



Cost of doing business in the GCC

Information, Communications and Technology
August 2022



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Glossary of frequently used terms

ADDC	Abu Dhabi Distribution Company
ADSL	Asymmetric Digital Subscriber Line
ASPR	Authority for Public Services Regulation
CPE	Customer Premises Equipment
CSB	Civil Service Bureau
CTC	Cost To Company
DEWA	Dubai Electricity And Water Authority
EWA	Electricity and Water Authority
GCC	Gulf Cooperation Council
ISP	Internet Service Provider
IGA	Information and eGovernment Authority
KSA	Kingdom of Saudi Arabia
LMRA	Labor Market Regulatory Authority
MOHRE	Ministry of Human Resources & Emiratisation
MOIC	Ministry of Industry and Commerce
OTF	Oman Technology Fund
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 ICT firm in the GCC countries.

Overall, Bahrain is the most competitive country in terms of operating an ICT business, with an annual cost 13% lower than the GCC average.

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, and IT infrastructure costs.

Bahrain enjoys a cost advantage of up to 28% in terms of annual operating costs for an ICT business when compared with its GCC peers.

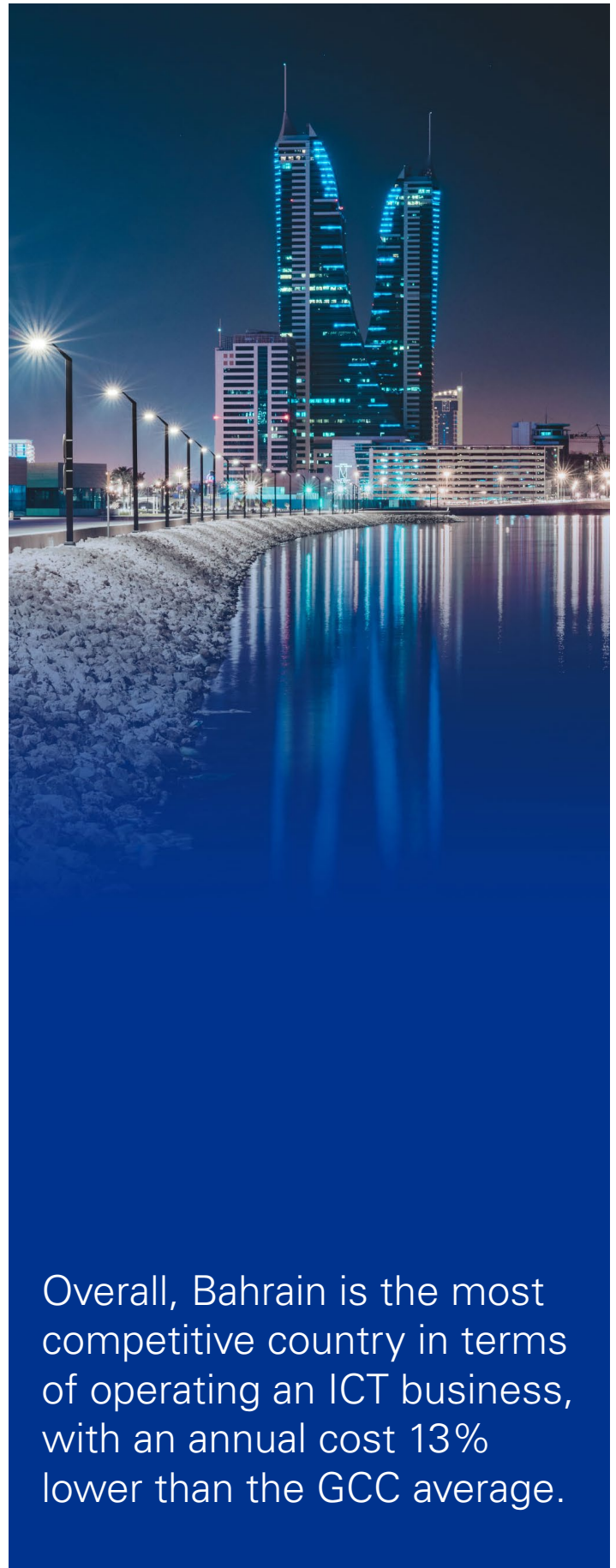
As compared to the select jurisdictions, Bahrain has the most competitive commercial rental costs, manpower costs as well as internet charges.

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, 24 percent below the regional average.

Bahrain is the most favourable jurisdiction with regards to the cost of education and accommodation costs in the GCC.



Overall, Bahrain is the most competitive country in terms of operating an ICT business, with an annual cost 13% lower than the GCC average.

I. Executive Summary








The following tables outline the cost of setting up, registering and operating an ICT business.

Recurring utility costs considered are manpower salaries, office rental costs, telephone and internet services, electricity and water costs, cloud computing and minor applications.

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	Qatar	Kuwait	Oman
 Annual licensing fee ^a	440	570	320	3,330	960	750	570
 Commercial rent ^b	55,040	87,200	85,030	70,400	125,240	130,300	59,670
 Manpower ^c	960,610	1,216,590	1,200,140	1,050,660	1,084,120	1,058,890	974,270
 Telephone services ^d	13,530	13,750	13,750	15,650	8,180	23,150	10,220
 Internet services ^e	640	2,660	2,660	920	2,390	1,460	12,480
 Electricity and water ^f	2,110	3,900	2,680	2,850	1,710	890	2,740
 Cloud Computing & Minor Applications Costs ^g	4,450	4,450	4,450	4,440	4,460	4,460	4,450
Total cost	1,036,820	1,329,120	1,309,030	1,148,240	1,227,060	1,219,890	1,064,400
Cost difference (v. Bahrain)		↑ 28%	↑ 26%	↑ 11%	↑ 18%	↑ 18%	↑ 3%

a. Application fees for registration with the Commerce and Industry regulators

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 2 IT Directors, 4 IT Managers, 4 IT Analysts, 4 Network Administrators and 6 Customer Service Representatives

d. 100 International Calls made by 20 employees per month

e. Assumed internet connectivity of between 50-100 Mbps speed in the office space. For Oman, Omantel is the only service provider that provides the required bandwidth range. Therefore, it is the only service provider that has been taken into account.

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

g. Considered the minimum estimated value for Cloud Computing costs and minor applications change and compliance and upgrades for 20 employees. Note that the cost is related to Infrastructure as a Service, a cloud computing service where enterprises rent or lease servers for compute and storage in the cloud.





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	Qatar	Kuwait	Oman
	Residential - 3-bedroom villa ^h	25,800	42,000	42,980	32,630	40,800	49,700	28,990
	Electricity and water ⁱ	5,400	6,330	6,280	3,380	2,820	1,600	5,200
	Domestic help remuneration ^j	4,370	5,100	5,100	4,400	5,280	5,170	3,580
	Education ^k	8,770	13,500	11,340	13,220	11,910	9,000	11,270
Total cost		44,330	66,890	65,650	53,630	60,790	65,470	49,030
Cost difference (v. Bahrain)			↑ 51%	↑ 48%	↑ 21%	↑ 37%	↑ 48%	↑ 11%

