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**IFC Invests in Leading Palestinian VC Fund to Support Startups and Drive Growth**

**Ramallah, West Bank, July 5, 2017**—IFC, a member of the World Bank Group, is investing \$1 million in Ibtikar Fund, a leading Palestinian venture capital fund with a focus on accelerator-based investments in technology startups. The investment is part of a larger effort by IFC to support early stage entrepreneurs, spur innovation, and drive growth in emerging markets.

IFC's equity investment will help Ibtikar ("Innovation" in Arabic) close at \$10.45 million, to support more than 25 startups over a five-year period. The Ramallah-based fund, which was launched in 2015, is particularly looking to support local startups with either a regional or global mandate, so they can grow and take advantage of other regional funds such as Wamda, BECO, MEVP, and others for follow-on support.

"Ibtikar was launched to support the creation and growth of promising Palestinian startups. IFC's investment will augment these efforts," said Habib Hazzan, Ibtikar's Managing General Partner.

The investment is part of IFC's Venture Capital group's \$30 million Startup Catalyst initiative, which backs accelerators and seed funds in emerging markets to catalyze the venture capital ecosystem and spur entrepreneurial activity. It aims to help bridge issues of insufficient seed capital and business know-how and drive innovation by supporting the crucial early stage of local VC ecosystems.

"Our investment in Ibtikar is well aligned with our creating markets campaign in the entrepreneurship space, which we started few years ago," said Mouayed Makhlof, IFC Regional Director in the Middle East and North Africa. "The lack of funding for start-ups in MENA in general, and the Palestinian Territories in particular, is a major challenge. This investment will help Ibtikar continue its very impressive journey in financing and supporting startups that are in need of capital."

Ibtikar focuses on accelerator-based investments in ICT-related companies that are majority-owned by Palestinians and that either have operations in the West Bank and Gaza, or where the majority of the investment monies will be spent in the territories. The Fund is structured to both directly and indirectly accelerate companies and provide follow-on funding.

IFC's investment in Ibtikar follows three other investments to help channel financing to technology startups in the MENA region—a \$1.2 million commitment to Flat6Labs in 2016, a regional startup accelerator program based in Cairo; a \$14 million investment in Wamda Capital in 2015, a regional VC fund; and a \$10 million investment in Algebra Ventures, Egypt's largest venture capital fund in 2016.

IFC's Startup Catalyst initiative aims to invest in approximately 20 accelerators, incubators, seed funds, and other similar vehicles and structures that support entrepreneurs and early stage companies. These will, in turn, provide seed funding for technology-enabled startups.

**About IFC**

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In FY16, we delivered a record \$19 billion in long-term financing for developing countries, leveraging the

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