the Israeli side, only after authorization by Israel.
* **Central US Role:** The US commits to maximum efforts to mediate between Israel and Lebanon, and to transmit information and messages between the states and mediate in the event that disputes arise regarding the implementation of the agreement, or if additional gas fields are discovered in this space. A US commitment to assist Lebanon with its gas activity immediately and on an ongoing basis is also noted without further details (this likely refers to efforts to promote the deal to transport gas from Egypt to Lebanon via the Arab pipeline that runs through Jordan and Syria). In the agreement made public there is no description of US guarantees toward Israel, which apparently include security guarantees and guarantees to prevent the transfer of gas production revenues from Sidon-Kana to Hezbollah.
* **Bilateral Relations:** The agreement itself contains no mention of the essence of Israel-Lebanon relations, except for the definition that they agree permanently to the demarcation of the maritime border between them. This can be seen as Lebanese recognition of Israel.
* **Procedural Aspects of Implementation:** It was determined that after the agreement is approved in Israel and in Lebanon, the two sides will respond in letters to the United States stating that the principles of the agreement are acceptable to them and will each separately submit to the United Nations the maritime border agreed between them, which will replace their previous submissions on this matter. The agreement will go into effect on the day the United States sends a letter confirming that the two states have carried out these actions. At this stage it appears that the option mentioned in the agreement that there will be a signing event in Naqoura between officials at the professional rank sponsored by the UN will occur on 27 October.

**Ramifications of the Agreement for Israel and Lebanon**

In examining the agreement, it is clear that it provides gains for both sides, notwithstanding their respective compromises, and in some areas – primarily in its contribution to regional stability and security – even serves mutual interests:

**On the economic level:** Lebanon can finally and immediately move forward with gas searches in the Sidon-Kana field, where until now no international body has agreed to work so long as the maritime border dispute remained unresolved. If gas is actually discovered in this field, production there will only begin in a few years’ time, so that there will not be immediate economic profit for Lebanon. However, the agreement offers hope for the Lebanese people and brings tidings of stability and quiet in this area, and in turn may bring further investments and speed up international assistance to Lebanon, which has been delayed until now. Furthermore, the agreement improves the collapsing state of Lebanon’s chances of joining the club of gas-producing countries in the Middle East. Israel is promised financial compensation for the portion of the field that lies in its space. In the agreement the percentage of the compensation is not mentioned, but the press has talked about at least 17% – lower than what Israel was willing to agree to in the past, but nonetheless revenues it would not have without the current agreement. Furthermore, there are also economic benefits for Israel from the maritime stability and security that the agreement promises, such as attracting investors and lowering security and insurance costs.

**On the security level:** For Israel, the agreement does not in any way harm the IDF’s defense capabilities at sea. The 5 kilometer buoy line is maintained, while ceding territory in the EEZ has no impact on the capabilities of the navy or intelligence that operate from a distance. Furthermore, the agreement may reduce the potential for violence incidents in the maritime space in which Hezbollah is involved, as it will not want to harm to chances of gas production at Sidon-Kana. However, the possibility of confrontation with Hezbollah in other spaces remains, considering Hezbollah’s increased confidence due to the agreement, which it claims to have achieved following the threats it issued. Despite not being interested in war, it may take the risk of a limited confrontation with Israel that could lead to escalation.

**On the strategic level:**

**Vis-à-vis Lebanon:** Despite the indirect talks and the Lebanese effort to prevent any sign of normalization, due to Hezbollah’s determined opposition, the agreement reflects a fundamental change in the relations between the two states. It pulls the rug out from under Hezbollah’s claims that Israel is an illegitimate entity that should not be recognized; proves that Hezbollah is not omnipotent in Lebanon and is also forced to compromise; and may contribute to a positive change in the Lebanese public’s perception of Israel and create an opening for future progress in relations. In addition, security stability and an improved domestic situation in Lebanon are important for Israel too.

**The status of Hezbollah:** Although the agreement was presented to Hezbollah’s supporters as proof of the importance of Hezbollah’s resistance and its weapons to defend Lebanon, in practice it is likely to appear as an additional instance in which Hezbollah was forced to compromise. Hezbollah is subject to increased domestic criticism; it is struggling to influence the formation of the government (which since the elections in May is still functioning as a caretaker government) and force the selection of a president it supports.

