



Forbes Middle East

Women entrepreneurs turning the Middle East into a startup hub

When Elissa Freiha first moved to Dubai in 2013, she never expected to become an angel investor. The dream of the Emirati-Lebanese woman was to open a bakery. But it wasn't until speaking with her entrepreneur friends that she stumbled upon the idea of investing in female-led startups.

"They were struggling to find investors," explains Freiha. "I saw this as an opportunity for someone like me, who has an alternative education and a strong network, to get involved in a wide range of startups and actually make an impact."

After learning that she only needed a small amount of money to invest in startups, she decided to take the plunge. Today, Freiha is the founder of Womena, a female-led investment group that has facilitated over 3 million AED in funding for 10 companies.

Freiha's success is part of a growing need to support female entrepreneurs in the Middle East. After all, there are more women-led startups in the region than anywhere else in the world, averaging 35 percent compared to only 10 percent worldwide, according to Wamda, a service provider for startups in the Middle East.

But success doesn't come easy. Often having to overcome societal and cultural barriers, many rely on the freedom of the internet and access to technology to start their own business and enter the workforce.

Dalia Shurrab, a young tech specialist and founder of a cooking app in Gaza, was first keen on launching a startup as a means to travel abroad and experience a world unrestricted by freedom of movement and isolation. After participating in an accelerator program by Gaza Sky Geeks, a tech hub in Gaza, she quickly fell in love with the organization and joined the team as a social media coordinator.

"For us, technology is our only gateway to the outside world," says Shurrab. "Because of our living conditions, it's not easy for us to work, meet people or even to go out. The only thing open for us is the internet."

This is especially true for women in Gaza who often have limited opportunities. Shurrab believes that connecting with other women entrepreneurs in the region or elsewhere, even if virtually, helps women improve their skills and provides them with the support they need to launch and grow their startups.

However, having access to networks and mentors is not enough. Equal access to funding is crucial if women are to continue unlocking their startup potential. To date, only around one in seven investments in new startups in the Middle East are in companies founded by women, according to a recent report by Arabnet and Mohammed Bin Rashid Establishment for SME Development.

“It’s insulting,” says Freiha. “It’s not that they receive less funding, it’s that they receive a fraction of the funding. People often perceive that this is the case if it’s a one woman team, but very often if a startup has just one female founder, they are less likely to receive funding.”

To counter this, Freiha suggests having a diverse selection panel of investors. “Just by having one woman on the other side of the table, we counteract the gender bias that is already in place,” she says.

Egyptian entrepreneur Dana Khater, founder of e-commerce platform, Coterique, also expresses the need for diversity. Since successfully launching her online fashion store when she was only 19 years old, she is now looking to create her next venture, an on-demand beauty platform. Concerned that her new platform will not resonate with male investors, she stresses on the importance having more female representation on the VC level.

“If I’m pitching to a board full of men, they won’t understand the problem. By having more representation, female entrepreneurs are more likely to be heard,” explains Khater.

Regardless of these setbacks, women are continuing to create their own businesses. Iman Chaibah, founder of Sail Publishing, a digital publishing house in the UAE, expects to see entrepreneurship continue to grow in the region. “Ten years ago, entrepreneurship was a foreign concept. But today, there is a lot of cultural growth and understanding, and families are becoming more accepting of entrepreneurship as a career path,” says Chaibah.

Governments also play an important role in fostering an entrepreneurship culture. Whether it is establishing and funding incubators in Egypt, or offering attractive incentives for entrepreneurs in the U.A.E. such as funds, infrastructure and an overall supportive startup ecosystem, young people are being encouraged to start their own businesses and projects.

However, nothing beats seeing women entrepreneurs celebrated for their success. “Seeing role models plays a big part in believing that you can do it as well,” says Khater. “If you look around and see others have done it, you will think you can do it too.”

As women in the Middle East continue to pave the way forward in starting their own businesses, they encourage more female entrepreneurs to do the same. “As the entire industry grows, you’re going to see a real uptake in female entrepreneurship and entrepreneurship as a whole,” says Freiha. “More women have broken barriers and now more women are seeing that and are willing to take the risk.”