

**News**

## **CRITICAL DECLINE IN FOREIGN INVESTMENT THREATENS ISRAELI TECH SECTOR'S FUTURE**

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BCLP Partner Jonathan Neshet was quoted in Ynet, Israel's leading on-line news service, regarding overlooked cracks in the Israeli tech ecosystem as foreign capital flows decline sharply, contrasting with recoveries in the US and Europe.

Even as growth equity begins to recover globally, Venture Capital investments in Israel have fallen. Geopolitical tensions have strained investments, with major investors like SoftBank and Koch Investments halting deals with the country. The Israeli government's efforts to stabilize the situation have seen limited success. Emergency funds are insufficient to sustain the current tech sector. Jonathan notes that immediate action is needed to attract foreign investors.

"There has been a noticeable decline in cross-border transactions with Israeli companies. Stabilization and positive resolution of the current geopolitical issues are crucial to the survival of Israel's emerging company sector," he said. "Companies cannot survive in limbo indefinitely."

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