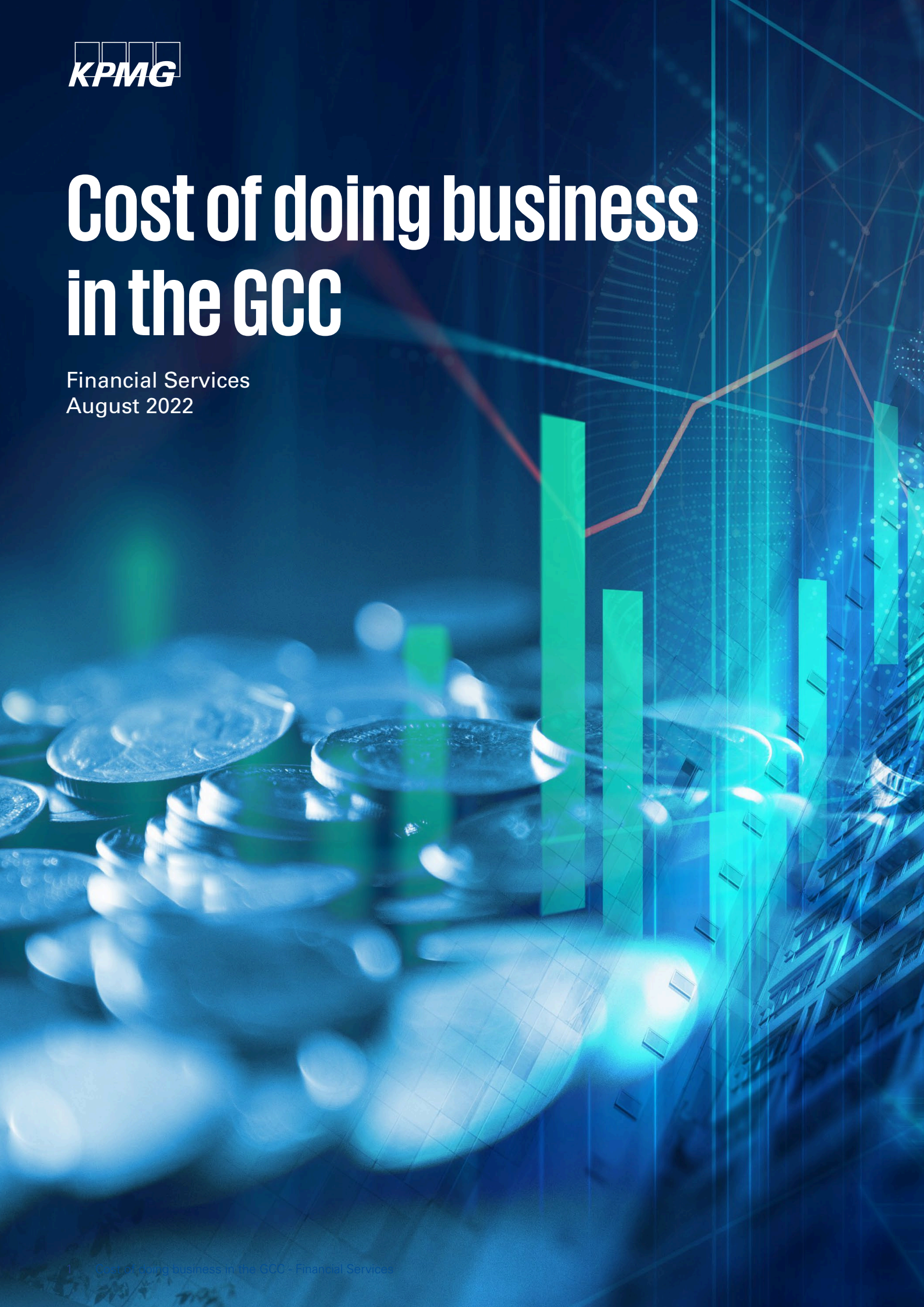




Cost of doing business in the GCC

Financial Services
August 2022



Note to the reader

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Glossary of frequently used terms

ADDC	Abu Dhabi Distribution Company
ADGM	Abu Dhabi Global Market
ADSL	Asymmetric Digital Subscriber Line
ASPR	Authority for Public Services Regulation
CBB	Central Bank of Bahrain
CPE	Customer Premises Equipment
CSB	Civil Service Bureau
CTC	Cost To Company
DEWA	Dubai Electricity And Water Authority
DFSA	Dubai Financial Services Authority
DIFC	Dubai International Financial District
EWA	Electricity and Water Authority
FSRA	Financial Services Regulatory Authority
GCC	Gulf Cooperation Council
IGA	Information and eGovernment Authority
ISP	Internet Service Provider
KSA	Kingdom of Saudi Arabia
LMRA	Labor Market Regulatory Authority
MOHRE	Ministry of Human Resources & Emiratization
MOIC	Ministry of Industry and Commerce
SAMA	Saudi Arabia Monetary Authority
SIO	Social Insurance Organization
VAT	Value Added Tax

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I. Executive Summary

This report aims to look at the typical direct and indirect costs associated with operating an FS institution in the select GCC countries.

Overall, Bahrain is the most competitive country in terms of operating an FS business, with an annual cost 11% lower than the average of select GCC jurisdictions.

Direct Costs

The report analyzes the direct cost of business registration and licensing, commercial rental rates, manpower costs, telecom costs, internet charges, electricity and water charges.

Bahrain enjoys a cost advantage of up to 27% in terms of annual operating costs for FS businesses when compared with its GCC peers.

As compared to the select jurisdictions, Bahrain has the most competitive licensing costs, commercial rental costs, as well as utilities charges.

Indirect Costs

Indirect Costs present an overview of the average cost of living, focusing on the cost of education, residential utility costs, cost of renting residential properties, and domestic help remuneration.

Bahrain is the most competitive GCC country in terms of annual cost of living, 23 percent below the regional average.

Bahrain is the most favourable jurisdiction with regards to the cost of education, accommodation costs and domestic help remuneration in the select GCC countries.



Overall, Bahrain is the most competitive country in terms of operating an FS business, with an annual cost 11% lower than the GCC average.

I. Executive Summary







The following tables outline the cost of setting up, registering and operating a business in the Financial Services sector across Bahrain, Dubai, Abu Dhabi and Saudi Arabia.

Recurring costs considered are manpower salaries, office rental costs, telephone and internet services and electricity and water costs.

Figures in the table below have been rounded off to the nearest ten. This may lead to a minor difference in total cost as compared to the summation of cost heads amounts.



Figure A: Average annual cost of operations

Cost heads in US\$	Bahrain	UAE (DXB)	UAE (ABD)	KSA
 Annual licensing fee ^a	10,640	50,000	15,000	26,600
 Commercial rent ^b	77,060	129,330	148,100	97,390
 Manpower ^c	1,448,660	1,765,100	1,616,960	1,539,320
 Telephone services ^d	8,360	9,540	9,540	8,860
 Internet services ^e	640	2,660	2,660	920
 Electricity and water ^f	2,110	3,900	2,680	2,850
Total cost	1,547,450	1,960,530	1,794,940	1,675,930
Cost difference (v. Bahrain)		↑ 27%	↑ 16%	↑ 8%

a. Annual fees paid to the financial regulator in each jurisdiction

b. Occupancy of 20 employees considered (each with 15 m² workstation). Locations assumed based on KPMG assessment of preferred locations in each jurisdiction

c. Average salaries for 1 CXO, 1 Director, 1 Head of Innovation, 3 Managers, 4 Associates and 10 Analysts

d. 100 International Calls made by 20 employees per month

e. Assumed internet connectivity of between 50-100 Mbps speed in the office space

f. Based on the monthly consumption of 3,440 KWh and 12 m³ of electricity and water for an office size of 150 sqm


I. Executive Summary



Figures in the table below have been rounded off to the nearest ten. This may lead to a minor difference in total cost as compared to the summation of cost heads amounts.



Figure B: Average annual cost of living

Cost heads in US\$		Bahrain	UAE (DXB)	UAE (ABD)	KSA
	Residential - 3-bedroom villa ^g	25,800	42,000	42,980	32,630
	Electricity and water ^h	5,400	6,330	6,280	3,380
	Domestic help remuneration ⁱ	4,370	5,060	5,060	4,400
	Education ^j	8,770	13,500	11,340	13,230
Total cost		44,330	66,890	65,650	53,650
Cost difference (v. Bahrain)			↑ 51%	↑ 48%	↑ 21%

^g. Based on the rental of a 3-bedroom villa semi-furnished, for a family of four

