



مجلس التنمية الاقتصادية  
البحرين  
BAHRAIN  
ECONOMIC DEVELOPMENT BOARD

# Welcome to Bahrain



BUSINESS  
*friendly*  
BAHRAIN

EDB is a dynamic public agency with overall responsibility for attracting inward investment into Bahrain and supporting the growth and diversification of Bahrain's economy

**EDB is the first point of contact for investors, assisting with:**

## Business Development

- Guidance through the decision-making process
- Identification of potential partners, distributors, agents and customers

## Facilitation

- Access to natural resources (gas, land, etc.), commercial and industrial properties
- Commercial registration support

## Aftercare Services

- Aftercare support
- Expansion support

## 6 EDB International Offices covering 22 countries globally

Office Location	Additional Coverage
 <b>USA</b>	
 <b>UK</b>	Scandinavia, France, Italy, Spain
 <b>Germany</b>	Belgium, Netherlands, Switzerland, Austria, Luxembourg
 <b>Japan</b>	Korea, Taiwan
 <b>China</b>	Hong Kong
 <b>India</b>	Malaysia, Singapore

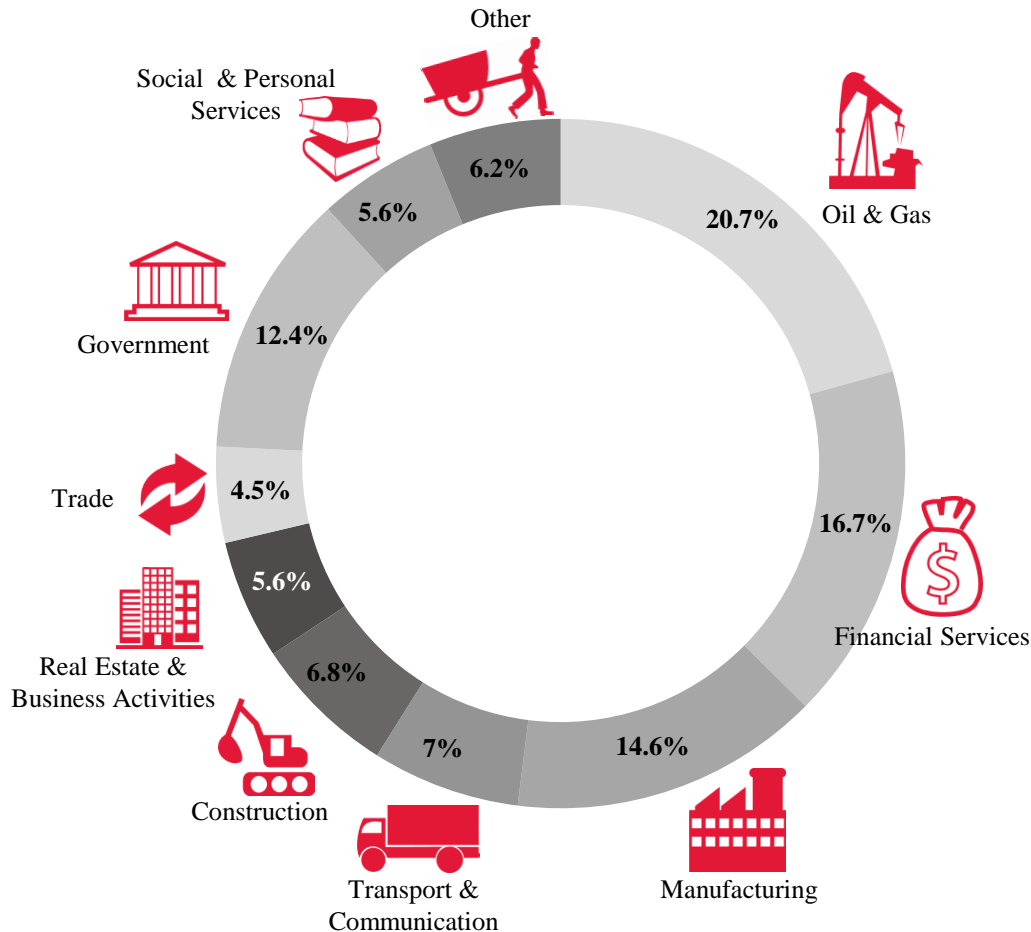
Bahrain lies at the **heart** of the Arabian Gulf, with fast and efficient access to every market in the Middle East by air, sea and road.