Vis-à-vis Iran, which opposes any agreement with Israel, the agreement represents an additional failure in its confrontation with Israel, the “Little Satan”; it was also formulated by the United States, the “Great Satan.” Furthermore, the agreement represents another stumbling block in the way of Iran’s efforts, led by Hezbollah, to expand its foothold in Lebanon and advances Lebanon’s ties with the West (mainly the US and France), in opposition to Nasrallah’s vision of aligning Lebanon with the “Shiite axis.”

In conclusion, formulation of the maritime border agreement between Israel and Lebanon was possible thanks to a convergence of interests between the two states, and to their willingness to compromise in order to take advantage of a limited window of opportunity. The agreement entails compromise, but it creates a win-win situation between the states, and thus the chances that it will be implemented are quite promising. (INSS 25.10)

[Back to Table of Contents](#TOC)

* 1. GCC: Over in the GCC, it May Need to Go Blue, Before it Goes Green

In the GCC, large-scale green hydrogen production is likely to trail behind blue hydrogen, according to a report published by ratings agency Moody's Investors Service on 13 October. The GCC’s access to cheap domestic natgas, local carbon capture and storage (CCS) expertise, and available infrastructure will make blue hydrogen production more feasible than the “more costly and challenging” green hydrogen — in the short-to-medium term.

Significant investment in tech and infrastructure for storage and transportation is still needed to make GCC green hydrogen projects commercially viable. Green hydrogen production growth is also hindered by “substantial delays in auctioning processes” faced by the region’s renewables projects.

But long-term supply and export potential is there: In the long-term, the UAE, Saudi Arabia and Oman could all be green hydrogen producers and exporters, Moody’s reports, because of their access to cheap renewable energy and water desalination expertise.

Egypt leads the pack in MENA in terms of the value of green hydrogen projects, with some $63.8 billion — just over 35% of the $180 billion regional total.

• Morocco has announced some $16.85 billion worth of projects.

• The GCC has a pipeline with some $70 billion.

• Oman has announced $48.9 billion worth of projects,

• Saudi Arabia: $10.5 billion

• The UAE: $10.3 billion

The Moody’s report makes the economic case for GCC green hydrogen project development. Both green and blue hydrogen could offset the economic and fiscal impact on the GCC of lower global oil demand and prices when the energy transition gathers steam, the report notes.

But only green hydrogen could reduce GCC countries’ “heavy” hydrocarbon reliance and “underlying credit exposure to longer-term carbon transition risks,” it adds. Both green and blue hydrogen have a role in emissions reduction, it notes.

What’s the difference between green and blue hydrogen? Both involve splitting water via electrolysis. But while green hydrogen is produced using renewable energy, blue hydrogen production is powered by fossil fuels, using carbon capture to prevent CO2 from being released into the atmosphere. (Enterprise 19.10)

[Back to Table of Contents](#TOC)

* 1. UAE: Abu Dhabi Announces New Alcohol Rules

The new rules announced are focused on the specifications for different types of alcohol served ‎in Abu Dhabi, ensuring each type meets the said requirements with correct labels. The Abu ‎Dhabi Department of Culture and Tourism has announced new specifications for the sale and ‎distribution of alcohol – all of which must be met within six months.‎

The requirements focus on the specifications for different types of alcohol, ensuring each type ‎meets specific requirements with correct labels. The circular, detailed the rules for the ‎distribution of wine and beers and are as follows:‎

***General Alcohol Rules in Abu Dhabi***

The following general requirements must be met by all types of alcoholic beverage products as:

* The ethyl alcohol and distillates used in the production of alcoholic beverages shall be exclusively of agricultural origin and shall not contain alcohol of synthetic origin or other alcohol of non-agricultural origin.
* The product must be prepared and handled in accordance with suitable sanitary conditions in a manner that maintains the integrity and quality of the product.
* Pesticide residues in the final product must not exceed the permissible maximum residue limits for foods as defined by the Codex Alimentarius Commission or other international references.
* The product must be free of pathogenic microorganisms as well as their secretions in quantities that may be harmful to consumer health.
* The product shall be free from methanol and other toxic alcohols.
* The minimum alcoholic strength shall be 0.5%.

*Rules for beer in Abu Dhabi*

* The concentration of mineral pollutants in beer must not exceed the following limits: 0.1 mg/L for arsenic, 0.2 mg/L for copper, 0.02 mg/L for lead, 0.2 mg/L for iron, and 250 mg/L for tin.
* The concentration of diacetyl shall not exceed 0.2 mg/L.
* Shall be free from artificial sweeteners, flavors and colorants, except for caramel.