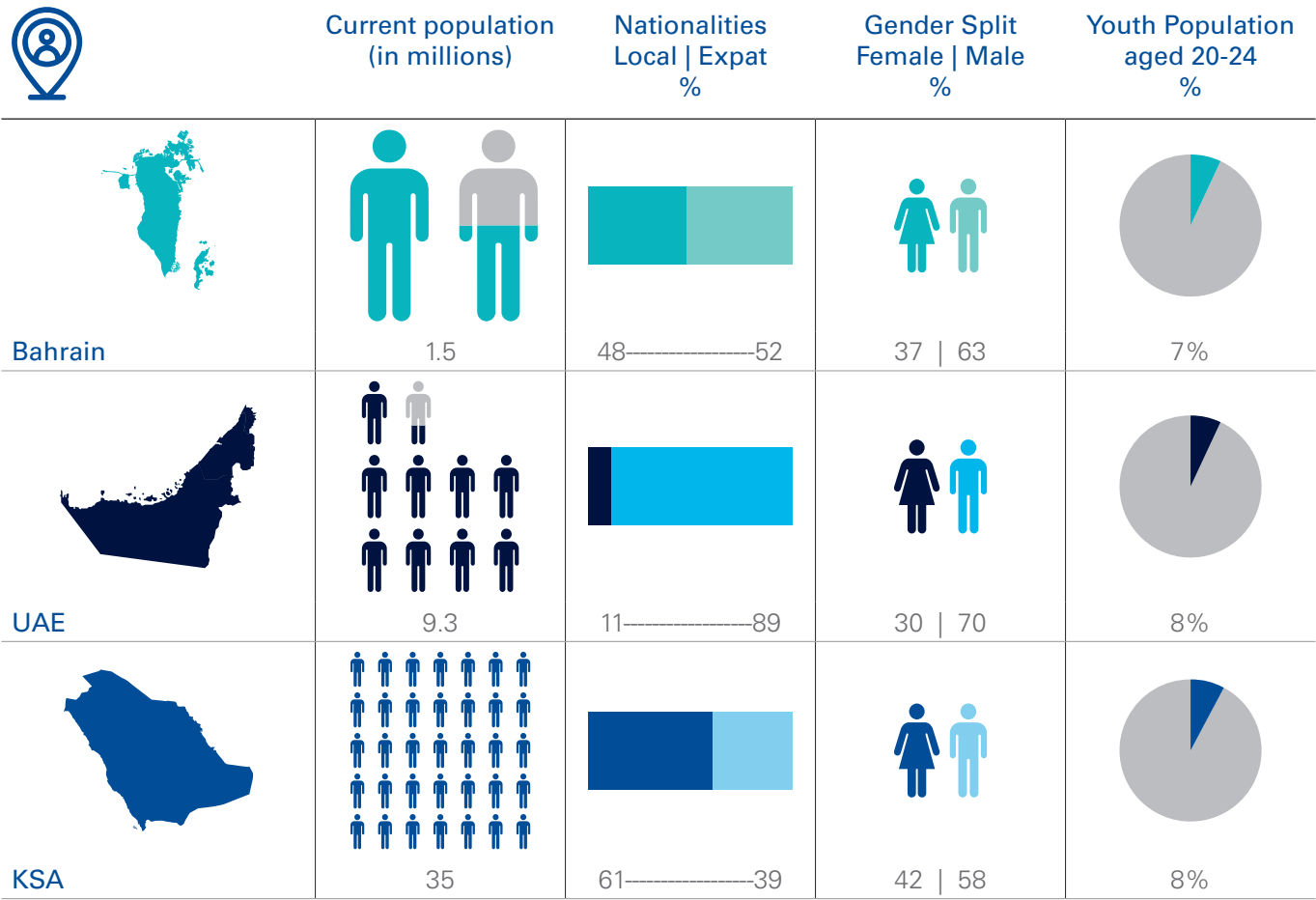
^h. Villa of 4 expat individuals with average electricity and water consumption of 40 kWh and 0.31 m³ per individual

ⁱ. Based on the average remuneration of domestic help. Domestic help cost is based on average of official minimum wage approved by embassies of various nationalities

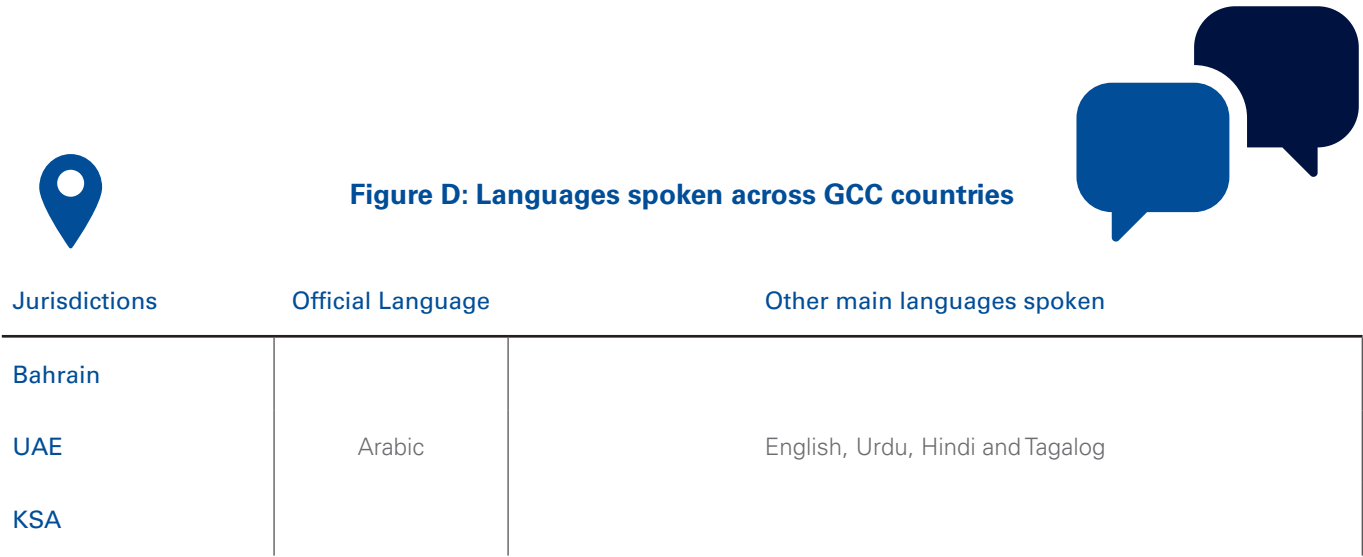
^j. Cost of education for a child in primary education (from grade 3 to grade 6) in a British curriculum school

II. Demographic Snapshot

Figure C: Demographics of the GCC countries



Source: iGA, General Authority for statistics, Bayanat, World Bank, World Population Review



Source: Central Intelligence Agency, Britannica

III. Direct Cost Components

Direct Costs include the cost of business registration and licensing, commercial rental rates, manpower costs, telecom costs, internet charges, electricity and water charges.

3.1 Licensing and registration costs

The Central Bank of Bahrain (CBB), the Dubai Financial Services Authority (DFSA) in Dubai, the Financial Services Regulatory Authority (FSRA) and the Saudi Arabian Monetary Authority (SAMA) are responsible for regulating and supervising the financial sector in the corresponding jurisdictions.

In particular, this report looks at financial institutions that are licensed in dealing in investments as principals or as agents.

Licensing and registration costs are presented in the form of non-refundable application fees, in addition to annual fees charged to the licensees, depending on the type of license held, should the application be successful.



Figure 1: Licensing and registration fees

Figures in US\$

	Regulator	Category	Application Fees	Annual Fees
Bahrain	CBB	Dealing in investments as principal	266	2,659 (floor) 10,636 (cap)
		Dealing in investments as agent	266	2,659 (floor) 10,636 (cap)
UAE (DXB)	DFSA	Dealing in investments as principal	40,000	50,000
		Dealing in investments as agent	25,000	25,000
UAE (ABD)	FSRA	Dealing in investments as principal	15,000	15,000
		Dealing in investments as agent	15,000	15,000
KSA	SAMA	Dealing in investments as principal	53,200	26,600
		Dealing in investments as agent	53,200	26,600

Source: CBB, DFSA, FSRA, ADGM, SAMA

Assumptions:

In Bahrain, Category 3 investment firms have been quoted

In Dubai and Abu Dhabi, Category 3A investment firms have been quoted

In Saudi Arabia, all quoted charges are standard for all financing companies (except for microfinance companies)

In Saudi Arabia, the annual fee mentioned is for a period of 5 years

Note:

The following is the breakdown of the annual fees for the various categories of investment firms in Bahrain:

Category 1 (US\$): 15,954 (floor) / 10,636 (cap), Category 2 (US\$): 10,636 (floor) / 31,908 (cap), Category 3 (US\$): 2,659 (floor) / 10,636 (cap)

III. Direct Cost Components

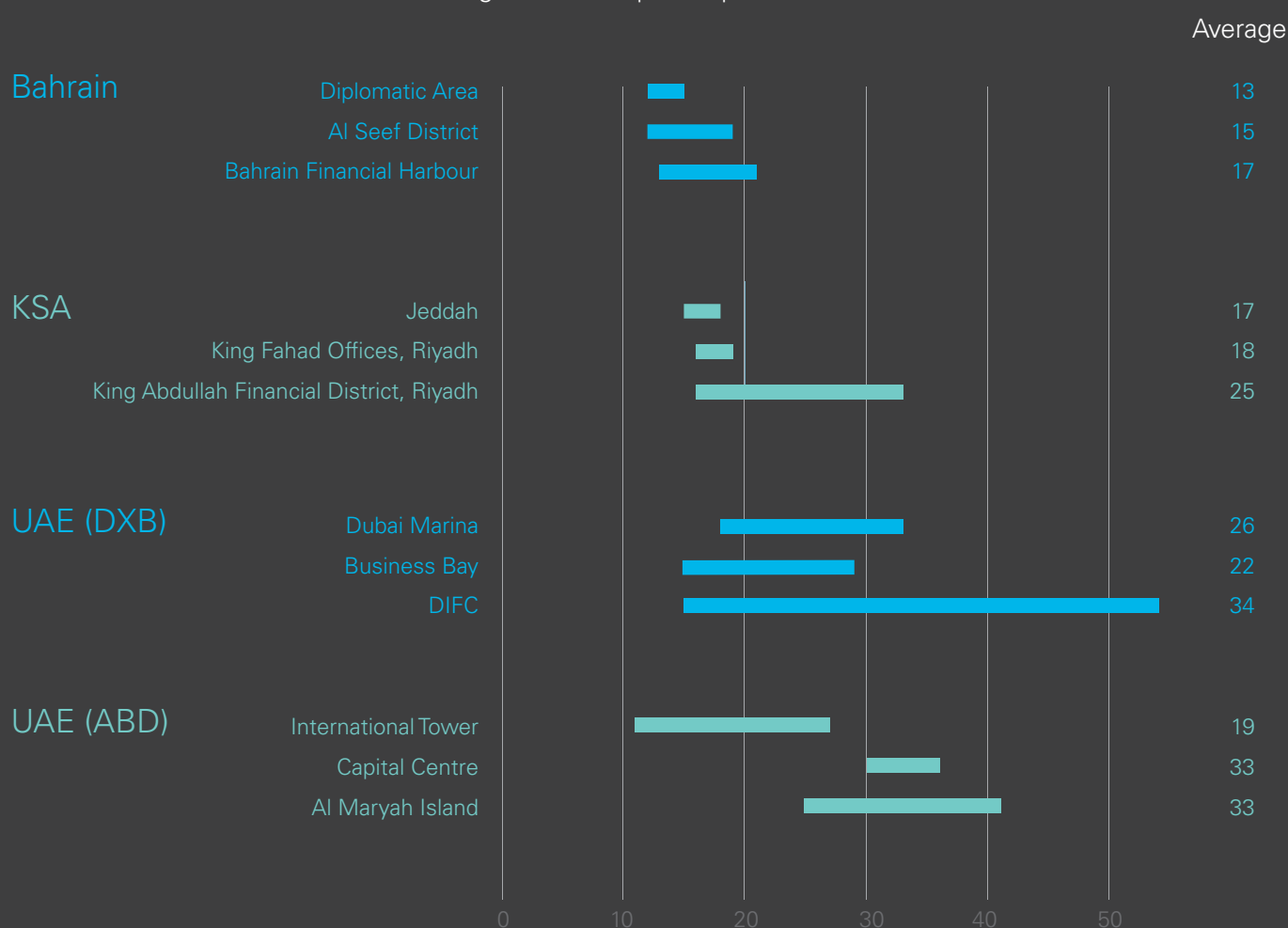
3.2 Rental of commercial office space

Bahrain has the lowest commercial office rental rates, with an average rental rate of US\$ 16 per m² per month across all locations for net internal area (NIA¹). Abu Dhabi offers the most expensive commercial office space, with an average rental rate of US\$ 28 per m² per month across all locations.