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

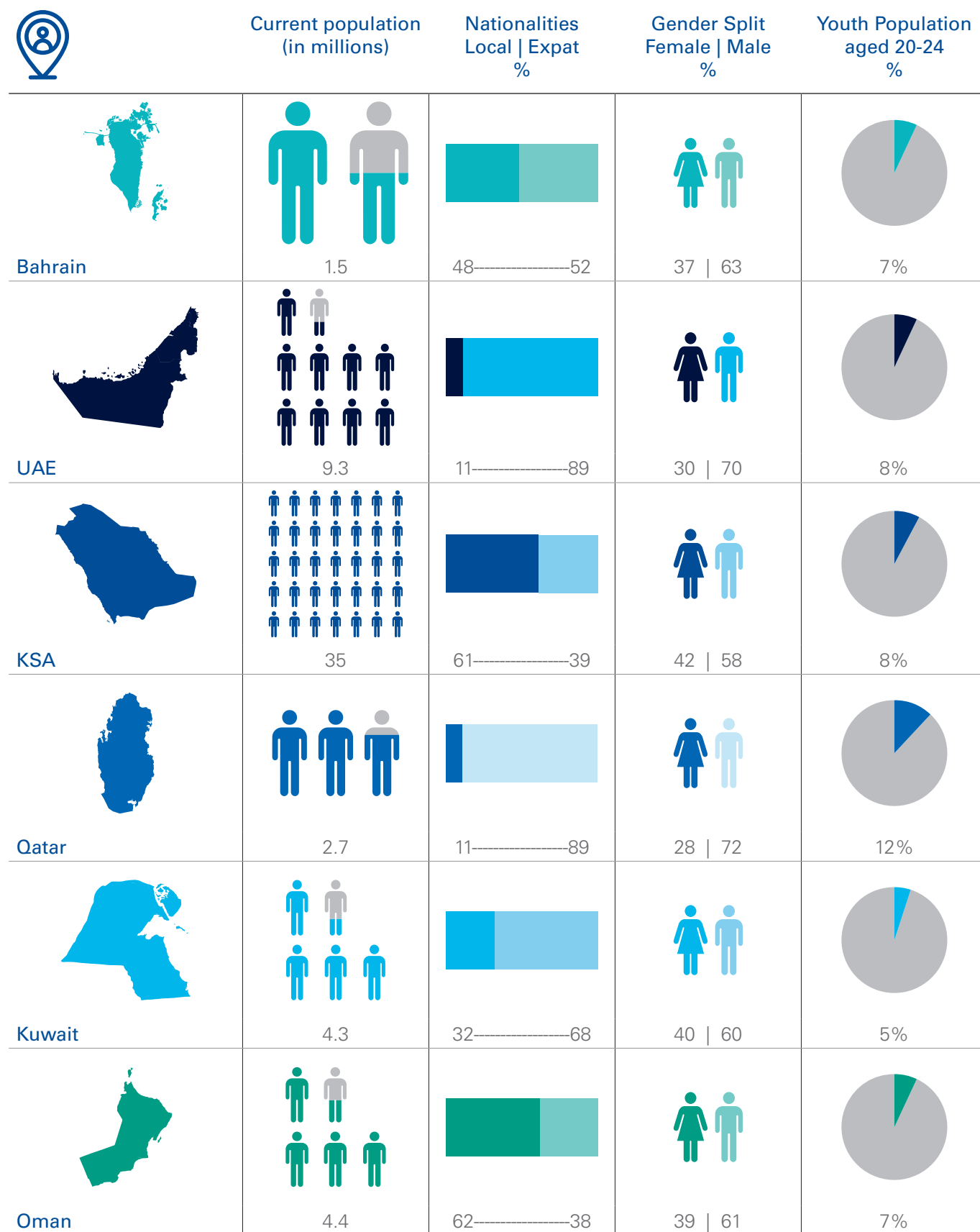
ⁱ. Villa of 4 expat individuals with average electricity and water consumption of 40 kWh and 0.31 m³ per individual

^j. 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

^k. 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, Qatar Open Data, Online Qatar, World Bank, National center For Statistics & Information Oman, World Population Review, Central Statistical Bureau

II. Demographic Snapshot



Arabic is the official language
for all the GCC countries.



Figure D: Languages spoken across GCC countries

Jurisdictions	Official Language	Other main languages spoken
Bahrain	Arabic	English, Urdu, Hindi and Tagalog
UAE		
KSA		
Qatar		
Kuwait		
Oman		

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, and IT infrastructure costs.

3.1 Licensing and registration costs

Licensing and registration costs generally include ministry registration charges and membership in the chambers of commerce in each jurisdiction.

In order to setup an ICT business, various commercial registration and licensing fees apply. Foreign ownership of an ICT business is permitted across all GCC countries.

Registration costs are presented in the form of non-refundable application fees, in addition to annual fees charges to renew the commercial registration. Overall, commercial registration costs are lowest in Abu Dhabi, followed by Bahrain.

Processing times for registration may vary across the jurisdictions on a case-by-case basis, however, this is longest in Saudi Arabia.



Figure 1: Licensing and registration fees

Figures in US\$

	Licensing and Registration	Ownership	Renewal Fees	Registration Processing Time ^(c)
Bahrain	441 ^(a)	100%	441	4 to 6 weeks
UAE (DXB)	566	100%	231	4 to 6 weeks
UAE (ABD)	317 ^(b)	100%	256	4 to 6 weeks
KSA	3,325	100%	399	12 to 16 weeks
Qatar	963	100%	963	4 to 8 weeks
Kuwait	745	100%	414	12 weeks
Oman	567	100%	320	4 to 6 weeks

Source: Dubai Department of Economic Development, Abu Dhabi Department of Economic Development, Sijilat, MOICT, Qatar Chamber, MCI Saudi Arabia, MISA Saudi Arabia, KDIPA, Kuwait Chamber, Hukoomi, Sagia, Muscat Municipality, Primary research, KPMG analysis

Note that certain jurisdictions, for example Saudi Arabia, have additional license costs payable to the ICT Regulatory Authority. These need to be checked separately as legislation changes regularly. Additionally, hidden fees might apply as regards to the Licensing and Registration fees or Renewal fees

Note:

(a) In Bahrain, the license fee quoted permits 3 business activities, with each additional activity will cost US\$ 265

(b) In Abu Dhabi, the license fee quoted permits 6 business activities, each additional activity will cost US\$ 27

(c) The registration processing time is based on official statement. However, the actuals may be different

III. Direct Cost Components

3.2 Rental of commercial office space

Oman has the lowest commercial office rental rates. Kuwait offers the most expensive commercial office space, with an average rental rate of US\$ 52 per m² per month for net internal area (NIA)¹.

The following figure outlines the minimum and maximum range for different office spaces across the GCC. The comparison covers Grade B commercial office space in locations such as Diplomatic area in Bahrain.

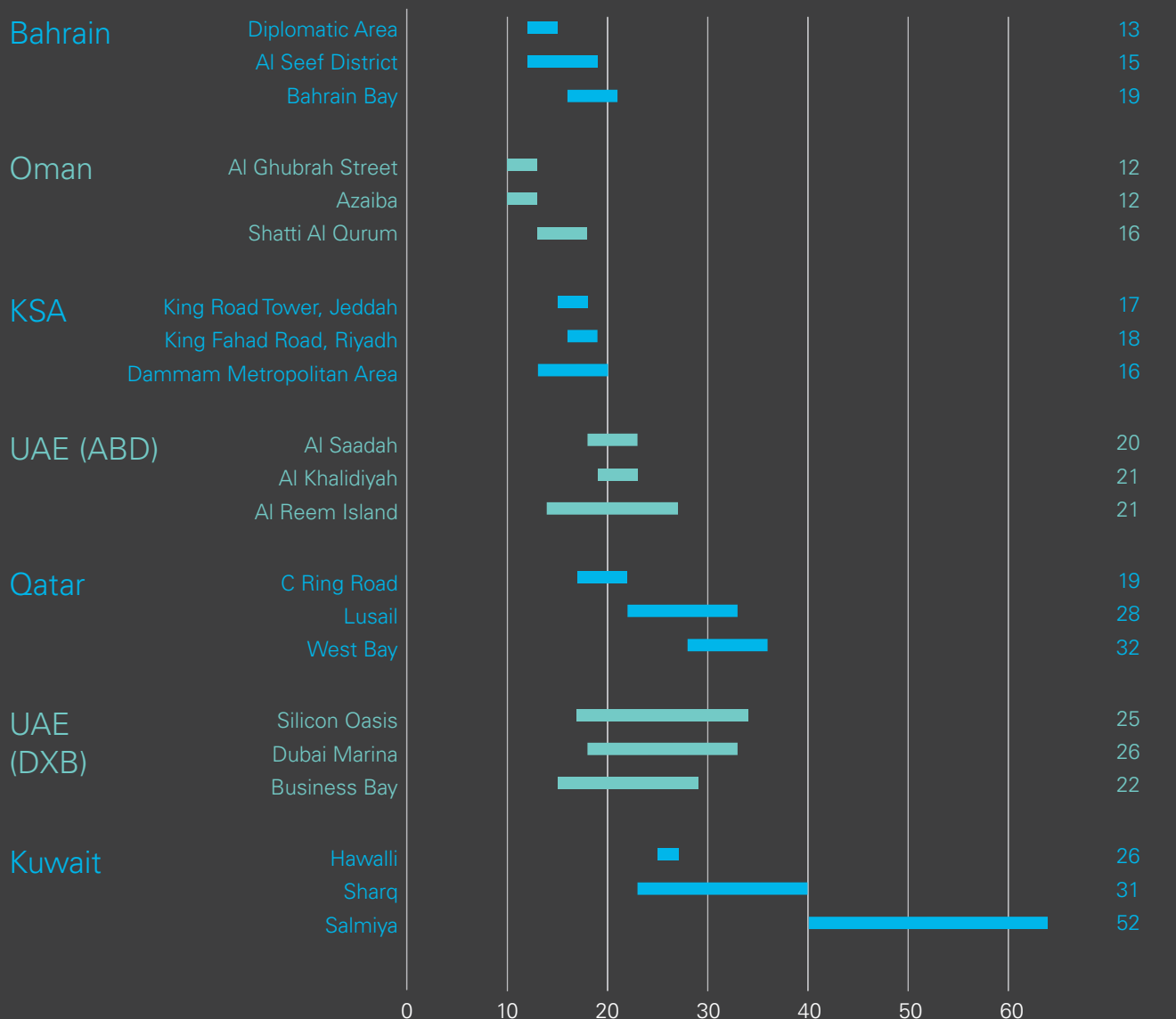
Rental figures below are exclusive of service charge, which differs from one jurisdiction to another. For Bahrain and Kuwait, the service charge is usually 15 percent of the base rent, whereas for Qatar, Dubai and Saudi Arabia it is 10 percent of the base rent. In Oman, service charge is 6%, whilst in Abu Dhabi, service charge is inclusive in the base rent.



