

Emerging Investment Partners launches a private equity fund to support SMEs in Lebanon, Jordan, Egypt and Iraq

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Emerging Investment Partners (“EIP”), the private equity firm focusing on growth capital investments for SMEs (Small and Medium Enterprises), has announced the successful first closing of its fund, EIP Levant Fund, targeting Lebanon, Jordan, Iraq and Egypt with a target size of USD 60m.

EIP has secured key investors including the International Finance Corporation (“IFC”), the Dutch Good Growth Fund (“DGGF”), as well as prominent regional family offices including Obegi Group, Alfadel Group and Capital pe.

Through its new investment fund, EIP will offer an Equity and/or Debt finance solution to SMEs. The Fund will provide financing tailored to the actual need and underlying cash flow of the company. The focus is on SMEs with a turnover less than USD 50m and a financing need between USD 1 to USD 6 million. The targeted SMEs are successful companies with a proven history, good level of profitability and clear opportunities for local and international growth.

For a long time, the region’s SMEs have been finding it difficult to get adequate financing. This funding gap has been a hinder for growth where entrepreneurs complain about the tough requirements set by banks, the lack of flexibility, insufficient credit and the lack of alternatives to the few large banks. EIP was established in 2015 by the Obegi & Alfadel Groups along with the firm’s managing directors Wassim Heneine and Karim Burhani, with the goal of providing funding solutions (Equity and/or Debt) and strategic support to established SMEs.

“We are very pleased with this first closing which attracted leading institutions that have shown a keen interest in the development of our region. The closing in this difficult time demonstrates our expertise and knowledge of the region and it shows the confidence that our institutional investors have in our activities. We are continuing to speak with prospective qualified investors and are greatly encouraged by their response. Our objective is to close the fundraising and capitalize on the healthy pipeline of companies we have already identified,” said Wassim Heneine.

Karim Burhani, commented, “Access to finance has been identified as a major constraining factor to sustained private sector growth in the region. EIP will invest to bridge this gap, to promote economic growth, and to create quality jobs. The Fund aims to generate both attractive financial returns and strong social impact by creating jobs for the youth, empowering women, and integrating Environmental, Social and Governance best practices into its investment strategies.

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, IFC uses its capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In FY17, IFC delivered a record \$19.3 billion in long-term financing for developing countries.

About DGGF: The Dutch Good Growth Fund (DGGF) provides financing to SMEs in developing countries and emerging markets by investing in intermediary funds. It is owned by the Dutch government which has made it a key priority to create more job opportunities and economic inclusion in Lebanon and other countries in the Levant region.