The following figure outlines the lower and upper limits for different office spaces across the select jurisdictions.

Figure 2: Commercial office space rental

Figures in US\$ per m² per month



Source: KnightFrank, Savills, Cushman & Wakefield, Primary research, KPMG analysis

(1) NIA refers to the total floor area excluding the area taken up by lobbies, stairs and escalators, lifts and other maintenance areas.

Rental figures above are exclusive of service charge, which differs from one jurisdiction to another. For Bahrain and Saudi Arabia the applicable service charge is 15 and 10 percent of the base rent, respectively. Dubai's service charge varies, averaging 12 percent of the base rent. In Abu Dhabi, service charge is included in the base rent.

III. Direct Cost Components



III. Direct Cost Components

Cost per workstation


The average cost per workstation is derived from averaging the lower and upper limits of a commercial office space, and are inclusive of service charge.

The average cost per workstation is lowest in Bahrain, followed closely by Saudi Arabia and Dubai. Abu Dhabi is the most expensive jurisdiction, averaging US\$ 617 per month.



Figure 3: Average workstation rental ⁽²⁾

Figures in US\$ per m² per month

	Area	Average Rental (US\$ per m ²)	Service Charge	Workstation cost (US\$ per m ² per month)
Bahrain	World Trade Centre	19	15%	321
UAE (DXB)	DIFC	34	5%	539
UAE (ABD)	Al Maryah Island	33	26%	617
KSA	King Abdullah Financial District	25	10%	406

Source: KnightFrank, Savills, Cushman & Wakefield, Primary research, KPMG analysis

(2) A workstation is assumed to be a 15 sqm space per person compiled of a desk and chair, where they undertake their contracted duties.

III. Direct Cost Components

3.3 Commercial utilities costs

Electricity and water tariffs for commercial consumption vary in accordance with the total number of units utilized. All quoted tariffs are based on an electricity consumption of 3,440 kilowatt-hour (kWh) and water consumption of 12 cubic meters (m³) for an office size of 150 sqm.

When compared, Dubai has the highest electricity and water tariffs. Electricity charges are about 98% higher than Bahrain, whereas water charges are nearly 11% more than in Bahrain. Abu Dhabi has 32% higher electricity charges than Bahrain however, water costs are similar to Bahrain.

Figure 4: Electricity costs for commercial consumption of 3,440 kWh/month

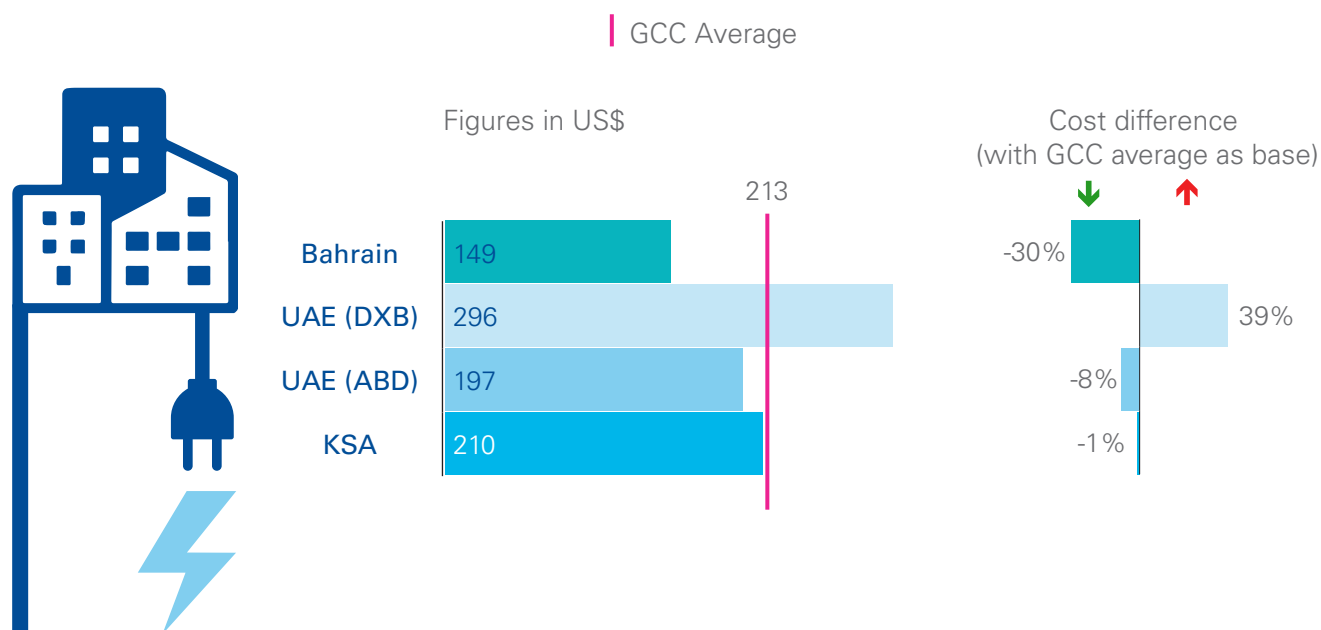
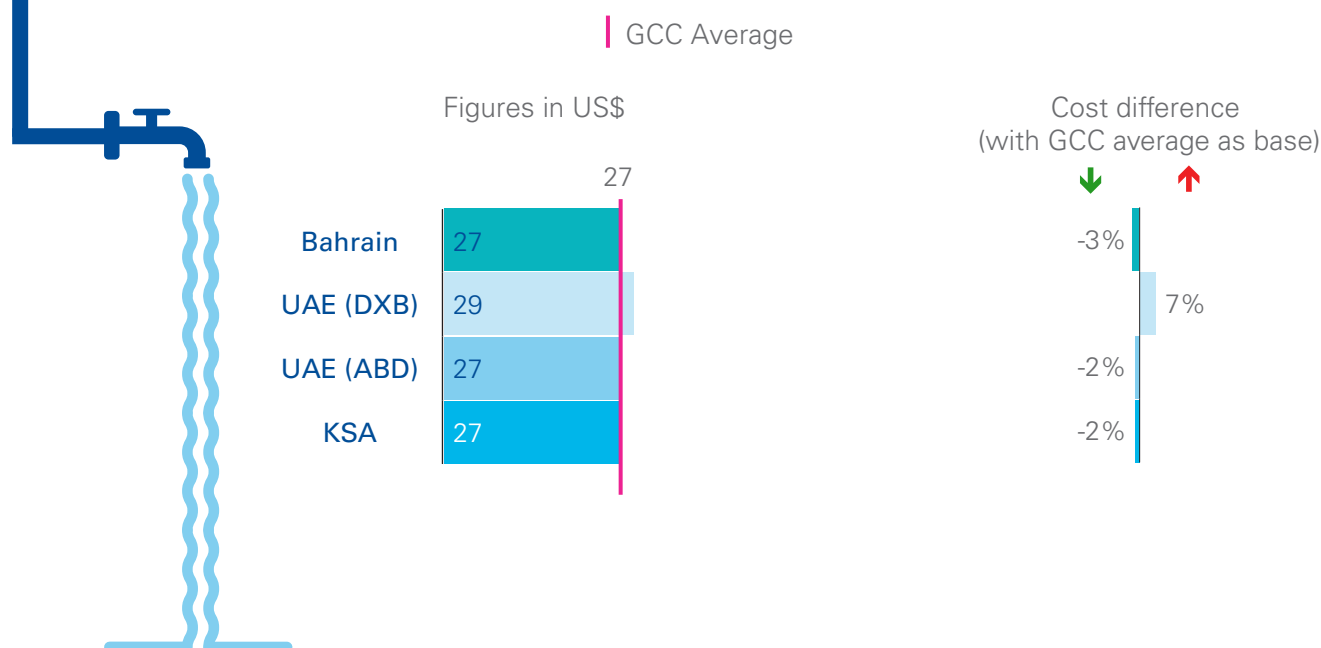


Figure 5: Water costs for commercial consumption of 12 m³/month





III. Direct Cost Components

Telephone services

The cost of telephone services has been calculated based on the corporate rates offered by leading telecommunication providers in Bahrain, UAE and Saudi Arabia.

Figure 6 summarizes the average call rates applied for commercial telephone lines for international calls.

These are the average figures for the call rates offered by different service providers of the select jurisdictions. We have assumed certain international call destinations to portray the difference in the call rates.

The charges in the following table show that Bahrain has the lowest call rates compared to other GCC jurisdictions.