Figure 2: Commercial office space rental

Figures in US\$ per m² per month

Average



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

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

III. Direct Cost Components



III. Direct Cost Components

Cost per workstation


The average cost per workstation is derived from averaging the minimum and maximum rates for commercial office space, and are inclusive of service charge, as calculated in figure 2.

The average cost per workstation is lowest in Bahrain, followed closely by Oman and Saudi Arabia. Kuwait is the most expensive jurisdiction when it comes to the average cost of a workstation, averaging a cost of US\$ 543 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	Diplomatic Area	13	15%	229
UAE (DXB)	Business Bay	22	10%	363
UAE (ABD)	Al Reem Island	21	15%	354
KSA	Riyadh	18	10%	293
Qatar	West Bay	32	10%	522
Kuwait	Sharq, Kuwait City	31	15%	543
Oman	Shatti Al Qurrum	16	6%	249

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

Business and Incubator center rentals

Business centers are companies providing workstation facilities for monthly rentals. Abu Dhabi and Bahrain have the advantage amongst the other GCC countries in terms of affordable business centers.

The following figure highlights a summary of monthly rental costs for a workstation in target jurisdictions.

Figure 4: Business Center rentals

Figures in US\$ per month

Range ⁽³⁾	Bahrain	UAE (DXB)	UAE (ABD)	KSA	Qatar	Kuwait	Oman
Minimum	149	180	190	370	327	398	234
Maximum	665	816	544	665	597	2,319	494

Source: Quotes from business centers, Primary research, KPMG analysis

NB: The analysis considers the following business center offerings for comparison:

Hot desk, dedicated desk, co-working space and private working space

The following figure highlights monthly rental costs for a workstation at incubator centers in target jurisdictions. While these are official prices, discounts may be offered depending on the application.

The typical services offered by these centers include office space, internet, conference rooms, private parking etc.

Figure 5: Incubator center rentals

Figures in US\$ per month

Range ⁽³⁾	Bahrain	UAE (DXB)	UAE (ABD)	KSA	Kuwait	Oman
Minimum	80	204	53	284	166	91 ⁽⁴⁾
Maximum	396	680	721	1,024	1,822	273

Source: Quotes from incubators centers, Primary research, KPMG analysis

NB: The analysis considers the following incubator centers for comparison:

Bahrain (Uni Concept, BRINC Batelco IoT HUB, Alwane SME's Development center, MAZ Business), Dubai (Astro Labs, Dubai Technology Entrepreneur center, In5 Innovation Center), Abu Dhabi (Hub 71, GlassQube) Kuwait (Sirdab Lab, NIU Collaborative Community, Private Incubators), Qatar (Digital Incubation Center, Qatar Science & Technology Park, Qatar Business Incubation center), Saudi Arabia (Start up Khobar, Scale Business Solutions) and Oman (National Business center, OTF Techween)

Note: Rentals are not publicly available for incubation centres in Qatar.

(3) The range has been defined based on the minimum and maximum rentals of the centers across the jurisdictions

(4) The provided value refers to National Business Centre. Note that there is no charge for the OTF Techween Incubation Center of Oman

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

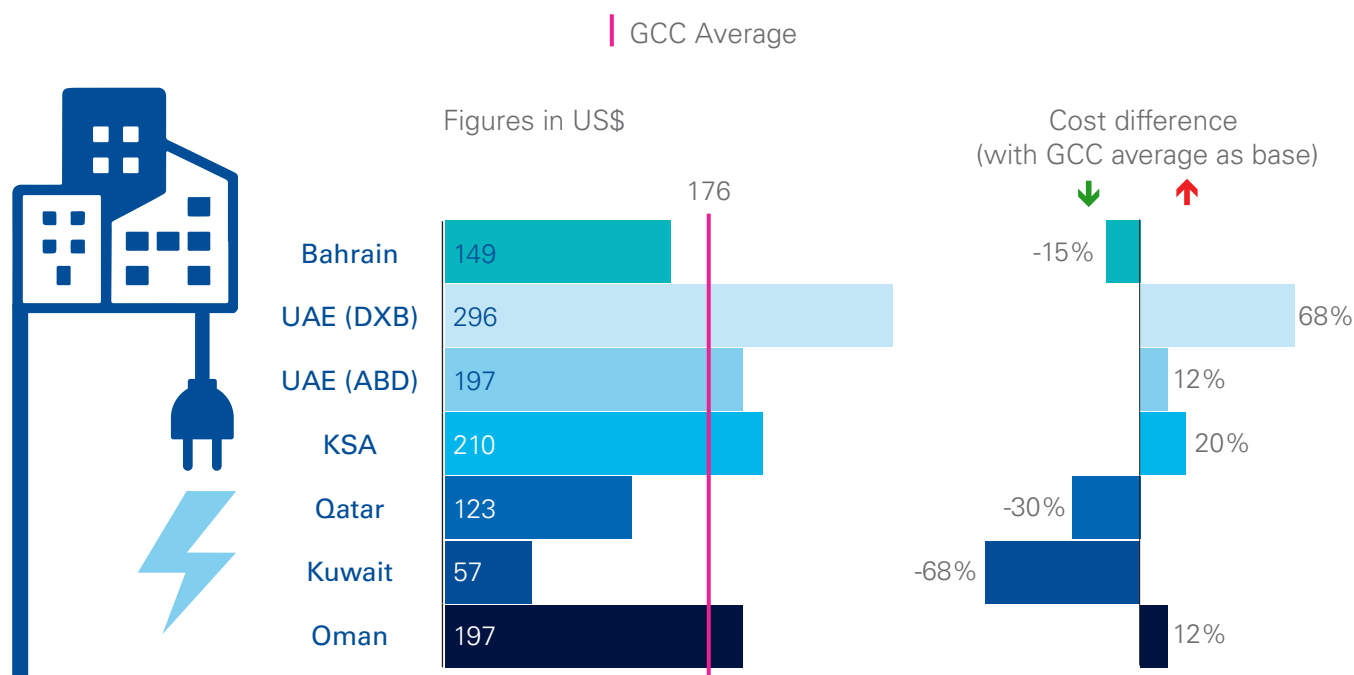
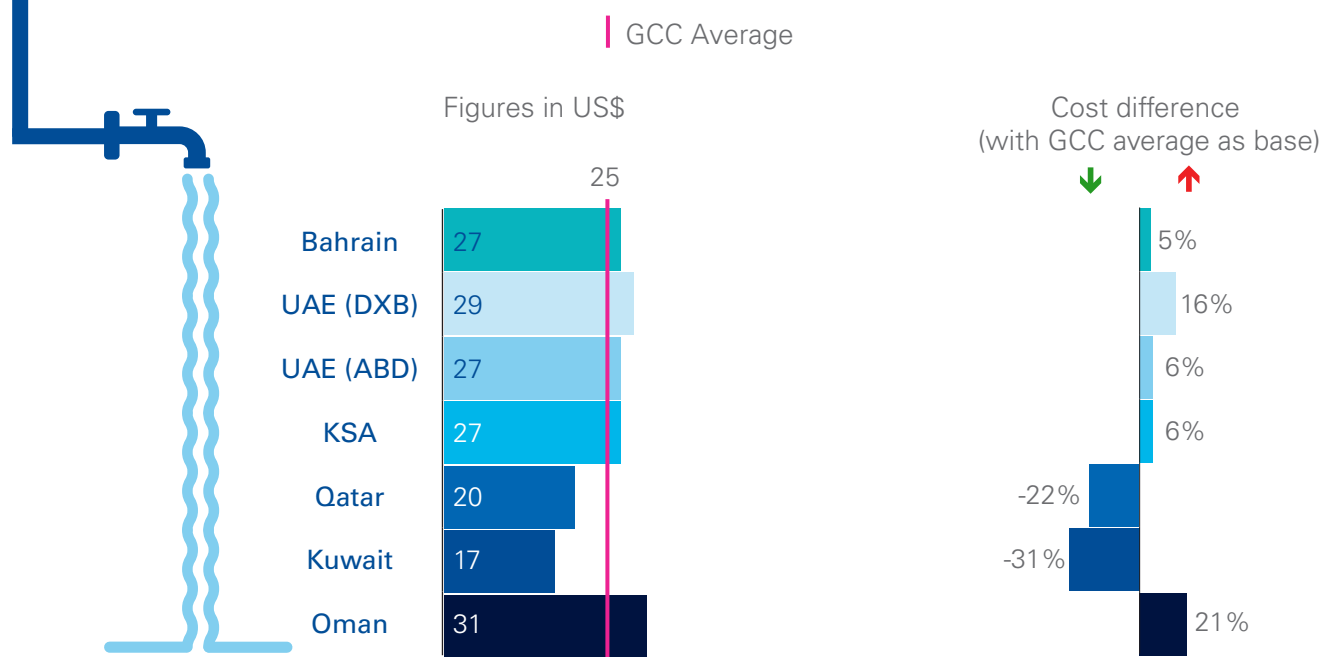


Figure 7: Water costs for commercial consumption of 12 m³/month



III. Direct Cost Components



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, Dubai, Qatar, Kuwait, Saudi Arabia and Oman. Figure 8 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 Qatar has the lowest call rates compared to other GCC jurisdictions.