## Economic Facts

Population <sup>1</sup>	1,314,089
Area	770 sq.km
Nominal GDP	\$32.8 bn (2013)
Real GDP Growth Rate	5.6% (2013)
Literacy	94.6%
HDI Index	0.815 (44 out of 187)
Unemployment Rate	4.3% (Dec 2013)
FDI Inflows <sup>2</sup>	US\$ 989 mn (2013) US\$ 891 mn (2012) US\$ 781 mn (2011)

## Contributors to Bahrain's 2013 GDP<sup>1</sup>

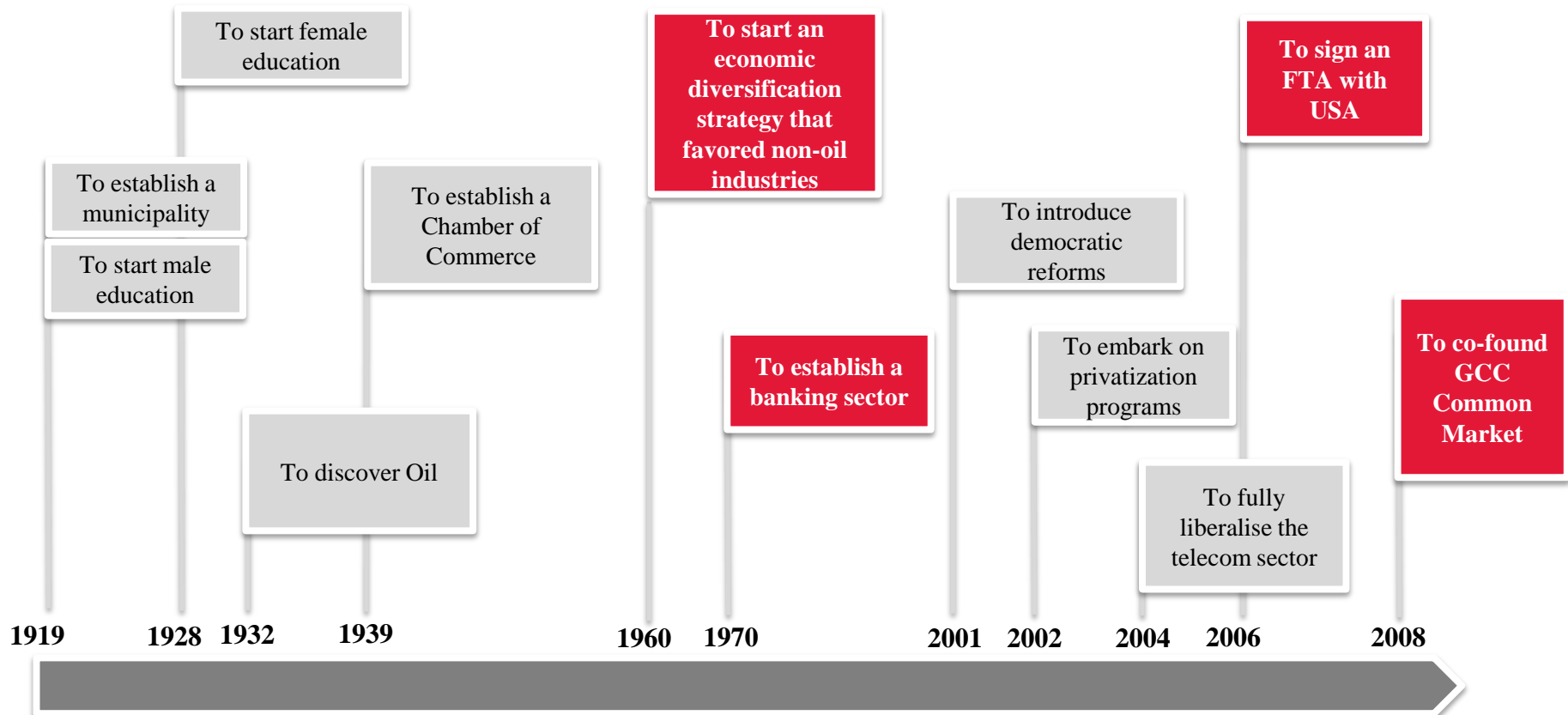


GDP is led by the Non Oil sector with **79.3%** contribution to Bahrain's GDP in 2013

Non Oil real GDP growth of **3.3%** in 2013

Investments of over **US\$ 20 bn** are expected over the coming years from large scale industrial and infrastructure projects, the GCC development fund, as well as government and private sector investment<sup>2</sup>

Bahrain has been a regional pioneer, with a constant drive for further improvements.  
It was first in the Gulf:



1<sup>st</sup>

Ease of finding finance to start a business in the MENA region<sup>1</sup>

Most economically free nation in the MENA region<sup>2</sup>

Low cost of living in the MENA region<sup>1</sup>

Overall experience in the GCC: Setting up, integration & quality of life<sup>3</sup>