Figure 6: Telephone services – International call charges

Figures in US\$ per minute

To / From	Bahrain	UAE	KSA
Bangladesh	0.87	0.60	0.66
Egypt	0.70	0.60	0.49
India	0.71	0.60	0.51
Iran	0.44	0.60	0.82
Iraq	0.51	0.91	0.69
Jordan	0.40	0.60	0.59
KSA	0.36	0.49	-
Kuwait	0.27	0.49	0.35
Lebanon	0.42	0.60	0.59
Oman	0.31	0.44	0.35
Qatar	0.32	0.49	0.35
UAE	0.35	-	0.35
UK	0.48	0.64	0.69
USA	0.48	0.49	0.59

Source: Zain Bahrain, STC Bahrain, STC KSA, Mobily, Etisalat, DU

III. Direct Cost Components

Internet Charges

The cost of internet service is based on several ranges defined in Figure 7. The features and added benefits may vary between the packages offered by each telecommunication company across the jurisdictions. The UAE and Saudi Arabia do not have internet packages for certain bandwidth ranges, as seen in the table below.

Note that the values have been rounded off to the closest even number (multiple of tens).



Figure 7: Internet charges for businesses

Figures in US\$ per month

Bandwidth (mbps)	Bahrain	UAE	KSA
Up to 50	30 - 50	N/A	N/A
50 - 100	40 - 70	200 - 220	80
100 - 500	90 - 130	260 - 810	110 - 230
500 - 1000	330	550 - 820	N/A

Source: Zain Bahrain, STC Bahrain, STC KSA, Mobily, Etisalat, DU

Notes and assumptions:

- Data limit not considered for the price comparison. Only service speed (1:1 bandwidth is assumed)
- No installation and service charges have been considered for the above. The above data shows monthly recurring rentals
- No VAT considered for the above figures
- Considered the most prominent service providers (up to three providers per country) if available
- Package duration is not considered
- All costs obtained are related to business packages
- All packages assume a contract between the ISP and the company
- Packages are for shared services and do not include prices for dedicated / managed services. Costs were obtained for ADSL and Fiber packages

III. Direct Cost Components

3.4 Manpower costs

When comparing the average salaries for the FS sector, Bahrain stands out as the lowest followed by Saudi Arabia and Abu Dhabi.

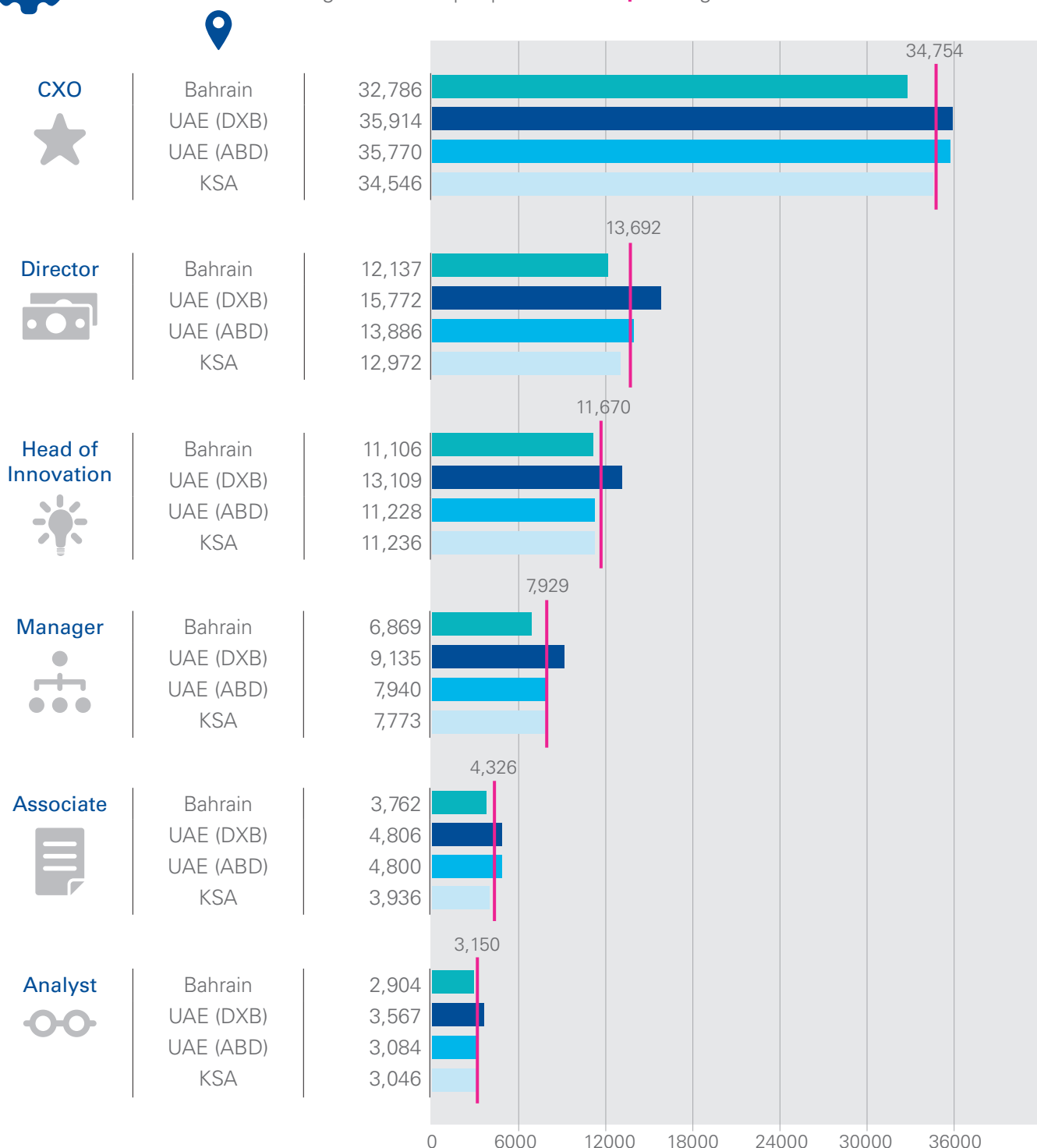
Figure 8 shows the average annual salaries for different positions within the FS sector. The positions described below, are aligned with the CBB rulebook requirements. For further details, please check the Appendix V.



Figure 8: Average monthly salaries for core positions

Figures in US\$ per position

Average



Source: Alexandrapaul Recruitment, Averagesalarysurvey, Bayt, CSB, Erieri, Glassdoor, Gulf Talent, Indeed, Paylab, Payscale, RollThePay, Salary Expert, Salaryexplorer, SIO Bahrain, Talent and The National News.

III. Direct Cost Components

Workforce indicators

Bahrain has the highest employment share in the banking sector as compared to the select GCC peers.

Saudi Arabia has the highest number of employees in the banking sector compared to the others.



Figure 9


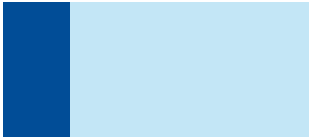


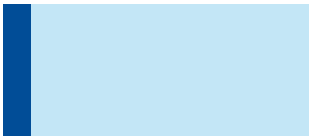


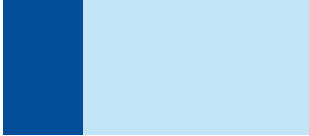

Total workforce by nationality

Figure 10

Total workforce in the Banking sector

Figure 11

Mandated localization quota in the FS sector

	Total workforce as a % of total population	Local Expat %		%	%
 Bahrain	47%		22%	78%	 0-50%
 UAE	80%		9%	91%	 10%
 KSA	36%		26%	74%	 30%

Source: LMRA, Primary and secondary research

Note: For most of the FS activities in Bahrain, the localization rate is 50%. However, for few activities such as Central Banking (BMA), Financial Leasing, Life Insurance - it varies from 0% to 50%. For UAE, Emiratisation targets for the private sector starting with 2% of Emiratis in skilled roles, rising in scale to a 10% Emirati contribution over the coming five years.

III. Direct Cost Components

3.5 Visa and residency costs

Visa and residency costs include the fees for a 2 year residency permit, medical checkup, medical insurance and national ID charges.

The UAE has the lowest fee for a work visa compared to other jurisdictions. However, for single and multiple entry visa, Bahrain has the lowest fee.

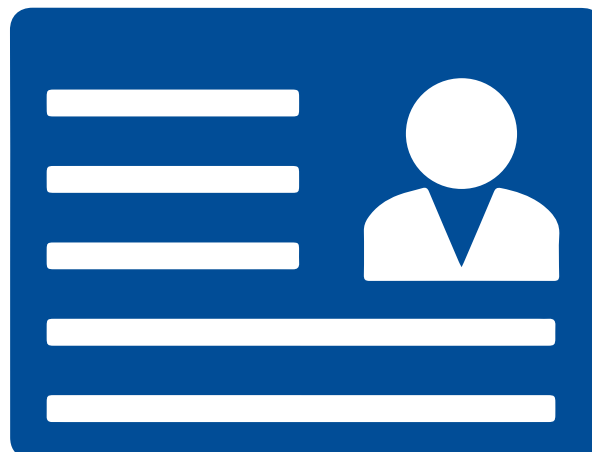
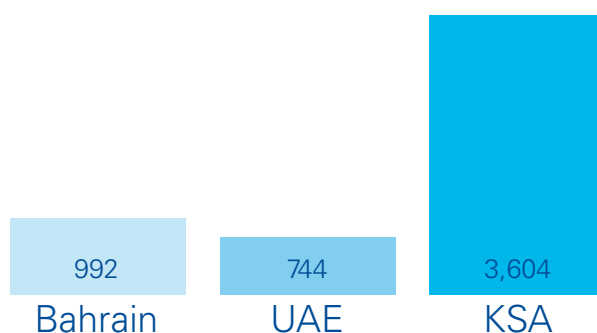


Figure 12: Work visa cost

Figures in US\$



Source: LMRA, UAE Government Portal, Primary Research

Figure 13: Visit visa cost

Figures in US\$

	Single Entry	Multiple Entry
Bahrain	24	77
UAE	95	177
KSA	128	128

Bahrain has the lowest fees for single and multiple entry visit visas

Source: LMRA, UAE Government Portal, Primary Research

III. Direct Cost Components




3.6 Taxes and fees

Personal income tax is not applicable in the covered jurisdictions. As of January 2022, Bahrain increased the VAT rate from 5% to 10%.