*Rules for production, packaging, transport and storage*

* The product shall be produced as per the U.A.E/GSO 1694: General Principles of Food Hygiene.
* The alcoholic beverages shall be packed in clean, sound and appropriate containers that protect it from pollution and damage and preserve its natural characteristics. Packaging materials used shall be in conformity with the requirements laid out in the relevant UAE specifications.
* Transport and handling shall be adequately protected from rain, sunlight or other sources of excessive heat, unwanted odors and other sources of pollution.
* Alcoholic beverages shall be stored in dry, well-ventilated rooms at temperatures between 21-23 °C, free from undesirable odors and protected against insects and rodents.

*Rules for labeling of alcohol*

The labeling shall be indicated in Arabic and/or English in addition to any other language to include:

* The product name.
* The country of origin.
* In the case of a fermented fruit drink, the type of fermented fruit must be indicated, except for wine made from grapes. The name “wine” is not allowed unless it is made from grapes only.
* The period of maturation or ageing, if stated, where it refers to the youngest alcoholic component of the drink.
* Name, address and trademark of the manufacturer, supplier or importer (if any)
* Percentage of alcohol by volume or alcoholic strength
* Net volume of contents. The actual volume of contents shall not exceed ±3% of the volume stated on the product label.
* Shelf life according to the approved standard specifications. (AB 12.10)

[Back to Table of Contents](#TOC)

* 1. SAUDI ARABIA: Neom’s Ambition Goes Into Hyperdrive

Robert Mogielnicki posted on 21 October in [AGSIW](https://agsiw.org/) that the development strategy behind Neom is coming into focus. Planners want the megaproject to reflect something greater than the sum of its parts while trying to tether lofty ambitions to reality with major global event commitments.

Very little, it would seem, is entirely off the table when it comes to the Saudi megaproject Neom. A new, Neom-focused airline reportedly under consideration may offer direct international flights to the remote location. Such an airline would be the third Saudi carrier – Saudi Arabia’s second carrier, RIA airlines, is expected to launch at the end of the year. Upon arrival, visitors might be able to take to the skies again in a $350 million five-star hot air balloon hotel, if a project proposal linked to the Sustainable Hospitality Challenge moves ahead. A beach resort within Neom is planning to serve champagne, wine and cocktails, despite alcohol being officially banned in the country.

The latest plans for the Neom megaproject revolve around three regions: Trojena (a luxury mountain tourism destination), Oxagon (a floating industrial city) and The Line (an over 100 mile long linear urban development with parallel mirrored skyscrapers running on 100% renewable energy). There are 14 sectors earmarked as priorities for the megaproject, and a heavy technological dimension permeates these plans. Neom represents just one of 24 key projects featured on the Saudi Vision 2030 website, reflecting the sheer scale of the Saudi leadership’s developmental ambition.

Of all these projects, Neom is among the most ambitious and daunting. According to its website, Neom is “an attempt to do something that’s never been done before.” Saudi planners are trying to anchor Neom’s lofty aspirations to reality with concrete international events, such as the Neom Beach Games 2022, from 19 October to 9 December, and the 2029 Asian Winter Games, which Saudi Arabia won the bid to host. Despite a growing events pipeline, many concept announcements related to Neom may not materialize as planned.

**Rapidly Evolving**

Indeed, Neom has already changed substantially from its early conceptualization. In the immediate aftermath of the project’s 2017 announcement, planners hyped the incorporation of Egyptian and Jordanian territory as part of a massive special economic zone. These extraterritorial components have largely faded away. Nearby Egypt and Jordan will nevertheless serve as key Middle Eastern markets for Neom-based entrepreneurs looking to scale up their ventures or for exploiting established tourism corridors. However, Israel may function as a more important partner over the longer term. Israel’s geographic proximity to the megaproject, a regional trend supporting eventual normalization of relations, and Israeli technological and entrepreneurial prowess all point toward growing Neom-Israel linkages.

Planners are wagering that strong technology credentials will serve as a differentiator for the megaproject. Neom’s tech unit, rebranded as Tonomous, announced that it had invested $1 billion in artificial intelligence-driven products and solutions so far in 2022. According to the chief executive officer, Nadhmi Al-Nasr, Neom intends to become the “world’s first cognitive community.” Neom also boasts experimental plans to build the “world’s largest green hydrogen plant” and various efforts related to “changing the future of water,” such as solar-powered desalination with no liquid discharge. Many of these water initiatives are described as “world-firsts.”