2<sup>nd</sup>

Overall quality of life in the GCC<sup>3</sup>

Ease of access to loans<sup>4</sup>

13<sup>th</sup>

Freest economy in the world

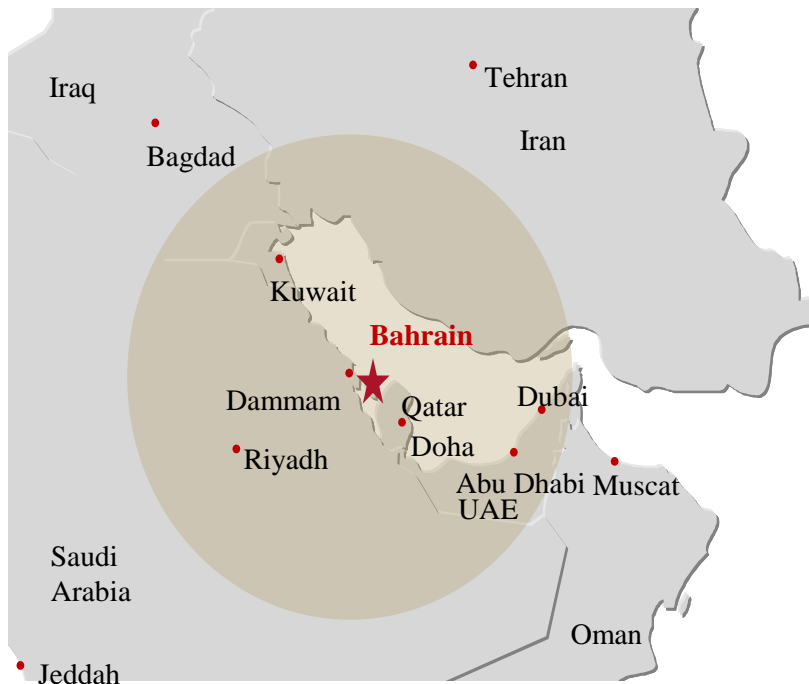
14<sup>th</sup>

Quality of overall infrastructure (global ranking)

21<sup>st</sup>

Labour market efficiency (global ranking)

**Gulf Co-operation Council (GCC)** comprises of 6 countries: Bahrain, KSA, Qatar, UAE, Kuwait and Oman



## Connectivity

Access to a **large** and **growing** market

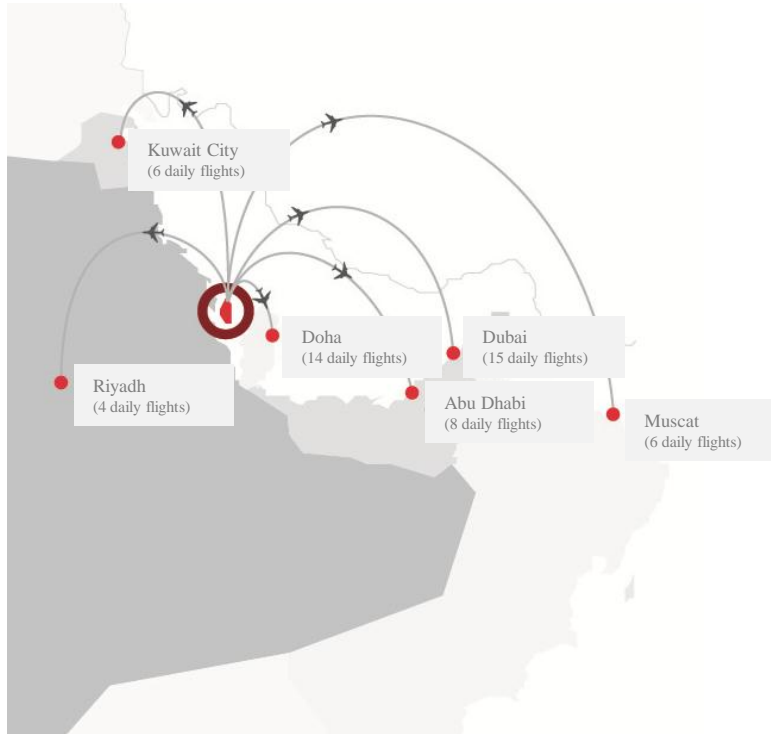
GCC consumers	36 million
MENA consumers	440 million
GCC estimated growth	4.5%
Global average growth <sup>2</sup>	3.0%

**Access** to the biggest market in the Gulf Region and the world's largest oil producer; **Saudi Arabia**



# Strategic Location

*Less than an hour flight time away from all GCC countries*



## Daily Flights to the GCC

*Less than 1 hour flight time*

Doha	20 mins flight time
Kuwait, Riyadh, Dubai	45 mins flight time



## Easy & Liberal Visa Policies

One month visa upon arrival to nationals of over 66 countries, with the ability to renew for an additional three months