Oman has the second least expensive telephone service charges in the GCC.



Figure 8: Telephone services – International call charges

Figures in US\$ per minute

To / From	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
UK	0.48	0.64	0.69	0.27	0.98	0.42
USA	0.48	0.49	0.59	0.27	0.94	0.41
India	0.40	0.60	0.51	0.27	0.96	0.30
China	0.70	0.51	0.94	0.27	1.06	0.43
Japan	0.68	0.59	0.69	0.68	1.06	0.57
Egypt	0.65	0.60	0.49	0.27	0.80	0.42

Source: Zain Bahrain, STC Bahrain, Zain Kuwait, Ooredoo Kuwait, STC Kuwait, Omantel, Ooredoo Oman, Vodafone Oman, Ooredoo Qatar, Vodafone Qatar, STC KSA, Mobily, Etisalat, DU.

III. Direct Cost Components

Internet Charges

The cost of internet service is based on several ranges defined in Figure 9. The features and added benefits may vary between the packages offered by each telecommunication company across the jurisdictions.

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



Figure 9: Internet charges for businesses

Figures in US\$ per month

Bandwidth (mbps)	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
Up to 50	30 - 50	N/A	N/A	170	30 - 120	70 -1,040
50 - 100	40 - 70	200 - 220	80	170 - 230	120 - 130	1,040
100 - 500	90 - 130	260 - 810	110 - 230	300 - 480	400	1,350 - 3,640
500 - 1000	330	550 - 820	N/A	440 - 540	N/A	3,120 - 4,680

Source: Zain Bahrain, STC Bahrain, Zain Kuwait, Ooredoo Kuwait, STC Kuwait, Omantel, Ooredoo Oman, Vodafone Oman, Ooredoo Qatar, Vodafone Qatar, STC KSA, Mobily, Etisalat, DU

Notes and assumptions:

- The values have been rounded off to the closest even number (multiple of tens)
- 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
- Not 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 Cross border connectivity costs

Cross border connectivity costs are based on telecommunication fees incurred by an ICT firm. Figure 10 summarizes monthly recurring charges and non-recurring fees for select origin destinations.

Monthly recurring charges (MRC) represent monthly rental subscription rates, while non-recurring charges (NRC) represent setup costs (one-time fee). The below fees are for Multi-Protocol Label Switching (MPLS) based IP-VPN voice calling for a bandwidth of 8-Mbps.



Figure 10: Cross Border Connectivity costs

Figures in US\$ per position

Point of Origin	Destination	Non Recurring Charges (US\$)	Monthly Recurring Charges (US\$)
Bahrain	Dubai	4,500 – 5,500	10,000 – 15,000
	Riyadh	7,000 – 8,500	16,500 – 18,500
	Doha	7,000 – 10,000	20,000 – 25,000
	Kuwait	4,000 – 7,000	5,000 – 8,000
	Muscat	5,000 – 7,000	16,000 – 18,000
Jordan	Dubai	7,000 – 10,000	14,000 – 15,000
	Riyadh	9,000 – 12,000	19,000 – 20,000
	Doha	8,000 – 10,000	27,500 – 30,000
	Kuwait	6,000 – 9,000	12,000 – 17,000
	Muscat	7,500 – 10,000	17,000 – 18,500
Egypt	Dubai	8,000 – 11,000	14,000 – 15,000
	Riyadh	8,000 – 13,000	17,000 – 19,000
	Doha	12,000 – 13,500	27,000 – 28,000
	Kuwait	7,500 – 10,500	10,000 – 11,000
	Muscat	8,000 – 10,500	17,500 – 19,000
UAE	Riyadh	8,000 – 9,500	10,000 – 12,000
	Doha	8,500 – 9,500	12,000 – 15,000
	Kuwait	6,000 – 8,000	7,000 – 10,000
	Muscat	7,000 – 8,000	16,500 – 19,000

Source: Kalaam Telecom, Noor and Damamax

Technical Assumptions:

- Bandwidth: 8Mbps
- Bandwidth Uplink/Downlink Ratio: 1:1
- Estimated number of contact center executives: 80-100
- Cable: Cooper/Fiber
- Layer: P2P Network

Note: Prices are for P2P connections; The quotes above include CPE (Customer Premises Equipment) costs and exclude any in-house cabling, VAT/Tax, or cross-connects.

III. Direct Cost Components

3.5 Manpower costs

When comparing the average salaries for the ICT sector, Bahrain stands out as the lowest in terms of wages followed by Oman and Saudi Arabia.

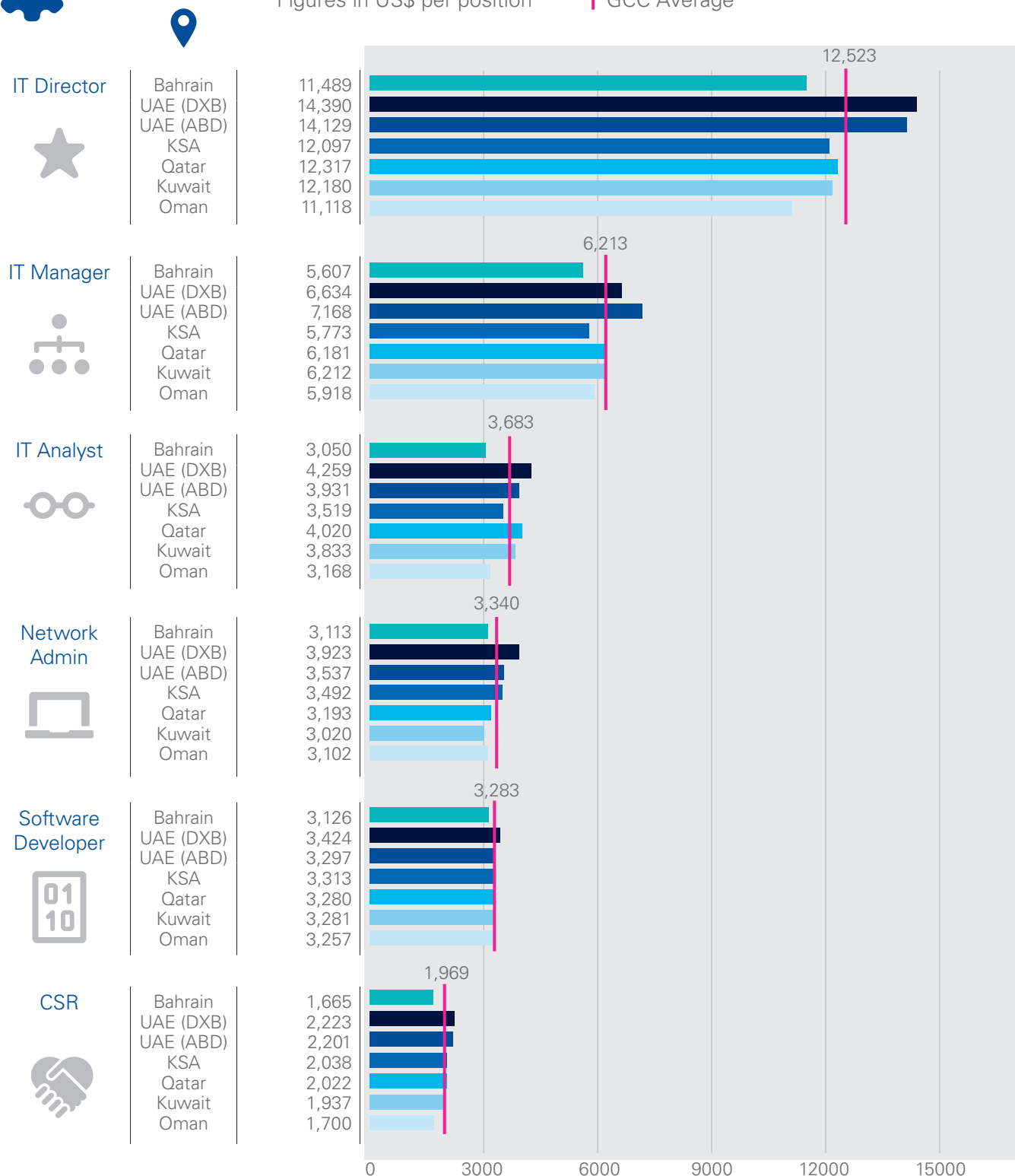
Figures 11, 12, and 13 show the average annual salaries for different positions within the ICT sector.



