

IOM's Enterprise Development Fund (EDF) is an innovative programme that supports livelihoods at the community level through private sector revitalization and economic development by targeting small and medium-sized enterprises (SMEs) in Iraq.

To adapt to the ever-changing market dynamics and to cater for specificities of sectors and enterprises, the EDF has been expanded to include different adaptations, notably EDF Culture (EDF-c), EDF Agriculture (EDF-a), EDF Women (EDF-w), EDF Innovation (EDF-i) and EDF Tameer (EDF-t), EDF Green (EDF-g) is the latest adaptation of the EDF.

Enterprise Development Fund Innovation is part of the broader EDF framework, designed to exclusively target 'innovation' supporting entrepreneurship and job creation for youth, as well as technology and digital start-ups and early stage businesses.

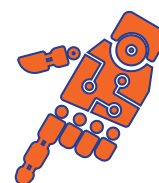
The tech and start-up industry in Iraq is still at a nascent stage and represents an underexplored market segment in Iraq. Supporting businesses to nurture innovation and explore new ways of thinking about business management opens up blue ocean markets that can create and absorb young, innovative jobseekers and entrepreneurs.

BACKGROUND AND RESEARCH

A market assessment of technology businesses conducted by IOM in 2019 highlighted many economic challenges that continue to hamper privately backed tech development in Iraq,

including lack of market incorporation, difficulty in securing investments, regulatory and legal barriers, lack of trust in tech businesses, and lack of skilled manpower. In this assessment, tech professionals across Iraq reported an average monthly salary of \$725 USD, more than double the national average, reflecting the industries' unique potential to provide high-quality livelihood opportunities to Iraqi jobseekers.

TECHNOLOGY AND INNOVATION IN IRAQ A Market Assessment of Tech Sector Businesses in Iraq, 2019



Read the full report here:
<https://bit.ly/TechMarketAssessment2019>

The EDF-i acts as an accelerator by providing funding to talented entrepreneurs to launch start-ups and/ or establish their early-stage businesses. This includes software development, e-commerce, e-learning, digital solutions, and other tech-focused enterprises.

The EDF-i is fit-for-purpose in the context of Iraq, where 60% of jobs are in the private sector, the majority of which are in SMEs. This is especially challenging as access to credit in Iraq is limited or non-existent, making it very difficult for these businesses and entrepreneurs to find funds to start or grow their business. The EDF-i addresses the critical gap that entrepreneurs face in accessing finance for start-ups and expansion.

OVERVIEW

EDF-i launched a pilot program in 2019 with eight businesses, followed by subsequent rounds of funding. Support for innovative businesses is ongoing in Sulaymaniyah, Erbil, Duhok, Mosul, Kirkuk, and Baghdad. Through EDF Innovation, the International Organization for Migration (IOM) is targeting youth, tech startups, and early-stage graduates from incubation and acceleration programs across Iraq.

As of September 2025, EDF-i has provided \$1,487,815 in financing to 92 early tech businesses and start-ups, creating 456 jobs.