30 + 11

Commercial Airlines

Cargo Airlines

**fly from our world-class Bahrain International Airport**

46 738

Flight  
destinations  
worldwide

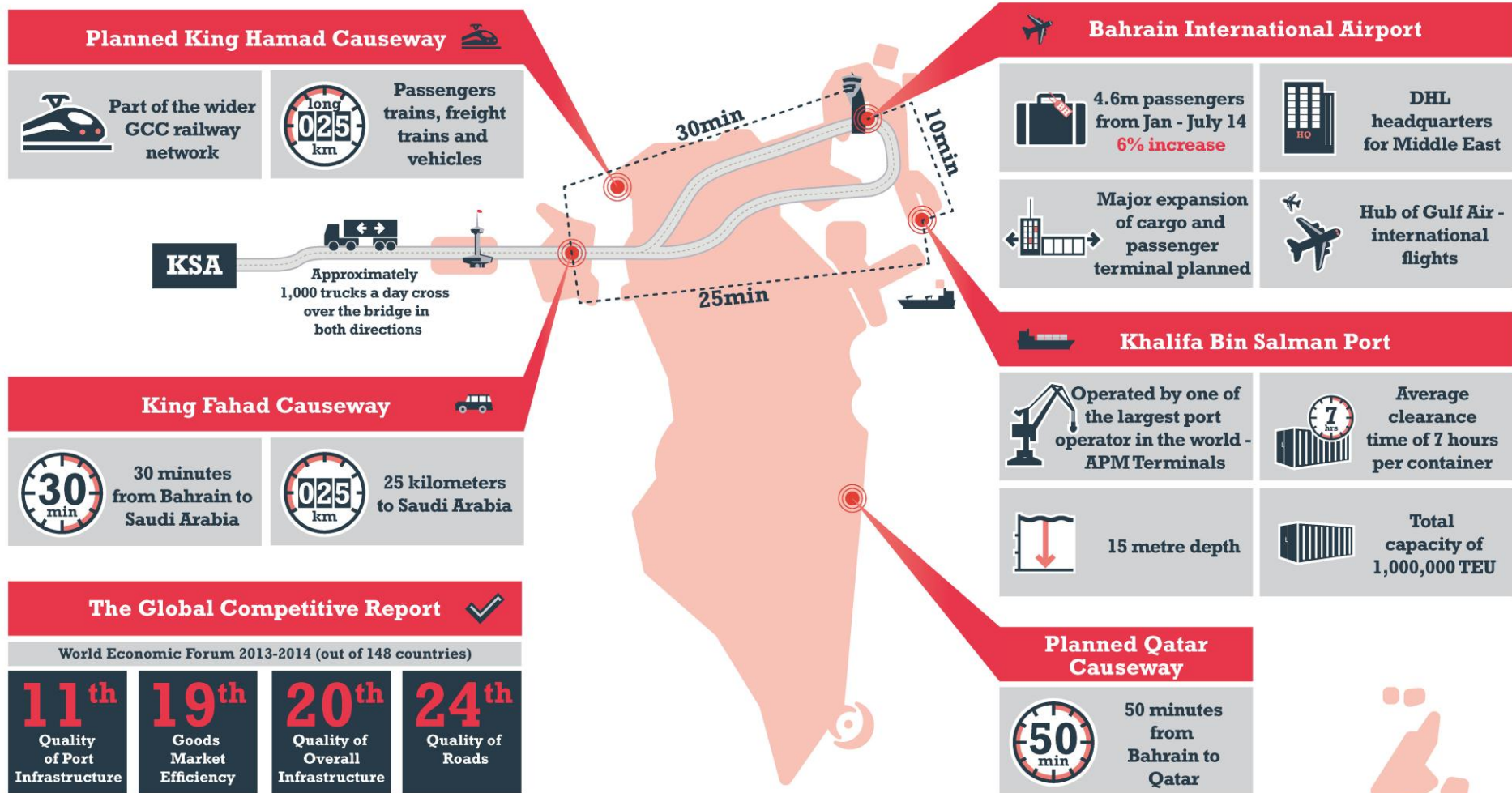
Flights a week



# Strategic Location

Access to every market in the GCC by Sea, Road & Air

BUSINESS  
friendly  
BAHRAIN



Bahrain ranked **#1** Most Favorable Tax Regime in the world<sup>1</sup>

**NO** Corporate income tax

**NO** personal income tax

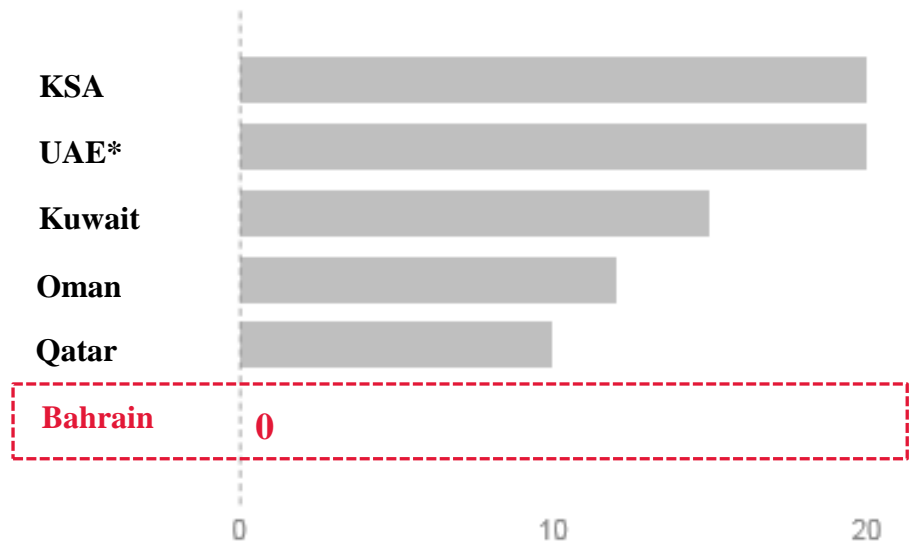
**NO** wealth tax on capital gains

**NO** withholding tax

**NO** restriction repatriation of capital, profits or dividends

**FEW** indirect taxes e.g. 10% municipal tax on rents

Corporate income tax rates in the GCC countries<sup>2</sup>



