ISRAEL & FINTECH

Scalability for SMEs
Small/Medium-size Enterprises (SMEs) are responsible for half of worldwide GDP. But traditional banks have never seen small companies as profitable for ROI. FinTech services that suit the needs of SMEs:

- P2P loans
- Bill management
- Finances of online providers
- Financial services for invoicing
- Ecommerce

B2C Enabled
- Growing need for crossborder payment but currently expensive. FinTech making crossborder payment cheaper and more convenient, even for the unbanked.
- Banks inefficient in international transactions because of lack of regulations. FinTech blockchain technology making financial business operations faster, more flexible, reliable, and cheaper.
- Getting a loan can be difficult, time-consuming and dependent on credit history. FinTech enhancing P2P lending.
- Traditional means of trade accessible mainly to professional brokers. FinTech developing easy-to-use trading and algo-trading solutions for private person.

FOREIGN INTEREST IN ISRAELI FINTECH

Sector Spread
300+ Innovative Technology Companies

Investments rising fast
- 2014: 42 FinTech companies raised $296 M
- 2015: 53 FinTech companies raised $485 M
- 2016: 38 FinTech companies raised $523 M (Q1-Q3)

Fintech R&Ds:
- Citibank
- VISA
- Amazon
- PayPal

Fintech Incubators/Hubs:
- ELEVATOR
- Microsoft Ventures
- Barclays
- Citibank

**SPECIAL QUALITIES OF ISRAELI FINTECH**

- **Expertise** in real-time analytics, algorithmic, big data, risk management, anti-fraud
- **Second-time entrepreneurs** experienced in building successful businesses
- **Community** interaction of innovators through regular conferences and events
- Israel as “beta site”—tradition of being a testing ground for innovation
- **Israeli presence in global financial services workforce:** thousands of Israelis bring their experience in foreign markets to the Israeli arena
- **Presence** of global financial institutions in Israel (R&D centers, accelerators)
- **Limited local market** drives Israeli innovators to global milieu
- **Legacy** of reliability and prowess in innovation attract investments and customers

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**SNAPSHOTS OF SUCCESS**

**Major acquisitions**

3 companies sold in 2014 for $718M total
Ex: mobile paying app Check acquired by Intuit Inc for $360M

5 companies sold in 2015 for $2.39B total
Ex: payment services provider Fundtech acquired by Canadian D+H for $1.25B

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**Globally notable Israeli start-ups**

- colu.
- Cinch
- Biocatch
- eToro
- Sapiens
- Credorax
- Payoneer
- Personetics

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**START-UP NATION CENTRAL IS YOUR BRIDGE TO ISRAELI INNOVATION.**

Contact Start-Up Nation Central to help you to access the Israeli fintech ecosystem, and connect with the relevant start-ups and industry figures.

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