In June 2023, the UAE is planning to introduce Corporate Income Tax, at a rate of 9%. Figure 14 summarizes several taxes applicable in the select jurisdictions across the GCC.







Figure 14: Overview of taxes in select jurisdictions

	Bahrain	UAE	KSA
 Corporate Income Tax	0%	0% - 15%	20%
		0%, 9% and 15% depending on the taxable income (w.e.f. 2023)	2.5% Zakat is applicable for companies owned by GCC nationals 20% tax on profits under foreign shareholding
 Municipal tax	7% - 10%	2.5% - 7.5%	0%
	Ranging from 7% to 10% is applicable on the rental amount	DXB: 2.5% for commercial 5% for residential ABD: 5% for commercial 7.5% for residential	
 Capital gains tax	0%	0%	0% - 20%
			Resident shareholders 0% Non-resident shareholders 20%

Source: Primary and secondary research, KPMG analysis

III. Direct Cost Components

Figure 14: Overview of taxes in select jurisdictions (continued)

	Bahrain	UAE	KSA
 VAT	10%	5%	15%
 Employer's Social Security Contribution for Nationals	7% - 12% By employee: 7% By employer: 12%	5% - 15% Dubai: By employee: 5% By employer: 12.5% Abu Dhabi: By employee: 5% By employer: 15%	10% - 12% By employee 10% By employer 12%
 Employer's Social Security Contribution for Expatriates	1% - 3% By employee: 1% By employer: 3%	0%	0% - 2% By employee: 0% By employer: 2%
 Withholding tax	0%	0%	5% - 20% Rates vary based on the type of service. For e.g., 20% for Management Fees; 15% for Royalties and 5% for dividends

Source: Primary and secondary research, KPMG analysis

III. Direct Cost Components

3.7 Incentives for the FS sector

Most incentives focus on the funding of new ventures in the sector and the training and development of nationals.

Figure 15 highlights the key incentives for the FS sector in the covered jurisdictions.



Figure 15: Key incentives for FS sector in the GCC



Bahrain

MOIC



Within Bahrain, subsidiaries and incorporated entities are allowed 100% ownership. There are no restrictions on capital repatriation, currency exchange or transfer of dividends.

Tamkeen



Companies registered locally can apply to 'Training and wage support' by Tamkeen. Hiring the local population in the workforce can assist companies in getting training and wage grants from the semigovernment organization, Tamkeen.

SMEs can benefit from a subsidy that reduces licensing and fees by up to 90 percent for up to 3 years.

Tamkeen in collaboration with the EDB established an "FDI Support" program that provides access to grants and financing solutions for medium and large enterprises, enabling the setup and expansion of foreign business in Bahrain.

The launch of the "Start Your Business" program provides support for entrepreneurs and innovators to set up and facilitate access to funding solutions.

Wage subsidy support for nationals (up to 70% for Year 1; 50% for Year 2; 30% for Year 3) for fresh graduates and 50% salary for 12 months for experienced professionals (for employees at Middle management / Executive Leadership positions).

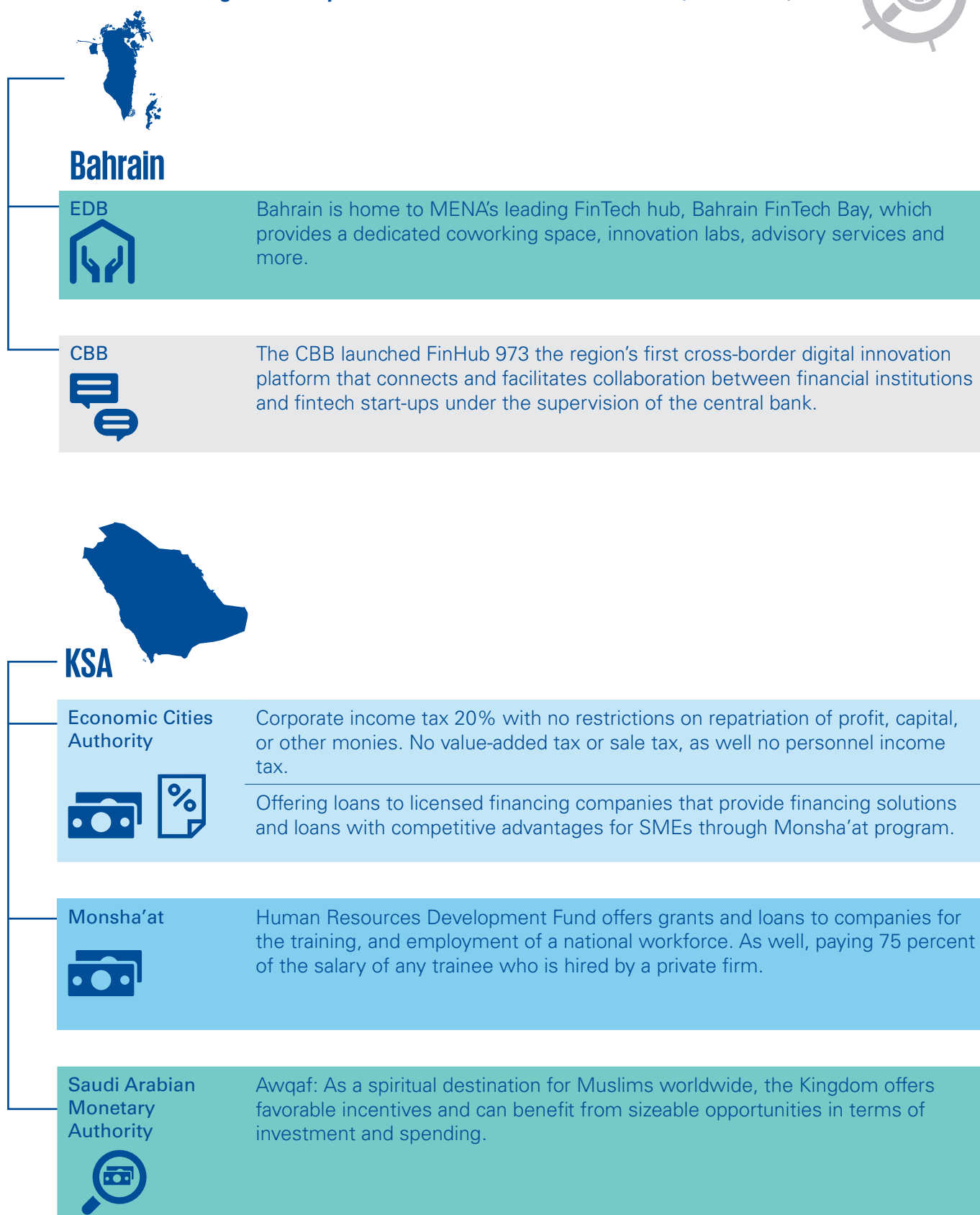
Wage Increment Support of US\$ 50 – 700 for a duration of 12 months. The financial support provided shall be capped based on the employee's salary at the time of application submission. If an enterprise wishes to extend the wage increment support for an additional 12 months, the employee's salary must be incremented again, and the new salary must be reflected in the SIO. Tamkeen shall then cover the cost of the old and new increment for the additional 12 months.

Train and Place program launched by Tamkeen that offers financial grants covering 50% of training costs to find and train Bahraini talents that can support the organization's growth in all sectors except education.

Source: Respective authorities



Figure 15: Key incentives for FS sector in the GCC (Continued)



Source: Respective authorities



Figure 15: Key incentives for FS sector in the GCC (Continued)



Source: Respective authorities

IV. Indirect Cost Components

Indirect Costs present an overview of the regulatory requirements for financial institutions, average cost of living, focusing on the accommodation costs, costs of education, residential utilities costs, vehicle and fuel costs and domestic help remuneration.



IV. Indirect Cost Components

4.1 Regulatory Requirements

Figure 16 highlights the core principle of capital adequacy ratio recommendations; the amount of capital a financial institution must hold as required by its financial regulator, in line with the Basel committee accords, Basel I and Basel III.

Figure 17 outlines the regulated capital adequacy ratios for Bahrain (Central Bank of Bahrain), Dubai and Abu Dhabi (Central Bank of the UAE) and Saudi Arabia (SaudiCentral Bank).



Figure 16: Overview of capital adequacy requirements (under Basel Frameworks)

Framework	Minimum Tier 1 Capital Requirement	Total Capital Adequacy
Basel I	4%	8%
Basel III	6%	10.5%

Source: Bank for International Settlements

Figure 17: Capital adequacy requirements

Jurisdiction	Minimum Tier 1 (Including CCB ³)	Minimum Total Capital (Including CCB)
Bahrain	10.5%	12.5%
UAE	11.0%	13.0%
KSA	8.5%	10.5%