Figure 11: Average monthly salaries for core positions

Figures in US\$ per position

| GCC 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.

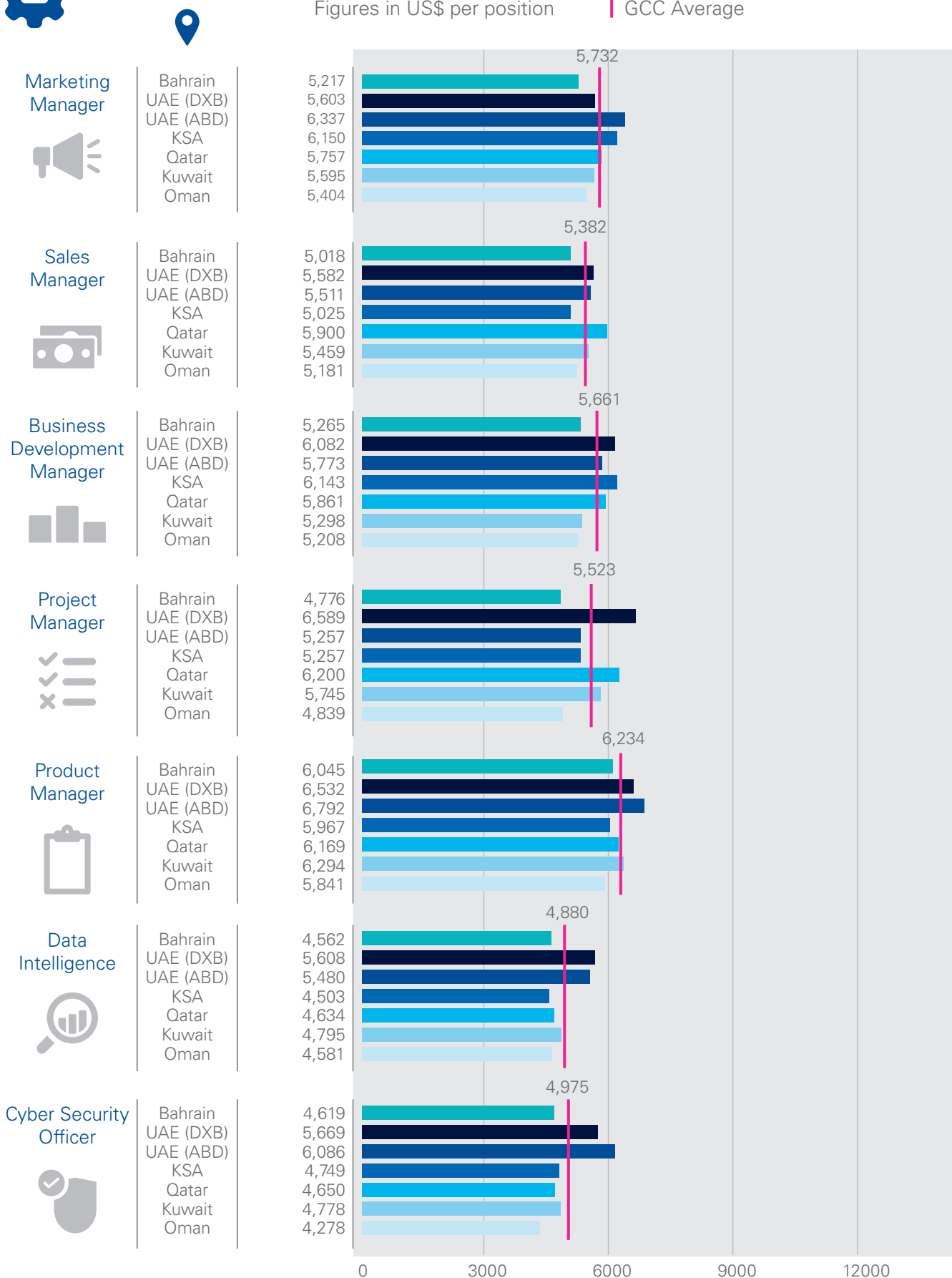
III. Direct Cost Components



Figure 12: Average monthly salaries for non-core positions

Figures in US\$ per position

| GCC Average



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

III. Direct Cost Components

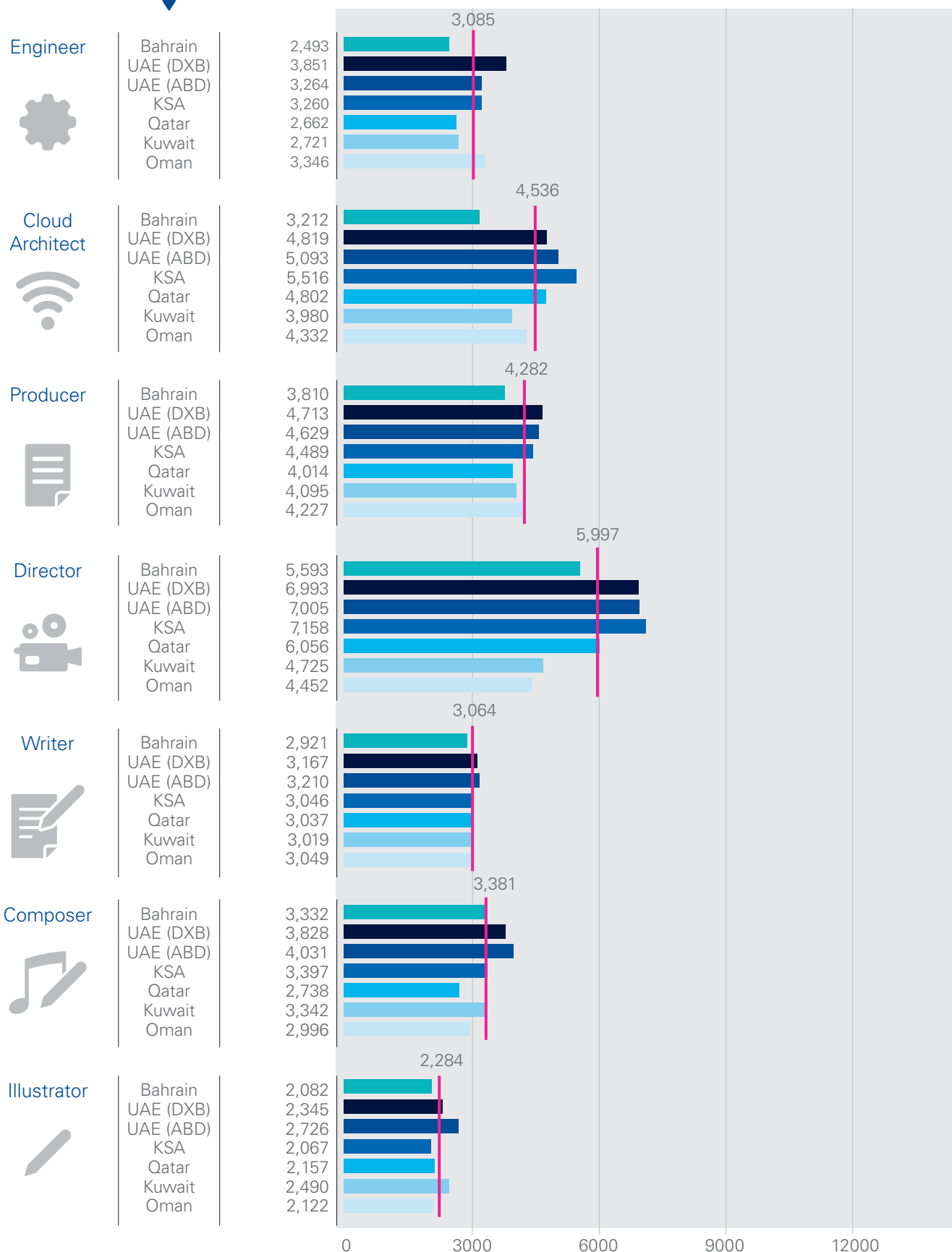


Figure 13: Average monthly salaries for other non-core positions



Figures in US\$ per position

| GCC Average



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

III. Direct Cost Components

Figure 14 represents the average annual costs of employee health insurance in various GCC countries.

Bahrain has the lowest annual costs for employee health insurance, followed by Oman and Qatar.

