



Interview

## **Bahaddin Salim:** **Nass Al-Iraq, CEO**

Nass Al-Iraq Holding is an umbrella to different companies that first started its operations in 2007. The group offers a wide range of integrated services and innovative solutions for business-sector from connectivity infrastructure services, all the way up to digital transformation & automation, technological solutions, management & business development, advertising & digital marketing, and engineering & construction services.

Business LANDSCAPE had the pleasure to interview Bahaaddin Salim, the co-founder, and CEO of Nass Al-Iraq.

He told us about the journey of the company, the challenges they encountered, their success story, and their future goals. He also shared with us the reason Nass Al-Iraq joined the Iraqi Angel Investors Network and their recent investment in Tabib Baghdad.

## **Would you walk us through the journey of the company? How was your start back in 2007?**

Our business started with the idea that we do not provide one product only but a group of integrated services that enhance the value of the product we offer to the clients.

In the beginning, we started as Nass Connect and focused on one field only, which was providing internet infrastructure services for businesses and enterprises then we expanded horizontally and vertically.

Internet services infrastructure struggles in Iraq and enterprises and businesses are in dire need of these services.

Therefore, we decided to transform our business to operate as a business-to-business (B2B) instead of business-to-customer (B2C) to provide our clients with the services and the added value they require. This allows us more space to control the facilities, quality of services, and pricing.

## **How did Nass Connect turn into Nass Al-Iraq Holding?**

Nass Connect was the core of our business, it was established in 2007 to provide internet infrastructure services, by 2010 we were a part of many projects such as Q-card and the process of connecting banks to the payment systems.

As we established our path, we opened a department specialized in digitization services and administrative systems in 2011. This department started growing and the need emerged to expand to offer a wider range of services that support and enhance our core products. Thus, we transformed this unit into a separate company called Digital Transformation Company (DTC) in 2017, which specializes in providing technological solutions and digital transformation technology for corporations and enterprises.

We created Qafia, a creative advertising agency, that started operating in 2014 in digital marketing and advertisements as we kept expanding and diversifying our range of services.

While in 2016, we established Al Ayd, for construction engineering services and real estate development. Last but not least, we established Tamkeen for administrative services and business development.

All these units together formed Nass Al-Iraq Holding, which is a part of our vision to provide integrated services, offering solutions in different fields to enhance the added value of the final product that we offer to our clients.

## **Have you registered each company separately?**

They are all registered officially in the registrar of companies. We usually go into the process of registration after a year of starting the company, Tamkeen is still in the process.

## **Were you able to register as a holding company and what were the challenges?**

At the end of 2019, the Iraqi Parliament approved the registration of holding companies. We are at the end of the registration process to obtain the necessary approvals.

The concept of holding companies is new to Iraq and the current legal framework does not cover all of its requirements but it is a step in the right direction. I believe it is important to register as this makes a difference in the perception and the interactions with other businesses, especially on an international level.

## **Are all your services internally sourced or do you collaborate with other businesses?**

The core of our business is the technical field, we want to digitize and transform enterprises, and this is our main goal. We started with Nass Connect to provide telecommunication infrastructure services and it was a building block to enable other services.

You have to write the story A-Z, from building an infrastructure for the business to transforming and digitizing its systems, to marketing and advertising this business.

This does not prevent us from collaborating and integrating with other entities that could provide similar services and fall under our criteria of standards.

**Providing all these services and solutions must have created a challenge to keep up the quality of these services, how are you managing this process?**

These business units are purely technical and there is an administrative arm managing all these units. All the business units have separate independent specialized teams focusing on providing the services and ensuring they are up to our quality standards.

**Why would a holding company join the Iraqi Angel Investors Network?**

Joining the Iraqi Angel Investors Network (IAIN) matches our philosophy that adopts enabling the private sector and businesses. We established our business units on the correct basis and standards with technically efficient individuals. We believe we can contribute by applying this to other businesses and projects.

The Iraqi Angel Investors Network is a forerunner experience on the national scale, it works in an important field to enable entrepreneurs and startups to build a sustainable business that can grow and scale up on many levels.

The success of IAIN will reflect on the private sector and will develop the standards of successful projects and concepts. Currently, many projects prioritize making a profit without considering establishing a sustainable business model, growing human capital, or contributing to the growth and development of the economy.