Source: CBB, Central Bank of the UAE, SAMA

(3) Includes capital conservative buffer (CCB) of 2.5% where applicable

IV. Indirect Cost Components

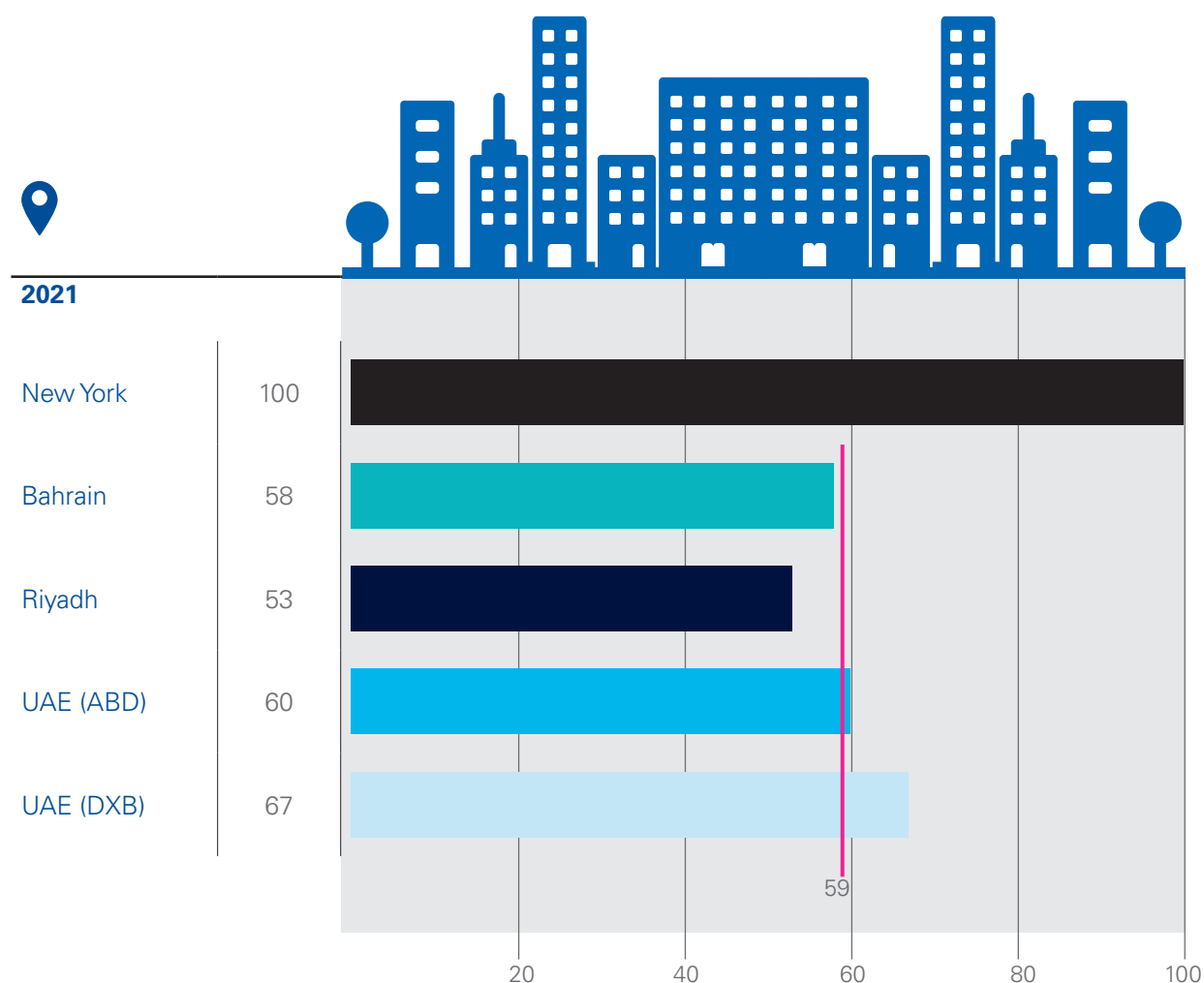
4.2 Cost of living index

The cost-of-living index allows comparison of day-to-day living expenses (housing, transportation, healthcare, utilities etc.) between different jurisdictions over a period. The cost-of-living index is calculated for the covered jurisdictions by comparing them with New York as a base.

The cost of living in Bahrain is very appealing, below the average.

Figure 18: Cost of living index

| Average



Source: Numbeo.com

IV. Indirect Cost Components

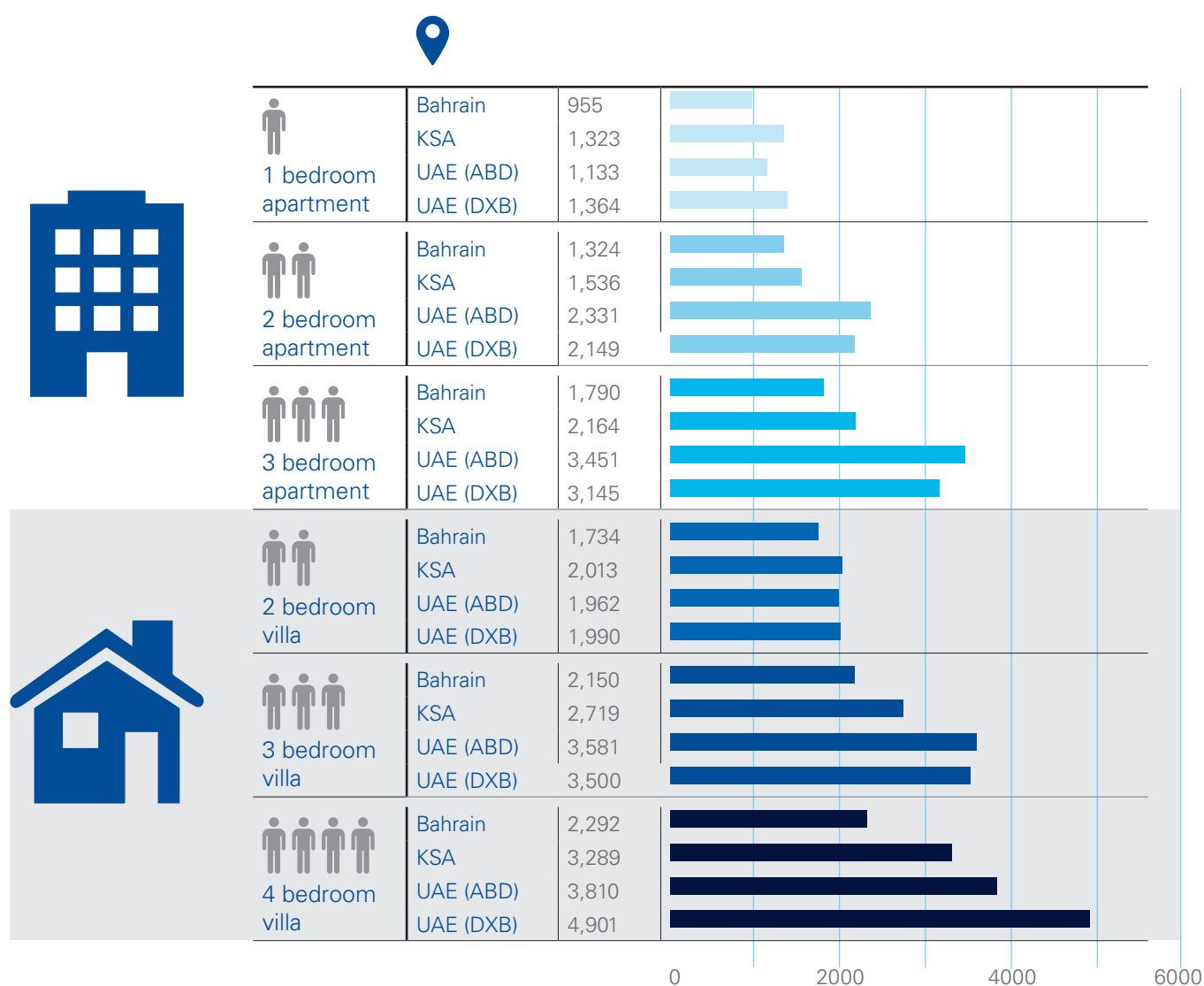
4.3 Accommodation costs

Amongst the select GCC countries, Bahrain has the lowest prices of villa accommodation.

The following graph shows the average rentals per month for different apartment and villa categories.

Figure 19: Average monthly accommodation rentals comparison

Figures in US\$ per month



Source: Property Finder, Savills, Hilitehomes, Property Plus, dubizzle

IV. Indirect Cost Components

4.4 Residential utilities costs

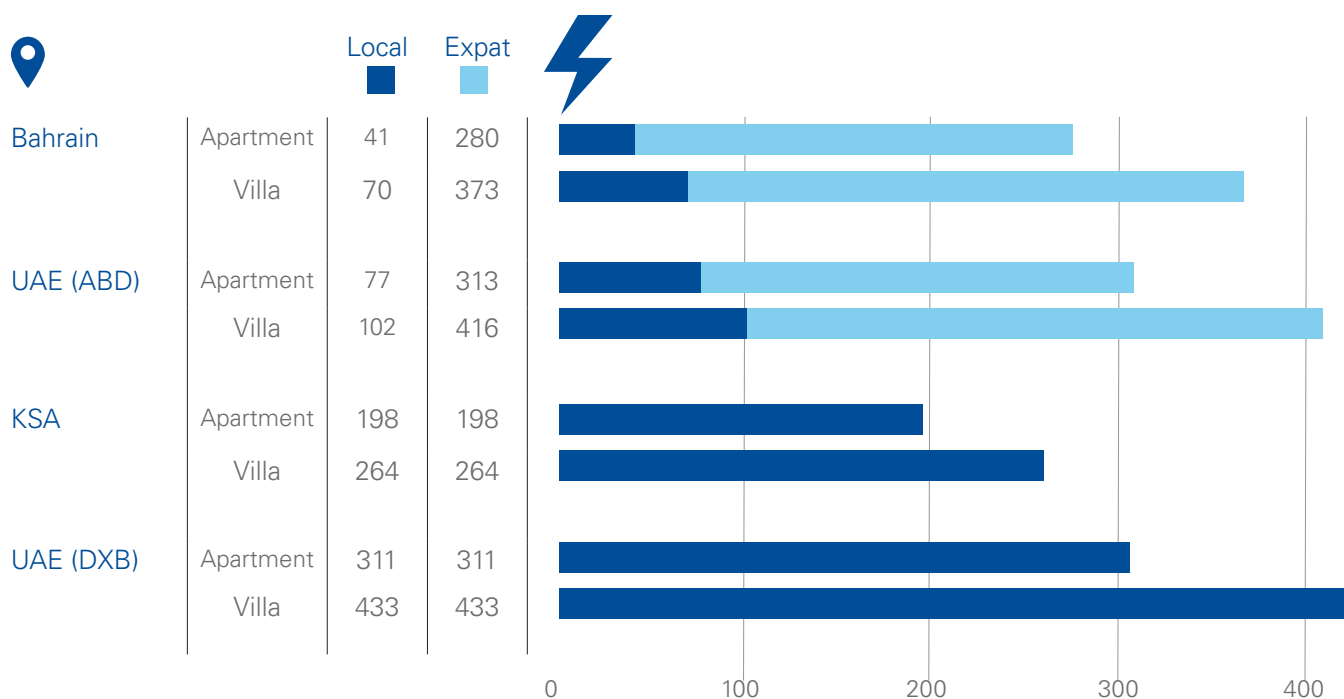
Figure 20 illustrates the differences in domestic electricity costs between other countries for a household of four people, living in either an apartment or a villa. The costs are based on a daily electricity consumption of 30 kWh per capita for an apartment, and 40kWh per capita for a villa.