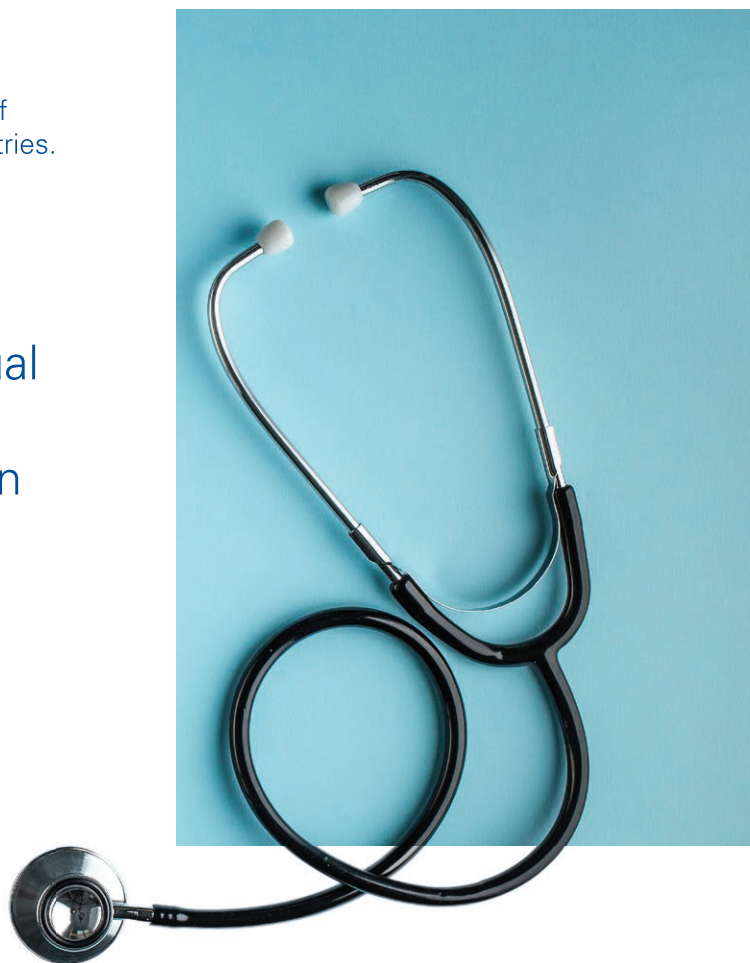
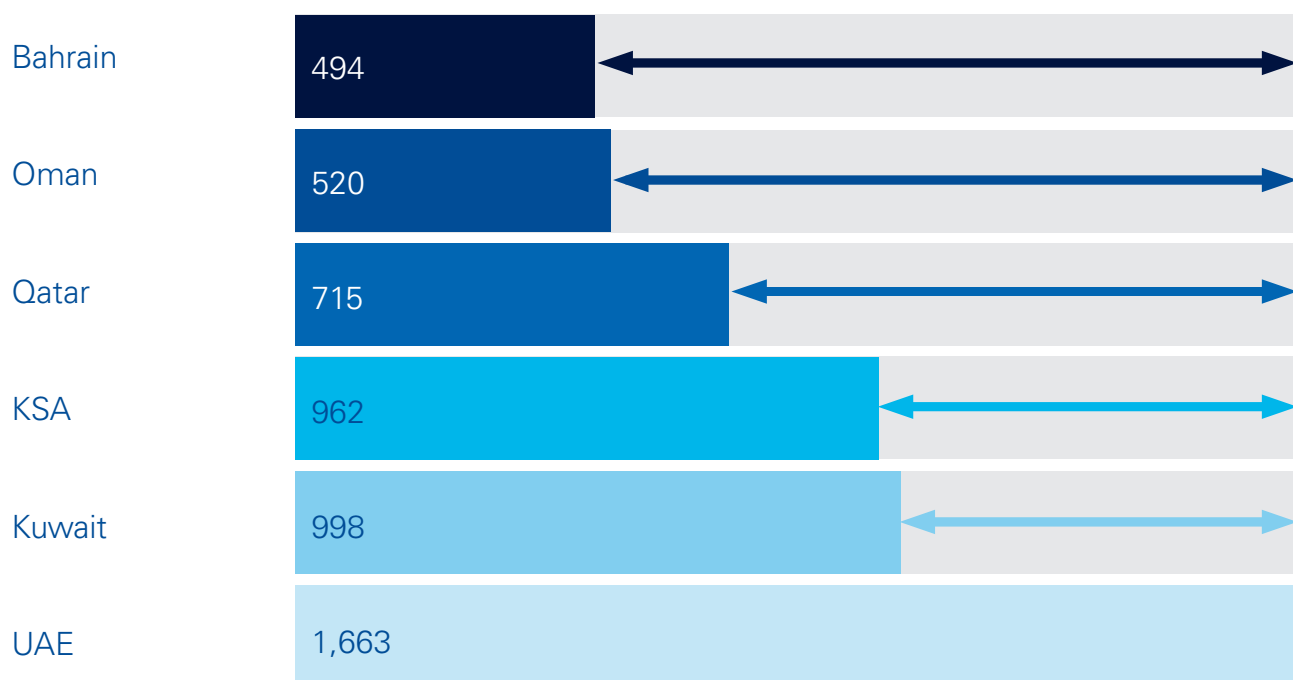


Figure 14: Health insurance costs across the GCC

Figures in US\$



Source: Solidarity, Hilal Takaful, Arabia Insurance, Medgulf Insurance, Daman, Bupa Arabia, Kuwait Insurance Company, KFH Takaful Insurance, T'azur, Warba.

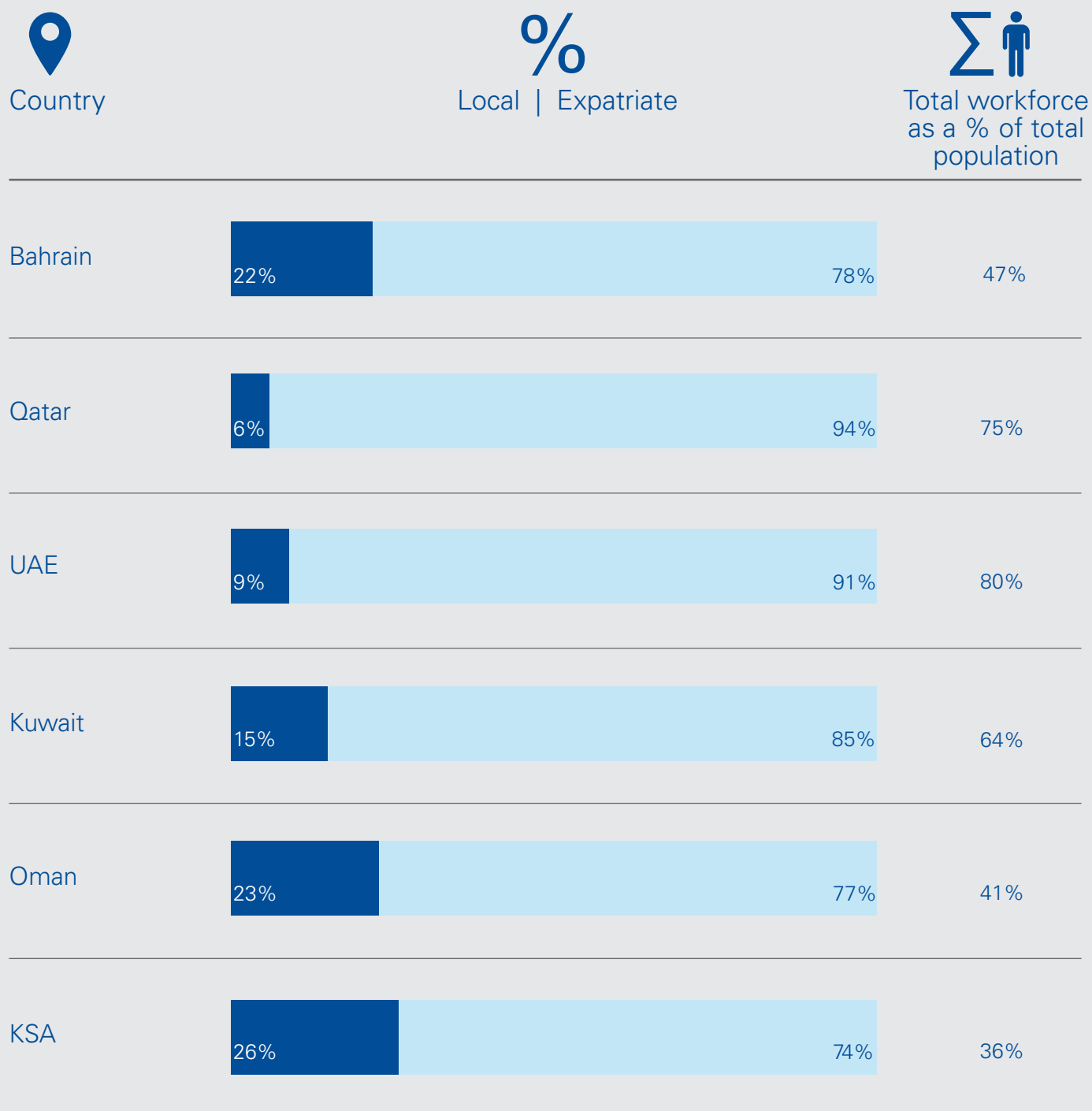
III. Direct Cost Components

Workforce indicators

When assessing the workforce across the GCC Qatar, UAE and Kuwait have the highest percentage of expatriate workers in their workforce.