Many companies today are commercially successful but lack the institutional work and basic sustainability ingredients. This was the main incentive to join and support the network. We believe the success of the network's vision will promote and foster a successful business environment that will positively impact not only our business but others as well.

**What made Tabib Baghdad an attractive investment opportunity for Nass Al-Iraq?**

We believe that investing in the medical and health services sector provides solutions that could reduce the challenges related to quality control. Since the service provider is a segment of physicians that we believe possess a high level of awareness and responsibility in dealing with the customer, which covers the quality required by this sector. The business can also grow, expand, and incorporate more features.

This does not conflict with our focus on the business sector. Even in Nass Al-Iraq, we have services that are directed towards individuals but are supervised to comply with our standards.

The main challenge in the 'individuals' sector' is the process of quality control and implementation of the standards that we follow in the business sector with the difference in customer requirements.

**Is investing in Tabib Baghdad an extension of your philosophy and mission of digitizing businesses?**

Indeed, the health sector needs to go through a long journey of digitization and digital transformation in Iraq. However, it is possible to achieve that. In the meantime, the service is limited to booking appointments, organizing them, and giving recommendations, but it can expand to include records and history of patients and the issuance of statistics of all kinds.

This, in turn, will reflect on the strategies of building the health sector. If we had real statistics, they would affect different aspects of the health sector from the admission of students to medical universities, hospital construction, employment policies, and the distribution of majors.

This sector currently lacks any source of data and statistics. The digitization processes will help provide that, to hand them over to the relevant authorities, to help them to generate their own strategies at both the public and private sectors.

### **Is Nass Al-Iraq interested in entering other sectors?**

We try to attract partners and projects, and affiliate with them to cover an area of work according to our philosophy and values.

The field is open to establishing partnerships in new sectors as long as the standards that we adopt and the philosophy of enabling businesses and clients are met. Targeting and entering any business sector depends on the available human capital and the business units of that sector.

### **How do you perceive the entrepreneurship environment and the startups that started in Iraq over the past few years?**

We believe any experience, or any attempt, is applauded as it adds value to different sectors and the general business environment in Iraq particularly amid the void and the confusion it struggles with. The businesses and the startups we have seen have some mistakes, but they are trying to address them and overcome the obstacles and challenges to achieve their goals.

There are some drawbacks and errors in the criteria for evaluating businesses and ideas that are still qualitative, unrealistic and do not take into consideration the ability to grow and expand on a larger scale.

The success of the Angel Investors Network in implementing its vision and expanding its scope of work will reflect positively on this reality.

It will produce accurate criteria for evaluating startups and businesses in Iraq and develop the concept of a successful project from a narrow view that depends on the profit concept to a broader one that takes into account the components of the project's success and its role in turning the wheel of the national economy.

### **Have you participated in supporting startups before joining the Iraqi Angel Investors Network?**

We were supportive of different institutions and events, where we provided tools, facilities, and consultancy in the sectors we operate. For example, supporting the Behance Baghdad event.

Currently, we are supporting KAPITA and CoWork. Supporting projects like CoWork is important to enabling startups and the business sector. It is a part of our social responsibility to offer support for such projects.

In order to create an environment where businesses and startups can pave their path, overcome the obstacles they face, and become successful businesses that can grow and expand properly.

### **As a holding company, what are your future vision and goals?**

The main mission of the group focuses on the concept of integrated services and the localization of global solutions and ideas to suit the non-traditional business environment at the local and global levels.

In the meantime, we focus on localizing and fortifying the business units of the company to be productive and fully integrated to achieve the vision that we aspire to which is providing high-quality services and technological solutions to our clients.

### **Since your start in 2007 until now, what are the changes that the business environment has witnessed?**

The business sector has matured immensely during this period. We provide a modern type of services and solutions that customers in the past did not fully appreciate but as the business sector grows and develops; this issue has diminished as clients started realizing their need to keep up with the developments happening in the world. This allowed us to expand the provision of services and solutions and to provide innovative mechanisms to meet the needs of the clients and businesses.

### **What challenges did you face during your journey as a holding company in general?**

The business environment in Iraq suffers a great deal of instability in terms of government directives and regulations, which makes businesses encounter great challenges to operate legally.

There are continuous changes in the regulations and the legal frameworks that take place without taking into account the reality of the business sector, as occurred in the recent change in the exchange rate that affected all businesses in different sectors. In addition to that, security challenges prevent us from developing and bringing foreign cadres to reinforce and develop the local team.