Bahrain and Abu Dhabi are the only jurisdictions which have different electricity tariffs for nationals and expatriates.



Figure 20: Monthly electricity costs per household

Figures in US\$ per month



Source: EWA, DEWA, ADDC, Saudi Distribution Company

Note:

1) A fixed monthly charge of US\$ 2.65 is added to Bahrain's utility tariffs (electricity and water)

2) Dubai's utility tariffs include a fuel surcharge added for consumption of both electricity and water

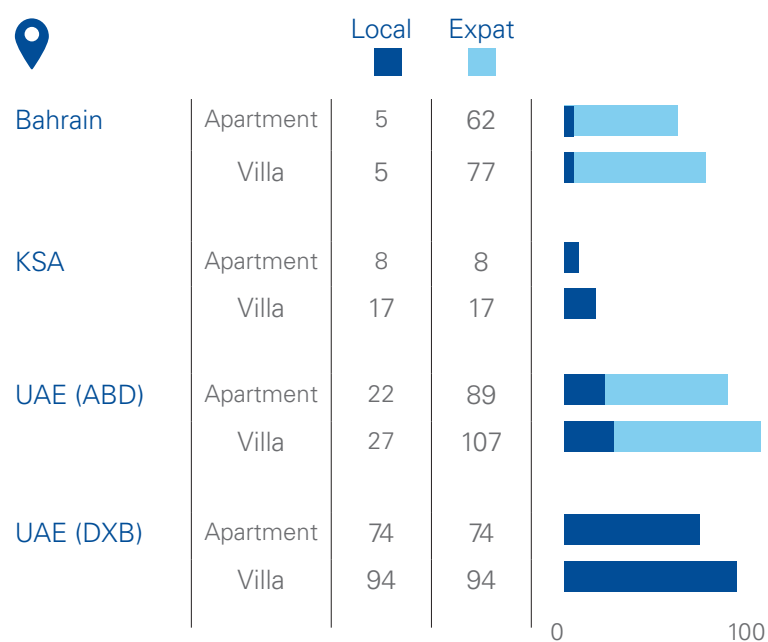
IV. Indirect Cost Components

Figure 21 shows the monthly water consumption for a household of four members, with a daily consumption of 250 liters per capita living in an apartment and 310 litres per capita residing in a villa.

Saudi Arabia has the lowest water cost in the GCC.

Figure 21: Monthly water costs per household

Figures in US\$ per month



Source: EWA, DEWA, ADDC, Saudi Distribution Company

Note:

1) A fixed monthly charge of US\$ 2.65 is added to Bahrain's utility tariffs (electricity and water)

2) Dubai's utility tariffs include a fuel surcharge added for consumption of both electricity and water

IV. Indirect Cost Components

4.5 Education costs


Figure 22 outlines the average annual cost of schooling in the covered jurisdictions. Bahrain has the lowest average cost in relation to fees for the American curriculum.

For the Indian curriculum, however, the cost of schooling is lowest in Jeddah compared to the other GCC countries.



Figure 22: Average annual cost of schooling per curriculum

Figures in US\$ per annum

	Curriculum	Elementary education (KG2)	Primary education (G6)	Secondary education (G12)
Bahrain	American	6,643	8,503	11,390
	British	6,111	8,768	12,576
	Indian	1,843	2,335	3,297
UAE (DXB)	American	10,002	13,450	17,802
	British	9,911	13,503	17,427
	Indian	3,984	5,445	7,544
UAE (ABD)	American	10,315	13,003	14,819
	British	9,611	11,337	13,033
	Indian	2,469	2,754	4,035
KSA (Riyadh)	American	9,165	10,814	12,134
	British	11,313	13,225	17,890
	Indian	1,346	1,506	1,798
KSA (Jeddah)	American	7,388	9,277	11,342
	British	12,642	14,177	19,395
	Indian	894	1,053	1,213

Source: School websites

Note:

For American curriculum school, fee for Grade 7 has been considered for Grade 6. and fee for Grade 13 has been considered for Grade 12. Only annual tuition fees are considered in the calculations. Other educational costs, such as registration fees, book fees, facilities fees are not included.

Computational methodology:

The average has been computed based on the sample set of select key schools across the three curriculums in the respective jurisdictions

IV. Indirect Cost Components

4.6 Vehicle and fuel costs

The average cost of different new vehicles in the select GCC countries is shown in the below figure.



Figure 23: Vehicle purchase prices across GCC countries

Figures in US\$

Location	Mitsubishi Attrage 1.2 (GLX)	Audi A3	Ford Expedition XLT	BMW 5 series 520i	Average
	Economy	Premium	SUV	Luxury	
Bahrain	10,640	26,320	42,540	73,120	38,160
UAE	10,040	28,050	51,380	78,960	42,110
Saudi Arabia	10,240	37,590	69,300	70,490	46,900

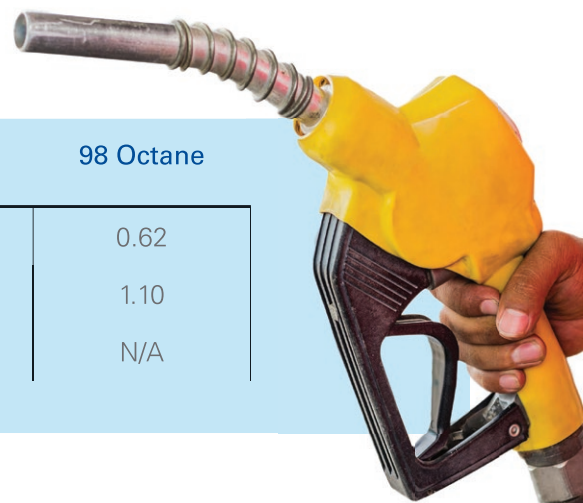
Source: YallaMotors, DriveArabia, local dealers



Figure 24: Fuel Prices

Figures in US\$ per litre

Location	Diesel	91 Octane	95 Octane	98 Octane
Bahrain	0.48	0.37	0.53	0.62
UAE	1.13	1.04	1.07	1.10
KSA	0.14	0.58	0.62	N/A



Source: Aramco, Khaleej Times and Load-me

Note: Fuel prices for the respective jurisdictions are collected as of August 2022. The fuel prices are subject to change. Countries such as the UAE change fuel prices on a monthly basis.

IV. Indirect Cost Components

4.7 Domestic help costs

The cost of a visa for domestic help is shown in Figure 25. Bahrain has the lowest domestic visa cost in the select GCC countries. UAE, on the other hand, has the most expensive domestic visa prices.

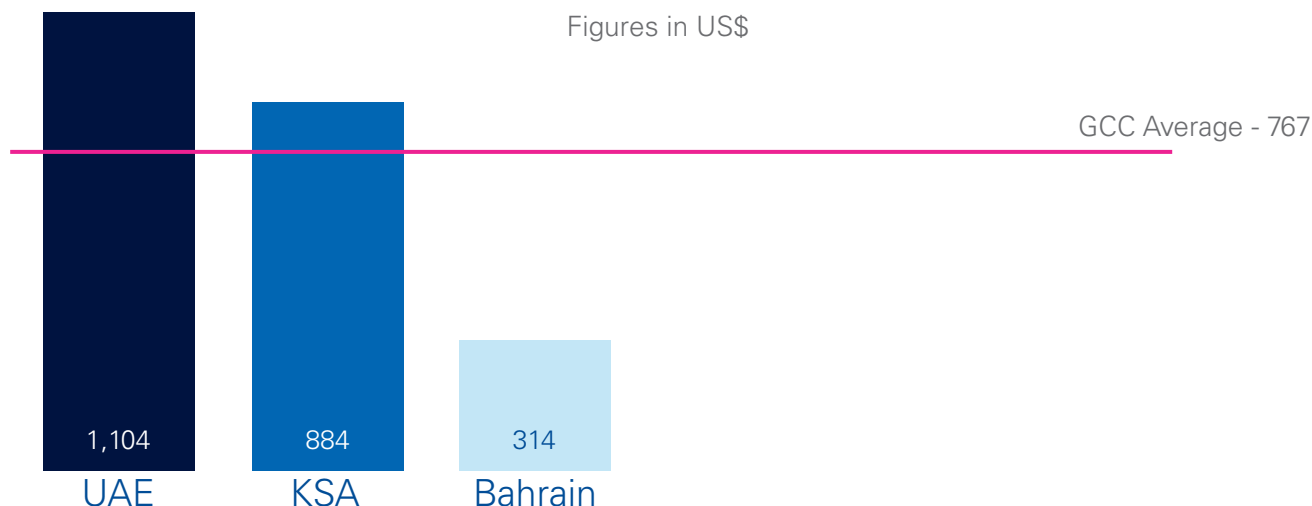
Bahrain, the UAE and Saudi Arabia offer domestic help visa packages. These include the costs of medical tests, national identity card and work permit.

Overall, the UAE is substantially more expensive than Bahrain and Saudi Arabia in terms of domestic visa costs.



Figure 25: Domestic help visa costs

Figures in US\$



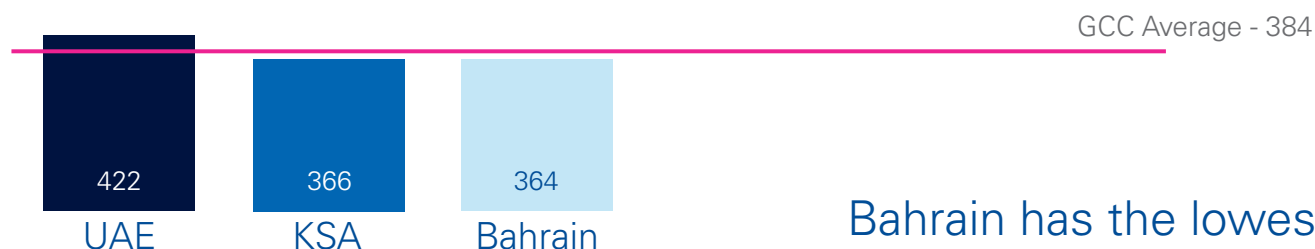
Source: LMRA, MOHRE, Musaned, KPMG analysis

Figure 26 represents the average wages for domestic help in the select GCC countries. When compared to the GCC average wage for domestic help, which is US\$ 384, Bahrain has the lowest domestic help wage.