Figure 15: Total workforce by nationality



Source: Labour Market Regulatory Authority, Dubai Statistics Centre, Qatar Planning and Statistics Authority, Oman National Centre for Statistics and Information, General Authority for Statistics – Kingdom of Saudi Arabia, Kuwait Central Agency for Information

III. Direct Cost Components

Bahrain has the highest number of employees in the ICT sector out of the Total Workforce within the GCC.



Figure 16

Total workforce in the ICT sector

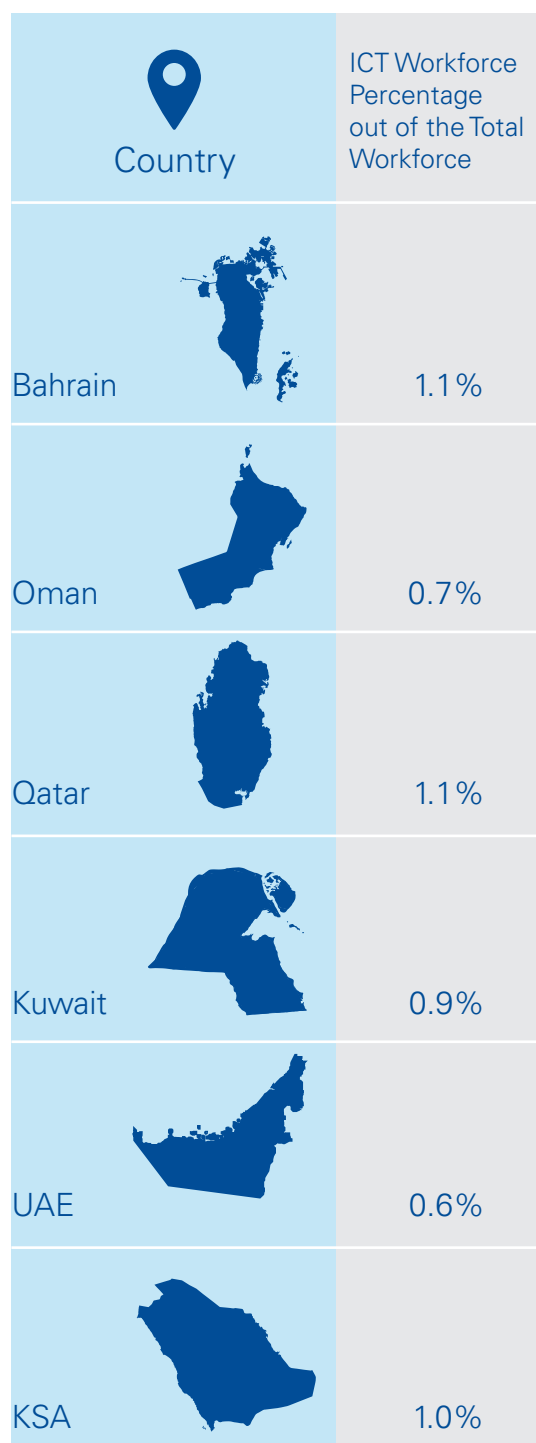


Figure 17

Total workforce in the ICT sector by nationality

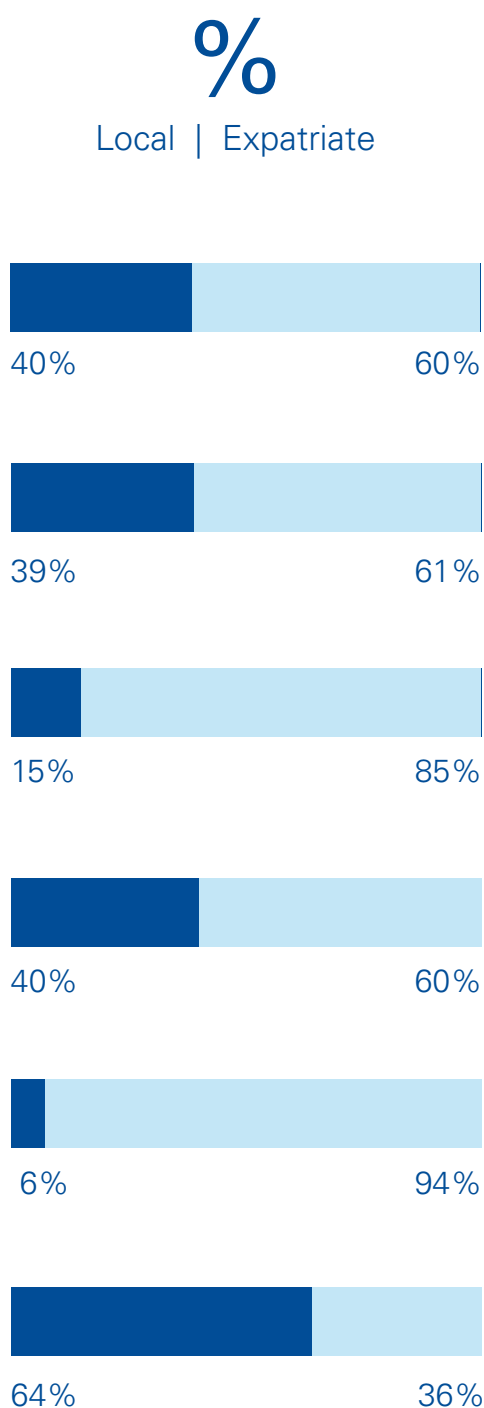
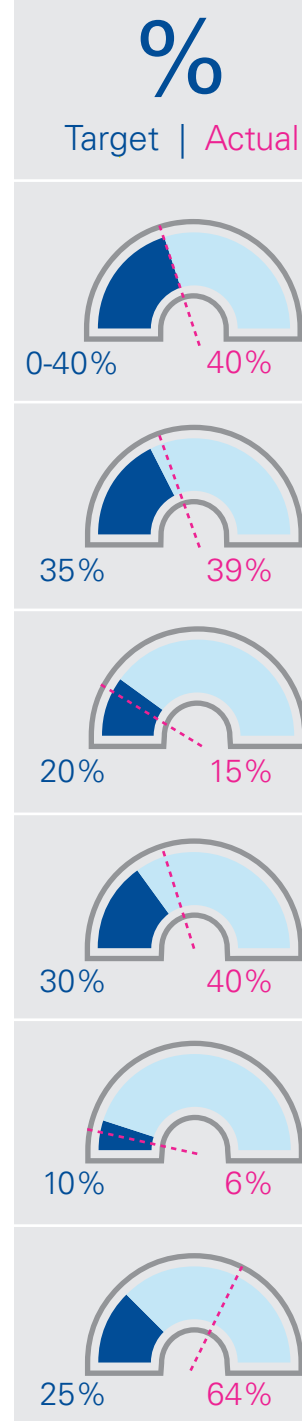


Figure 18

Actual localization quota in the ICT sector (compared to the mandated target)



Source: Primary and secondary research

Note: For Bahrain, the localization percentage varies depending on the ICT sub-activity

III. Direct Cost Components

3.6 Visa and residency costs

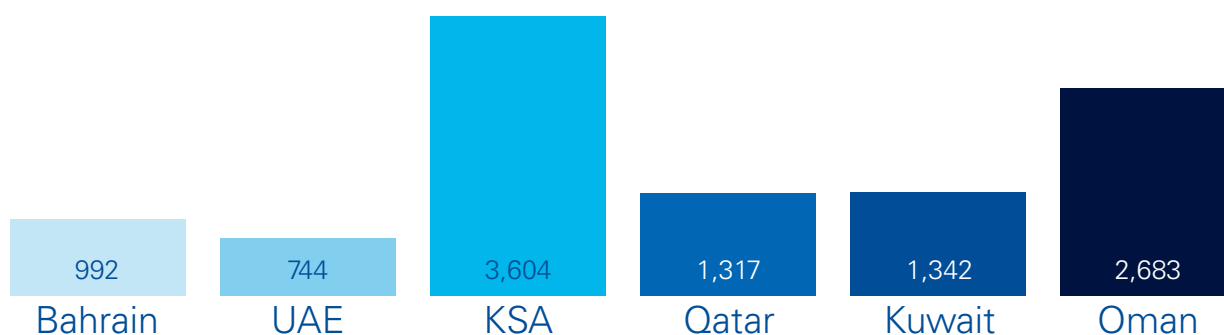
Visa and residency costs include the fees for a 2 year residency permit, medical checkup, medical insurance, national ID charges and other related charges such as visa stamp and attestation fees (applicable in Kuwait, Qatar and Oman).