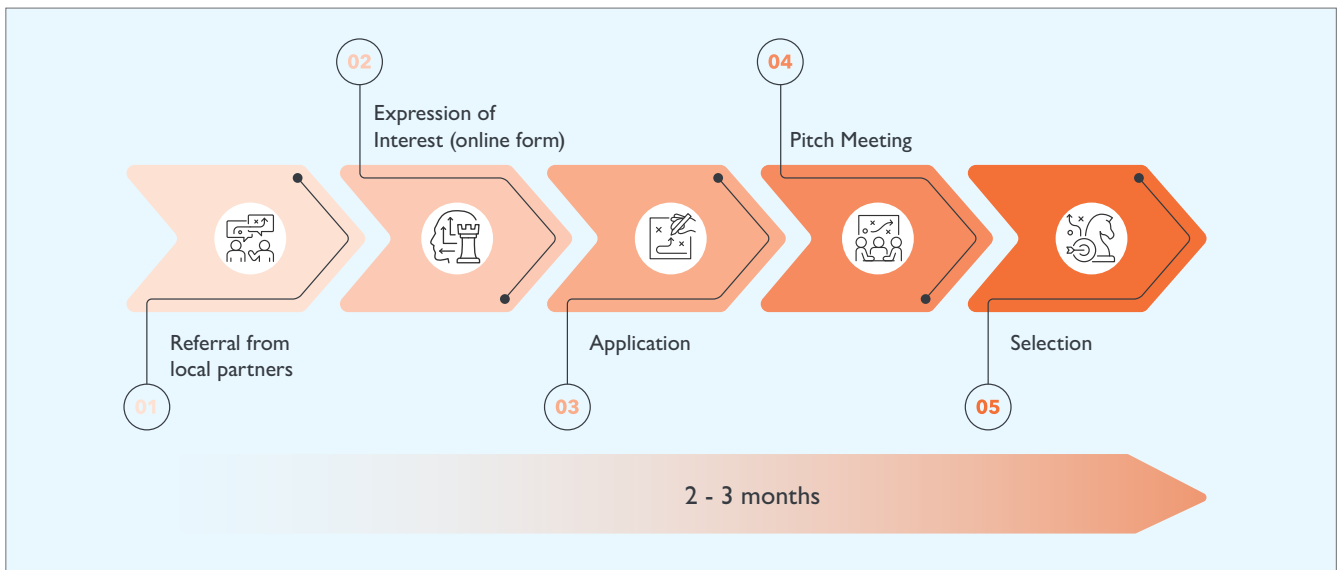
INVESTMENT PARTNERSHIPS

To account for the additional risks associated with start-ups and early stage businesses for both the entrepreneurs and the investors, the EDF-i works with various innovation hubs and local incubators to receive referrals of applicants.



SELECTION PROCESS

The EDF-i uses a multi-stage selection process in which businesses are filtered based on a scoring system supported by a due-diligence process. The below diagram summarizes the various stages businesses go through prior to final grant awarding.



KEY ACHIEVEMENTS

OF EDF-i AS OF SEPTEMBER 2025

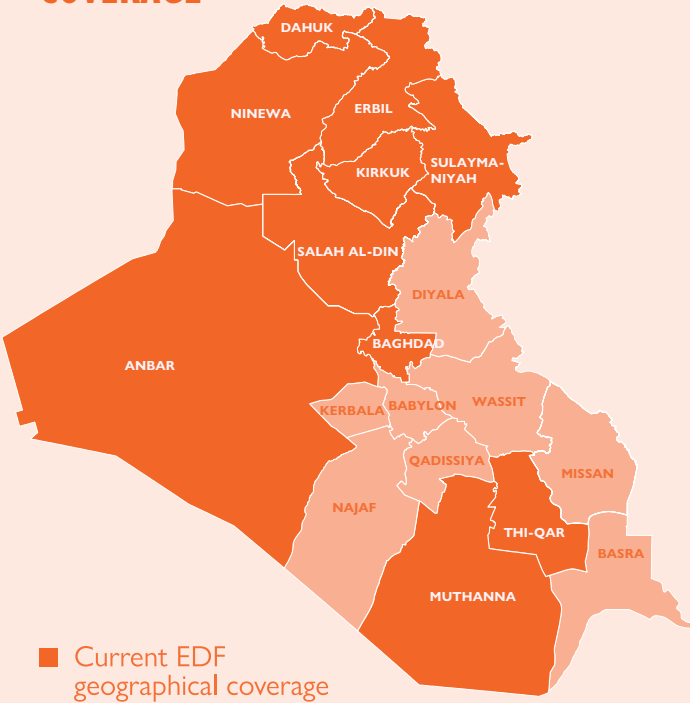
FUNDING SUMMARY AND ACHIEVEMENTS

TOTAL AMOUNT INVESTED
\$1,487,815

TOTAL JOBS CREATED
456 66% 34%

TOTAL BUSINESSES FINANCED
92 74 18

PROGRAM COVERAGE



528,199\$
CONTRIBUTIONS
MATCHED BY BUSINESS OWNERS

TYPE OF BUSINESSES BY SECTOR



MADE IN IRAQ

STORIES

BLACK ACE IT SOLUTIONS

As a university student at American University of Iraq, Tara Muhammed worked two or three jobs at a time, in addition to taking a full course load. She was saving to buy a car, which she imagined would grant her more independence. But when the time came to actually buy the new vehicle, Tara was at a crossroads. She'd promised herself that after finishing college she would start her own business within five years — and that self-imposed deadline was looming.

“

*Two years ago
I was working a job
and now I've created
nine positions.*

Tara Muhammed



Read
the full
story

“

*I now have my
business and created
six job opportunities in
marketing and sales.*

Ranoo Hiwa
Mohammed

BINA APPLICATION

After working for several construction companies, Ranoo realized that there was a need in the market for a platform that everyone could benefit from, so she created Bina Application with the help of EDF-i grant.

Watch
the story



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