Besides, the environment of Iraq is open which allows a lot of unfair competition between businesses and institutions.

Aside from that, it is an excellent environment for new ideas and businesses, offering many opportunities. However, people who enter the business environment and the private sector 'battleground' must show patience and strength to face the challenges and the anomalous changes and not rush to harvest the fruit of their labor.

### **Are there other challenges that you encounter, particularly, in the telecommunications sector?**

The telecommunications sector is lacking the necessary infrastructure that provides the required stability to enable us to provide services to the clients.

Another issue is the high pricing policies, which, in turn, makes our services relatively more expensive.

The situation changed to some extent after the cuts that were administered by the Ministry of Communications. There is a new approach that we would like to see more of from the Ministry of Communications to strengthen the existing infrastructure and reduce taxes on the capacity transported inside Iraq, but more measures are still required to be taken.

Some projects such as fiber to the home (FTTH) are steps in the right direction, but the ministry focuses heavily on the individuals, disregarding the business sector that lacks the necessary framework to regulate the competitiveness between companies specialized in this sector.

We hope to witness, in the near future, mechanisms that support the provision of services to the business sector, and to avoid issues such as internet cuts.

### **What do you think of the reality of business digitization in Iraq?**

Today we need a new approach in order to digitally transform institutions on a national or global scale to deal simultaneously with changes happening in the world.

The digitization of institutions is a fundamental factor in providing statistics and periodic reports, and whenever this digitization is professionally executed, it will contribute to the accuracy of these reports and statistics and their impact on the work of these institutions.

Furthermore, digitization is an essential factor in building short and medium-term strategies, and it contributes immediately to the correction processes, specifically in Iraq, where there are many variables and constant changes.

The lack of digitization in institutions prevents them from dealing with the issues they encounter accurately. There is a huge lag in digitalization at all levels in Iraq, even in large and established companies, where they suffer from ineffective administrative systems.

### **Do you think that the COVID-19 pandemic made businesses realize their need to transform digitally and accelerate the execution of this process?**

All companies felt the need for digitization and the need to manage their staff remotely, using hybrid management systems, and monitoring systems for productivity and job performance.

Personally, I think the steps that are being taken in that direction are still slow. We can see clearly that many businesses had to shut down because they could not transform digitally and many sectors, like the education sector, are struggling with this change due to the lack of the appropriate infrastructure.

Therefore, we try to raise awareness regarding this necessary change. Digitalization means increasing productivity, reducing expenditures, and accelerating business growth.

We provided free systems for the government institutions within the unified national platform that provides momentum management services, electronic reservations, and an instruction guide for each institution.

However, some institutions could deal with this system and adopt it in their work frame, but some institutions were reluctant to this approach and were not ready to adapt to this change.

### **Do you think the reluctance of businesses to digitization is a problem of awareness or lack of capital to invest in these systems?**

In my opinion, one of the misconceptions in the Iraqi society is that the automation and digitization processes need a huge sum of capital and that institutions need to carry out the digital transformation process from A to Z, which led to the failure of many of these businesses and attempts at digitization.

Currently, we work within the concept of the gradual digital transformation of the organizations, as the administrative regulations sometimes do not grant the complete transformation of all units. We have more than 10 years of experience in this field. We can work within any institution and the results appear within two to three years.

“

**We try to raise awareness regarding this necessary change. Digitalization means increasing productivity, reducing expenditures, and accelerating business growth.**

”

### **Why enabling businesses and startups is important to you? How does it relate to the fields in which you operate?**

The core of our work as a group is to provide services and tools that help companies build their strategies and execute them, and therefore these emerging companies represent new markets for us and other companies. Today, startups present a fertile ground with high flexibility to customize and localize services and solutions. We need a high degree of customization to create the right prototype that is in line with today's entrepreneurial scene.

## **What standards are you looking for to support or partner with a business?**

As a group, we enter as the guarantor for the company's success story, so we make sure that this business should match the standards that Nass Al-Iraq represents.

The business has an idea with clear characteristics and the owner should have the perseverance to work hard and is looking for a partner who reintegrates with his products and services.

There are many ideas today, but the important part is that the person is willing to go beyond the ideation and make a real attempt.

The business should have the necessary study and foundations that prove that this project is able to grow and expand.

Adding to that, the person managing that business should be able to cover the technical and administrative side of the business.