# 40+

Countries, with whom Bahrain has trade and economic agreements, including China, France, India, Singapore, the UK and the US.

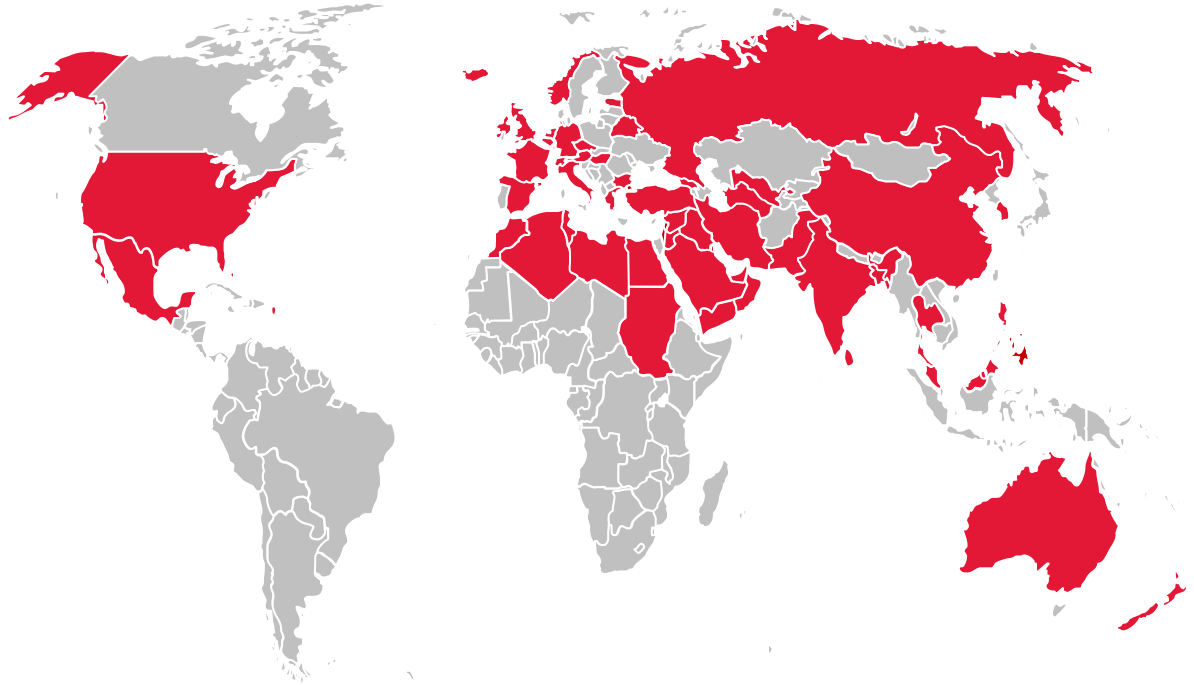


Free Trade Agreement with **USA**

Free Trade Agreement with **EFTA States**  
(Iceland, Liechtenstein, Norway & Switzerland)

Free Trade Agreement with **Singapore**

Duty free access throughout the Greater Arab  
Free Trade Area (**GAFTA**)



Promotion & Protection  
of investment

**34** countries

Avoidance of double  
taxation

**41** countries

Reciprocal exemption of  
International air transport

**6** countries

Economic, Trade and  
Technical Co-operation

**31** countries

Ongoing reforms & regulatory improvements have made Bahrain the *freest* economy in the Arab World, for 20 consecutive years.