The average number has been arrived at taking into consideration the wage range of different nationalities. The wages vary by nationality.

Figure 26: Domestic help wages

Figures in US\$



Bahrain has the lowest domestic help wage.

Source: Primary and secondary research.

V. Appendix

Electricity and water tariff structure in Bahrain


Cost of commercial utilities - Water

US\$ per m³

	Any Quantity
Bahrain	1.99


Cost of commercial utilities - Electricity

US\$ per kWh

	First 5,000 kWh	Above 5,000 kWh
Bahrain	0.04	0.08


Cost of residential utilities - Water

US\$ per m³

	First 60 m ³	61 - 100 m ³	Above 100 m ³
Bahrain (for nationals with one account)	0.07	0.21	0.53
Bahrain (for nationals with more than one account and expats)	1.99	1.99	1.99

Cost of residential utilities - Electricity

US\$ per kWh

	First 3,000 kWh	3,001 - 5,000 kWh	Above 5,000 kWh
Bahrain (for nationals with one account)	0.01	0.02	0.04
Bahrain (for nationals with more than one account and expats)	0.08	0.08	0.08

Source: Electricity and Water Authority

V. Appendix

Electricity and water tariff structure in Dubai

Cost of commercial utilities - Water

US\$ per m³

	0 - 45 m ³	46 - 90 m ³	91 m ³ and Above
UAE (DXB)	2.33	2.63	2.99

Cost of commercial utilities - Electricity (2022)

US\$ per kWh

	First 2,000 kWh	2001 - 4,000 kWh	4001-6000 kWh	Above 6,001 kWh
UAE (DXB)	0.08	0.09	0.10	0.12


Cost of residential utilities - Water

US\$ per m³

	0 - 27 m ³	27 - 55 m ³	55 m ³ and Above
UAE (DXB)	2.33	2.63	2.99

Cost of residential utilities - Electricity (2022)

US\$ per kWh

	First 2,000 kWh	2001 - 4,000 kWh	4001-6000 kWh	Above 6,001 kWh
UAE (DXB)	0.08	0.09	0.10	0.12

Source: Dubai Electricity and Water Authority

V. Appendix

Electricity and water tariff structure in Abu Dhabi

Cost of commercial utilities - Water (2022)

US\$ per m³

	Any Quantity
UAE (ABD)	2.13

Cost of commercial utilities -Electricity (2022)

US\$ per kWh

	Any Quantity
UAE (ABD)	0.05

Cost of residential utilities - Water (2022)

US\$ per m³ per day

	UAE Nationals Villas 0 - 7 m ³	UAE Nationals Villas Above 7 m ³	UAE Nationals Flats 0 - 0.7 m ³	UAE Nationals Flats Above 0.7 m ³
UAE (ABD)	0.57	0.71	0.57	0.71

Cost of residential utilities - Water (2022)

US\$ per m³ per month

	Expats Villas 0 - 7 m ³	Expats Villas Above 7 m ³	Expats Flats 0 - 0.7 m ³	Expats Flats Above 0.7 m ³
UAE (ABD)	2.13	2.83	2.13	2.83

Cost of residential utilities - Electricity (2022)

US\$ per kWh per day

	UAE Nationals Villas 0 - 400 kWh	UAE Nationals Villas Above 400 kWh	UAE Nationals Flats 0 - 30 kWh	UAE Nationals Flats Above 30 kWh
UAE (ABD)	0.018	0.020	0.018	0.020

Cost of residential utilities - Electricity (2022)

US\$ per kWh per day

	Expats Villas 0 - 200 kWh	Expats Villas Above 200 kWh	Expats Flats 0 - 20 kWh	Expats Flats Above 20 kWh
UAE (ABD)	0.07	0.08	0.07	0.08

Source: Abu Dhabi Distribution Company

V. Appendix

Electricity and water tariff structure in Saudi Arabia


Cost of commercial utilities - Water (2022)

US\$ per m³

	Any consumption unit
Saudi Arabia	1.95


Cost of commercial utilities - Electricity (2022)

US\$ per kWh

	First 6,000 kWh	Above 6,000kWh
Saudi Arabia	0.05	0.08


Cost of residential utilities - Water (2022)

US\$ per m³

	0 - 15 m3	16 - 30 m3	31 - 45 m3	46 - 60 m3	Above 61 m3
Saudi Arabia	0.04	0.40	1.20	1.60	2.39

Cost of residential utilities - Electricity (2022)

US\$ per kWh

	First 6,000 kWh	Above 6,000kWh
Saudi Arabia	0.05	0.08

Source: Saudi Electricity Company, MARAFIQ

V. Appendix

Visit Visa (On Arrival) Countries in the GCC

	Bahrain	UAE	Saudi Arabia
1	Andorra	Andorra	Andorra
2	Argentina	Argentina	Australia
3	Australia	Australia	Austria
4	Austria	Austria	Belgium
5	Belgium	Bahamas Islands	Brunei
6	Bolivia	Barbados	Bulgaria
7	Brazil	Belgium	Canada
8	Brunei	Brazil	China
9	Bulgaria	Brunei	Croatia
10	Canada	Bulgaria	Cyprus
11	Chile	Canada	Czech Republic
12	China	Chile	Denmark
13	Colombia	China	Estonia
14	Croatia	Colombia	Finland
15	Cyprus	Costa Rica	France
16	Czech Republic	Croatia	Germany
17	Denmark	Cyprus	Greece
18	Ecuador	Czech Republic	Hungary
19	Estonia	Denmark	Iceland
20	Falkland Islands	El Salvador	Ireland
21	Finland	Estonia	Italy
22	France	Finland	Japan
23	French Guyana	France	Kazakhstan
24	Georgia	Germany	Latvia

V. Appendix

Visit Visa (On Arrival) Countries in the GCC

	Bahrain	UAE	Saudi Arabia
25	Germany	Greece	Liechtenstein
26	Greece	Honduras	Lithuania
27	Guyana	Hong Kong, China	Luxembourg
28	Hong Kong	Hungary	Malaysia
29	Hungary	Iceland	Malta
30	Iceland	Italy	Monaco
31	India	Japan	Montenegro
32	Ireland	Kazakhstan	Netherlands
33	Italy	Kiribati	New Zealand
34	Japan	Latvia	Norway
35	Kazakhstan	Liechtenstein	Poland
36	Latvia	Lithuania	Portugal
37	Lichtenstein	Luxembourg	Romania
38	Lithuania	Macau, China	Russia
39	Luxemburg	Malaysia	San Marino
40	Macau	Maldives	Singapore
41	Malaysia	Malta	Slovakia
42	Malta	Mauritius	Slovenia
43	Mexico	Mexico	South Korea
44	Monaco	Monaco	Spain
45	Netherlands	Montenegro	Sweden
46	New Zealand	Nauru	Switzerland
47	Norway	Netherlands	Ukraine
48	Paraguay	New Zealand	United Kingdom

V. Appendix

Visit Visa (On Arrival) Countries in the GCC

	Bahrain	UAE	Saudi Arabia
49	Peru	Norway	USA
50	Poland	Paraguay	
51	Portugal	Peru	
52	Romania	Poland	
53	Russia	Portugal	
54	San Marino	Republic of Ireland	
55	Singapore	Romania	
56	Slovakia	Russian Federation	
57	Slovenia	Saint Vincent and the Grenadines	
58	South Korea	San Marino	
59	Spain	Serbia	
60	Suriname	Seychelles	
61	Sweden	Singapore	
62	Switzerland	Slovakia	
63	Thailand	Slovenia	
64	UK	Solomon Islands	
65	Ukraine	South Korea	
66	Uruguay	Spain	
67	USA	Sweden	
68	Vatican City	Switzerland	
69	Venezuela	Ukraine	
70		UK and Northern Ireland	
71		USA	
72		Uruguay	
73		Vatican City	

Definition of FS Positions

Core Positions

CXO	Executive Position - responsible for the overall management of the firm or a particular division(s) (e.g., CEO, COO, CMO, CIO, Chief Technology Officer, etc.)
Director	Above managerial position - responsible for the management of a Division under the guidance of Executives. This includes Director, Executive Director, Head of Compliance, and Head of Credit Administration.
Head of Innovation	Above managerial position - responsible for innovation in products and/or services provided internally and externally or are responsible for general change culture in the firm. Head of Innovation positions include: Brand Manager, Product Manager, Senior Product Manager, Chief Digital Officer, Financial Manager, and Strategy Director.
Manager	Managerial position - responsible for leading a department, tasks or projects of the organization and responsible for target related to business of the firm. Manager, Compliance Manager, Finance/Treasury Manager, Corporate Treasurer, General Manager, Branch Manager, Treasury Manager, Corporate Treasurer, Compliance Manager, and Tax Manager.
Associate	Non-managerial position - part of the core team to execute projects, sell products and services and work under the guidance of managers. Associate positions include: Internal Compliance Officer, Compliance Officer, Fraud Detection Associate, Bank Associate, Audit Associate, Capital Markets Associate, SEO Associate, Senior Associate, Bank Operations Officer, and Credit Risk Associate.
Analyst	Non-managerial position - responsible for reception, customer services, customer representation, front desk and directory operator. Analyst positions include: Anti Money Laundry (AML) Analyst, Financial Analyst, Business Analyst, Tax Analyst, Data Analyst, Senior Analyst, and Analyst.



Contact us

For all business queries, please email us at **kpmgbh@kpmg.com**

You can also call us at **+973 1722 4807** for general enquiries.

For more information, please visit **home.kpmg/bh**

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