Advanced technologies and experimental development initiatives are expensive. In July, Saudi Crown Prince Mohammed bin Salman announced plans to launch a 300 billion riyal (approximately $80 billion) Neom Investment Fund, which may increase to 400 billion riyals, to channel investments toward firms operating in Neom. The Public Investment Fund, with around $600 billion in assets under management, owns Neom. This association with the Saudi sovereign wealth fund offers Neom financial firepower and reputational benefits.

As for external financing support, Mohammed bin Salman indicated a desire to tap other Gulf sovereign wealth funds. It is difficult to envision Gulf sovereign wealth funds – which, like the Public Investment Fund, must also balance international investment opportunities against domestic needs – committing substantial investment capital to support Neom. The Saudi crown prince also plans to publicly list Neom in the local stock market in 2024. The Public Investment Fund’s debut green bond sale included a $500 million issuance of 100-year notes, suggesting some degree of interest in its longer-term investment plans.

**Raising the Stakes**

Saudi officials are not keen on comparisons with the neighboring United Arab Emirates, especially concerning economic policy announcements and ongoing economic zone development. Neom may eventually prove to be bigger and better than similar entities in the UAE, which contains dozens of well-established economic zones. But at its essence, Neom is a special economic zone – albeit one with an increasingly strong technological dimension. Despite all the rhetoric about changing the world, the megaproject is ultimately designed to advance Saudi economic interests.

Delineating appropriate regulatory authority and oversight of Neom poses additional challenges for Saudi officials. These decisions will determine who can take credit for Neom’s successes as well as assume responsibility for any failures. The legal foundation and nature of regulatory policy creation within Neom likewise influence concerns over governance, as foreign investors often struggle to determine the precise relationship between the Saudi government and various commercial entities. Neom is likely to enjoy a distinct legal and regulatory status determined by a designated authority. However, this authority and its decisions will ultimately be subordinate to King Salman bin Abdulaziz and subject to adjustment by Mohammed bin Salman. It would be in Neom’s commercial interest for the Saudi government to resist unnecessary meddling in the legal and regulatory framework, but there are no political institutions to prevent this from happening.

Hosting the 2029 Winter Asian Games in Trojena raises the stakes associated with Neom. It is an excellent opportunity to promote the destination to a global audience and strengthen sporting credentials. Yet, there are now harder deadlines underlying Neom’s current transition from the conceptual to implementation stage. Trojena plans to offer year-round activities including outdoor skiing and other adventure sports by 2026. Pushing the developmental can down the road and expending financial and human resources to launch new initiatives, rather than advance existing ones, will become much harder to justify.

*Robert Mogielnicki is a senior resident at the Arab Gulf States Institute in Washington.*  (AGSIW 21.10)

[Back to Table of Contents](#TOC)

* 1. EGYPT: S&P Global Affirms Egypt’s Rating Amid IMF & GCC Support

S&P Global Ratings has affirmed Egypt’s BB credit rating with a stable outlook on the back of expectations that fresh financial support from the IMF and the GCC will help the country meet its “large” external funding needs. The ratings agency believes that the Madbouly government's track record of reform and the country’s strong growth outlook will mean that Egypt will be able to count on lenders to meet its foreign funding needs for FY 2022-2023, which total around $18 billion.

FDI to provide the bulk of foreign currency. S&P says that Egypt will receive almost $10 billion of foreign direct investment during the current fiscal year, up from $8.9 billion last year. The rating agency expects the upcoming IMF package to be in the range of $2-3 billion, while another $2-3 billion could be raised from the international bond market.

S&P believes that GCC countries will pledge more funds to cover any funding gaps given Egypt’s track record, the reduced funding needs and the importance of stability in Egypt to the region as a whole. The UAE, Saudi Arabia and Qatar have together pledged some $22 billion to Egypt since the start of the war in Ukraine, though $6 billion in FDI is yet to enter the country, the rating agency wrote. Exchange rate flexibility — a key condition for the IMF agreement — will help absorb the impact of future external shocks on the economy.

The economy will grow at an average of 4% over the next two to three years, the ratings agency says, with the construction and energy sectors driving growth, alongside structural reforms and increased reliance on investments, exports, and private sector-led growth.

The Egyptian government wants to more than double the private sector’s role in the economy to 65% over the next three years, and attract $40 billion in investment by 2026.