Rank	Country
1	Hong Kong
2	Singapore
12	United States
<b>13</b>	<b>Bahrain*</b>
14	United Kingdom
15	The Netherlands
18	Germany
25	Japan
28	United Arab Emirates
30	Qatar
48	Oman
70	France
76	Kuwait
77	Saudi Arabia
120	India
137	China



**100%**  
Foreign Ownership  
Allowed

**No**  
'Free zone'  
Restrictions

### Best in Class

International Arbitration Dispute  
Resolution Center of Excellence

Bahrain Chamber of dispute Resolution in  
Association with American Arbitration Association

- Introduced in Jan 2010
- An arbitration 'free zone'
- Applicable to cases that involve:
  - a. International party,
  - b. Party by the Central Bank of Bahrain, and
  - c. Where the claim is over US\$1.3 million
- Fast, final and binding resolution

Bi-lingual highly Skilled & educated workforce at costs competitive with other countries in the GCC

Bi-lingual workforce provides advantages when accessing other GCC markets

Local talent pool minimizes staff turnover and having a local workforce reduces overall labour costs

94.6% Literacy



**2/3** of financial services workforce are Bahrainis, of which **37%** are women

**72** private schools

**12** curriculum's

*British, American, Japanese, Canadian, French, Indian, Bahrain MOE, Saudi Arabian, Pakistani, Bangladeshi, Filipino and SABIS*

**78%** of secondary school graduates go on to earn a bachelor degree



*“Investing in People is very important to the future of Bahrain”*

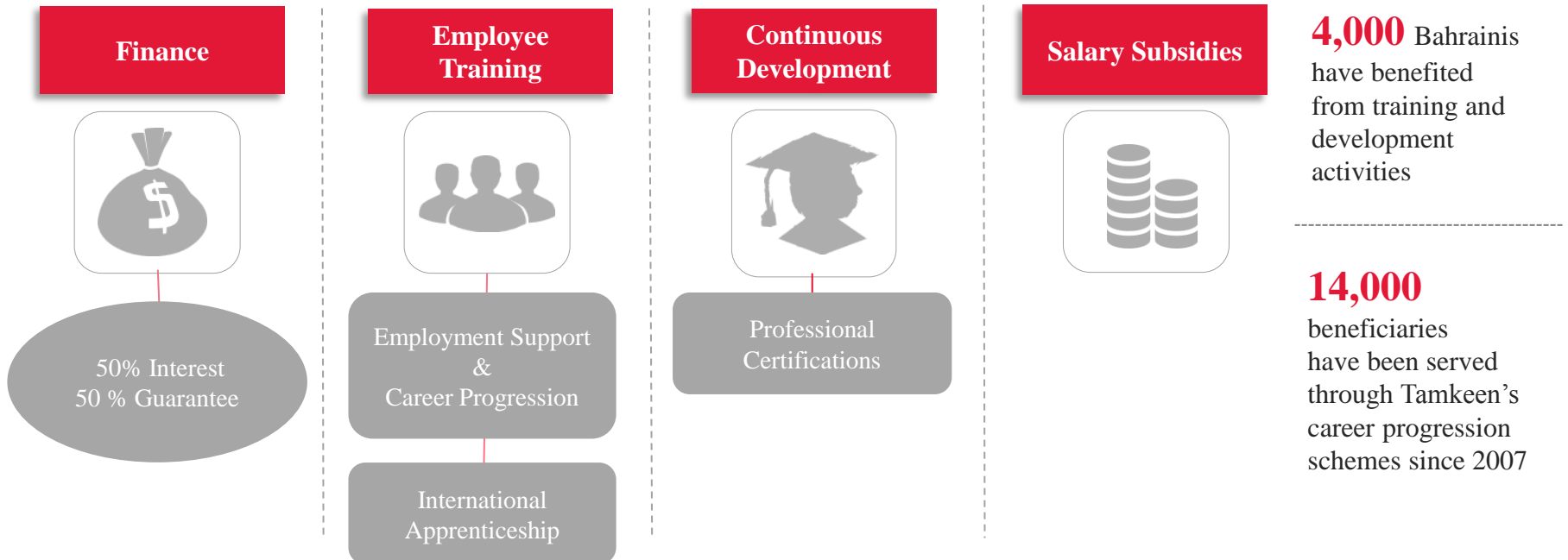
His Royal Highness Prince Salman Bin Hamad Al Khalifa, Crown Prince of Bahrain, First Deputy Prime Minister and Chairman of the Economic Development Board (EDB)

