

Venture capital availability, digitization, and firm performance in the MENA region

Jayaprada Putrevu, Charilaos Mertzanis

Abu Dhabi University, United Arab Emirates

Abstract

MENA (Middle East and North Africa) has been one of those regions in the world that has received increased interest from venture capital firms in the recent times. In fact, even the COVID-19 pandemic could not halt the investments pouring here. The impact of coronavirus initiated in 2020 with economies around the globe starting to crash downwards, but against the run of play, the region recorded investments over \$1 billion in the startups of this region. Add to that, the middle-east portion witnessed a more rapid move, crossing \$2 billion investment mark for the first time. This continued interest was a clear indication of boosted confidence of the investors in the MENA-based ventures. The paper aims to investigate these interest factors in further detail, including sector-specific interest, trends in investing and future outlook, investor-wise data, and other relevant statistics. Also on target is the overall digital funding/payment market, especially the lending and investing segment.

Keywords: economics; funding; industry; middle-east; startups