S&P expects import prices to moderate, while export volumes and remittances from Egyptians living abroad remain robust, adding that tourism arrivals could improve on the back of COP27 and the Grand Egyptian Museum’s inauguration slated for later this year. The current account deficit narrowed to 3.7% in FY 2021-2022, buoyed by oil and non-oil exports, rising tourism receipts, and a jump in FDI.

Government spending to rise, budget deficit to remain at 6% over the next three years: The ratings agency sees the budget deficit hovering around 6.0% until FY 2024-2025, as government spending on subsidies, social benefits, capital investments and salaries rises. Egypt's budget deficit narrowed to 6.1% in FY 2021-2022.

The Central Bank of Egypt’s move to increase bank reserve ratios to 18% from 14% “should help manage inflation expectations and limit capital flight, to some extent, by increasing real returns on the government’s local currency debt,” the ratings agency said. S&P’s outlook is a sign of the economy’s stability and its ability to handle external shocks. (S&P 23.10)

[Back to Table of Contents](#TOC)

* 1. TUNISIA: IMF Staff Reaches Staff-Level Agreement on an Extended Fund Facility

An International Monetary Fund (IMF) team met with the Tunisian authorities in Washington, DC from 10–15 October to continue discussions on IMF support for Tunisia and the authorities’ comprehensive economic reform program. At the end of the discussions, the IMF made the following statement:

“The Tunisian authorities and the IMF team have reached a staff-level agreement on the economic policies and reforms to be supported by a new 48-month Extended Fund Facility (EFF) with requested access of SDR 1.472 billion (equivalent to about $1.9 billion). As is always the case, the final agreement on the arrangement is subject to approval of the IMF's Executive Board, which is scheduled to discuss Tunisia’s program request in December.

“The worsening global environment and high international commodity prices are weighing heavily on the Tunisian economy, adding to underlying structural weaknesses amid challenging socio-economic conditions. Growth will likely decelerate in the near term, while higher international commodity prices will put pressure on inflation as well as on external and fiscal balances. The new EFF arrangement will support the authorities’ economic reform program to restore Tunisia’s external and fiscal stability, enhance social protection, and promote higher, greener, and inclusive growth and private sector-led job creation. Specifically, the authorities’ reform program will:

* Improve tax equity by taking steps to bring the informal sector into the tax net and broadening the tax base to ensure equitable contributions from all professions.
* Contain expenditures and create fiscal space for social support. The authorities have already taken steps to contain the civil service wage bill and started to gradually phase out generalized wasteful price subsidies through regular price adjustments that link domestic prices to international prices, while providing adequate targeted protection to vulnerable segments (including through social transfers).
* Strengthen the social safety net by increasing cash transfers and expanding the coverage of social safety nets to compensate vulnerable households for the impact of higher prices.
* Embark on a comprehensive agenda to reform state-owned enterprises, starting with the enactment of a new SOE law.
* Step up structural reforms to enhance competition and create a transparent and level-playing field for investors by streamlining and simplifying investment incentives.
* Strengthen governance and transparency in the public sector, including with a comprehensive governance diagnostic to establish a roadmap for reforms.
* Adapt and build resilience to climate change by promoting investments in renewable energy as well as land and (waste) water management, and measures to preserve Tunisia’s coast lines, agriculture, health, and tourism.
* Protect the purchasing power of Tunisians in the face of high and accelerating inflation. To reinforce macroeconomic stability, the Central Bank of Tunisia has started to tighten monetary policy.

The international community has an important role to play in facilitating the authorities’ program through the rapid release of financing to ensure the success of the authorities’ policy and reform efforts.

“The IMF team would like to thank the Tunisian authorities for the candid and constructive discussions and looks forward to continuing our engagement to support Tunisia and its people.” (IMF 16.10)

**\*\* - Copyright 2022 by Atid, EDI. All rights reserved.**

The **Fortnightly** newsletter is a free service of Atid, EDI. We are a team of economic and trade development consultants, headquartered in Jerusalem, but active throughout the region and beyond. EDI works with an international clientele interested in identifying and researching business opportunities in the region. We also serve as the regional representative offices for a number of U.S. states and bilateral Chambers of Commerce, as well as European clients.

EDI's other services include development of feasibility studies and tailored research reports, as well as identification of potential joint ventures for commercial clients. For more information on how we may better assist you, please visit our Web site at: http:// [www.atid-edi.com](http://www.atid-edi.com).

**\* END \***