*“Education is key to meeting the challenges of the future”*

Shaikh Mohammed bin Essa Al-Khalifa, Chairman and Acting Chief Executive of Tamkeen and Board Member of the Bahrain Economic Development Board



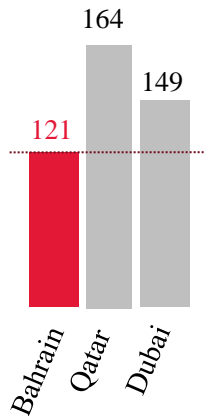
- Backed by Tamkeen's continued support of human resource development in all sectors, the quality of Bahrain's workforce is one of the best in the region.
- Tamkeen provides salary subsidies, training & financing grants
- **US\$ 440mn** investment in the private sector



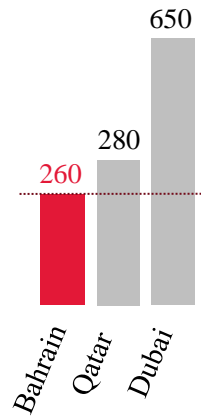


### Cost of Operations for an office size of 200sqm and 20 employees (US\$ '000s)

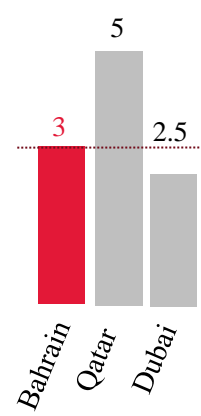
#### Manpower (6 local and 14 expatriate)



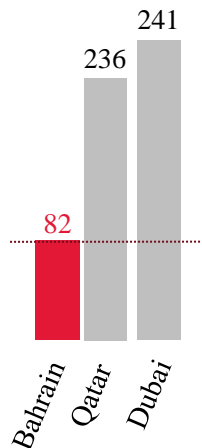
#### Utilities (Water & Electricity)



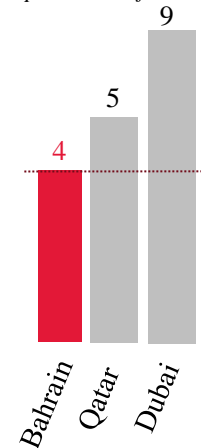
#### Telephone Services



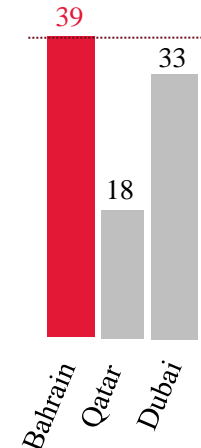
#### Commercial Rent



#### Internet Services (Corporate rate for 8mbps)



#### Business Set-up









Total Costs associated with operating a financial services firm in Bahrain, Qatar & Dubai:

**Bahrain** US\$ 249,315

Qatar US\$ 428,150













Dubai US\$ 434,090

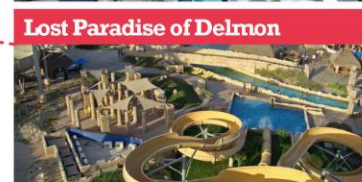
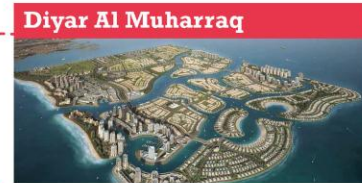
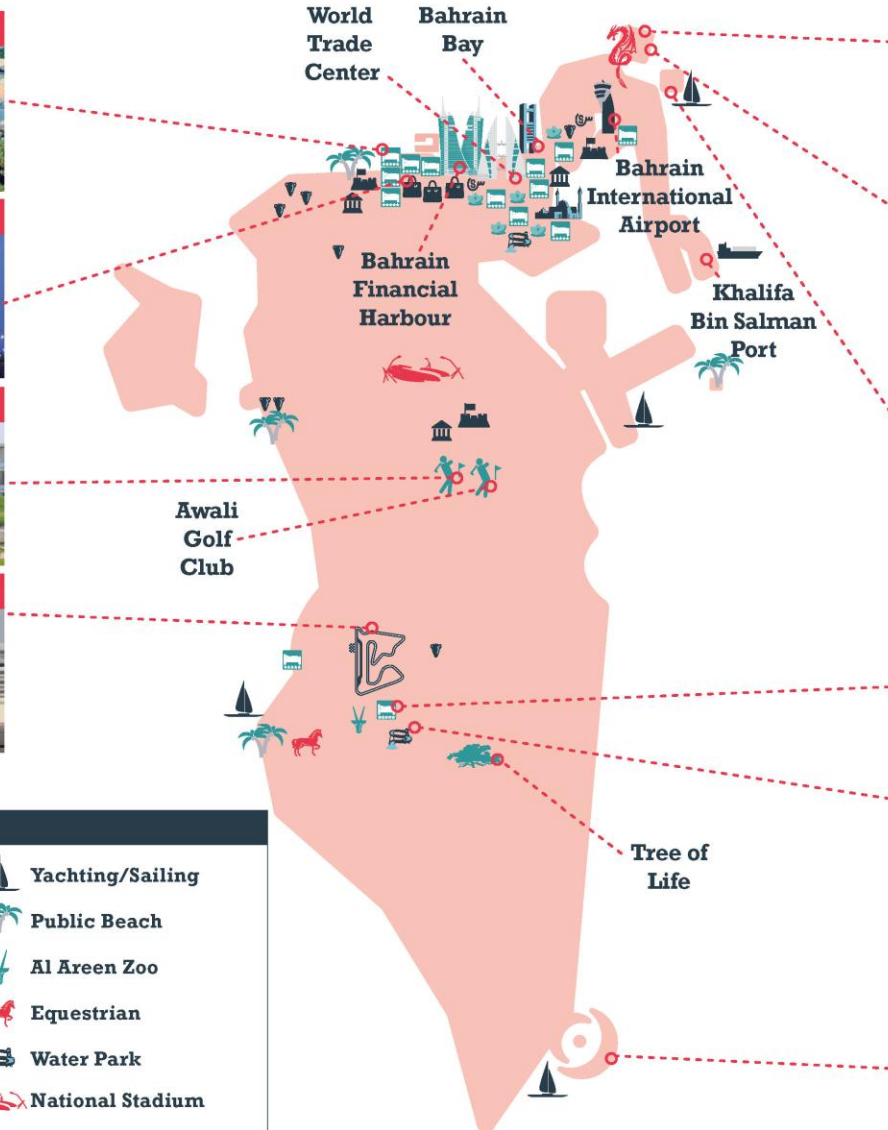
- Doing business in Bahrain costs approx. **40%** lower than Qatar and Dubai

		Overall Experience	Healthcare	Setting Up Utilities	Finding Accommodation	Organizing School for Children
	Bahrain	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	1 <sup>st</sup>
	USA	23 <sup>rd</sup>	19 <sup>th</sup>	11 <sup>th</sup>	12 <sup>th</sup>	12 <sup>th</sup>
	Japan	24 <sup>th</sup>	10 <sup>th</sup>	33 <sup>rd</sup>	20 <sup>th</sup>	36 <sup>th</sup>
	UAE	26 <sup>th</sup>	20 <sup>th</sup>	19 <sup>th</sup>	33 <sup>rd</sup>	25 <sup>th</sup>
	Qatar	29 <sup>th</sup>	17 <sup>th</sup>	20 <sup>th</sup>	35 <sup>th</sup>	32 <sup>nd</sup>
	KSA	37 <sup>th</sup>	27 <sup>th</sup>	21 <sup>st</sup>	36 <sup>th</sup>	26 <sup>th</sup>

1st place for each category goes to: Overall Experience - Thailand, Healthcare - Taiwan, Finding Accommodation – Cayman Islands



Map Key			
	5 Star Hotel		Yachting/Sailing
	Fort		Public Beach
	Museum		Al Areen Zoo
	Archeology and Heritage		Equestrian
	Shopping Mall		Water Park
	Souq (local market)		National Stadium





YOKOGAWA

SIEMENS



Bell Pottinger Group  
Better reputations



RCSI



Formerly known as  
Kraft Foods



HUAWEI



ERNST & YOUNG  
Quality In Everything We Do



MAERSK

Moving Business  
Forward



imagination at work

NORTON ROSE



ATKINS

1m Tech  
Mahindra  
IT Services and Telecom Solutions



NOMURA

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Our aim is to support the growth & diversification of Bahrain's economy by developing a strategy that encourages inward investment & boosts competitiveness in the global marketplace.

We are dedicated to raising living standards by creating greater opportunities for our citizens & by making Bahrain a highly attractive destination for business. We will accomplish these goals by working in partnership with the public & private sectors, & through passion, professionalism, & innovation in all that we do.



## Attracting Inward Investment

Marketing the Kingdom of Bahrain through our overseas network of offices, & working closely with our embassies across the world to promote business investment opportunities



## Supporting initiatives that enhance the business environment

Supporting initiatives that enhance the business environment & working with the Kingdom's ministries, authorities & investors in order to position Bahrain as an attractive investment hub