The UAE has the lowest fee for a work visa compared to other jurisdictions. However, for multiple entry visa, Qatar has the lowest fee followed by Bahrain. All the countries except Kuwait offer visit visa for both single and multiple entry.



Figure 19: Work visa cost


Figures in US\$



Source: Labour Market Regulatory Authority, General Directorate of Residency and Foreigners Affairs – UAE, Primary Research

Figure 20: Visit visa cost

Figures in US\$

	Single Entry	Multiple Entry
 Bahrain	24	77
UAE	95	177
KSA	128	128
Qatar	28	55
Kuwait	10	-
Oman	52	130

For multiple entry visa, Qatar has the lowest fee followed by Bahrain.

Source: Kingdom of Bahrain – Ministry of Interior: Nationality, Passports and Residence Affairs, Etihad Airways, visitsaudi.com, State of Qatar – Ministry of Interior, State of Kuwait – Ministry of Interior, Royal Oman Police

III. Direct Cost Components




3.7 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 21 summarizes several taxes applicable in the selected jurisdictions across the GCC.







Figure 21: Overview of taxes in select jurisdictions

	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
 Corporate Income Tax	0%	0% - 15%	20%	10%	15%	15%
		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	Exempted for local shareholders	15% for GCC nationals and foreign shareholdings. 1% Zakat is applicable for GCC companies	Omani proprietorships and SMEs are exempted
 Municipal tax	7% - 10%	2.5% - 7.5%	0%	0%	0%	3%
	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				3% on property rents
 Capital gains tax	0%	0%	0% - 20%	10%	0% - 15%	0% - 15%
			Resident shareholders 0% Non-resident shareholders 20%	Exempted for local shareholders	No specific tax rate provided for capital gains. Generally, capital gains derived from the assets sales are treated as normal business profits and subject to income tax at 15%	Omani proprietorships and SMEs are exempted

III. Direct Cost Components

Figure 21 (continued): Overview of taxes in select jurisdictions

	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
 VAT	10%	5%	15%	0%	0%	5%
 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%	5% - 10% By employee: 5% By employer: 10%	10.5% - 11.5% By employee: 10.5% By employer: 11.5%	8% - 12.5% By employee: 8% By employer: 12.5%
 Employer's Social Security Contribution for Expatriates	1% - 3% By employee: 1% By employer: 3%	0%	0% - 2% By employee: 0% By employer: 2%	0%	0%	0%
 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	0% - 5% Rates vary based on the type of service. For e.g., 5% for Royalties and Interest and 0% for dividends	0% Nil. However, 5% retention tax is applicable.	0% - 10% Depending on the income category

Source: Primary and secondary research, KPMG analysis

III. Direct Cost Components

3.8 Customs tariffs

An overview of tariffs related to importing and exporting goods from countries within the GCC. Saudi Arabia has the highest import and transit duties, charging 15% respectively.



Figure 22: Overview of customs tariffs in select jurisdictions

	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
Export Duties	0%	0%	0%	0%	0%	0%
Import Duties	5%	5%	15%	5%	5%	5%
Transit Duties	5%	5%	15%	5%	5%	5%

Source: Primary and secondary research

Assumptions:

1. Export will be outside of the GCC
2. To avoid the double duty, the GCC governments have "Makasa" which indicates the duty paid in the first point of entry into GCC

Note:

Duties refer to any additional charge on the value of the goods passing through the above jurisdictions

III. Direct Cost Components

3.9 Capital expenditure



Figure 23: Capital Expenditure for establishing an IT Services company in the GCC

Figures in US\$

	Bahrain	UAE	KSA	Qatar	Kuwait	Oman
End User Devices	969 – 1,500	894 – 1,632	931 – 1,809	988 – 1,819	994 – 1,827	939 – 1,821
Cloud Computing Costs	121 – 843	121 – 842	121 – 841	121 – 844	121 – 847	121 – 843
<i>Servers</i>	85 – 582	85 – 581	84 – 580	85 – 582	85 – 584	85 – 582
<i>Storage</i>	36 – 261	36 – 261	36 – 261	36 – 262	36 – 263	36 – 261
ICT Equipment	6,691 – 15,350	6,893 – 15,308	6,748 – 15,325	6,530 – 15,902	6,737 – 15,358	6,955 – 15,339
<i>Firewall</i>	2,413 – 7,806	2,588 – 7,806	2,585 – 7,806	2,591 – 7,806	2,601 – 7,806	2,593 – 7,806
<i>Printing Solutions</i>	3,440 – 6,177	3,399 – 6,155	3,299 – 6,142	3,408 – 6,161	3,384 – 6,185	3,498 – 6,167
<i>Network Switches</i>	722 – 1,147	778 – 1,142	746 – 1,140	376 – 1,144	692 – 1,148	790 – 1,145
<i>Wireless Adapters</i>	12 – 17	12 – 17	12 – 17	12 – 17	12 – 17	13 – 17
<i>Office Network Points</i>	66 – 107	50 – 107	41 – 107	76 – 107	23 – 108	37 – 107
<i>IP Telephoning</i>	37 – 96	67 – 82	66 – 114	66 – 668	25 – 95	24 – 98
Minor applications change, compliance, upgrades and updates	12 – 17	12 – 17	12 – 17	13 – 17	13 – 17	13 – 17
Total estimated cost	7,793 – 17,710	7,921 – 17,799	7,812 – 17,992	7,652 – 18,582	7,864 – 18,048	8,028 – 18,020

Source: Primary and secondary research, KPMG analysis

Assumptions:

1. Assumptions made for establishing an IT Services company across GCC countries.
2. Considered one end-user devices per employee.
3. Cloud computing costs include one server with 1TB infrastructure storage either from Amazon (Bahrain Region) or Microsoft Azure (UAE Region).
4. ICT equipment includes firewall, printers, network switches, wireless adapters, network access points, and IP Telephones.
5. Minor applications change & compliance and upgrades include Email & Microsoft Office applications per user.
6. No installation and service charges have been considered for the above.

III. Direct Cost Components

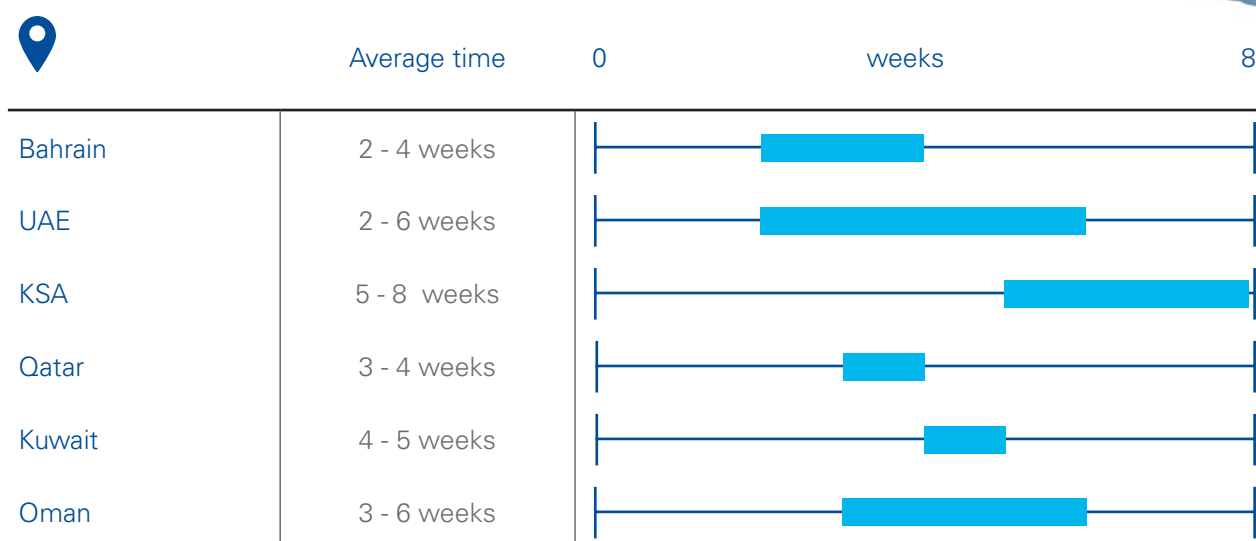
3.10 Opening a bank account

Figure 24 illustrates the average time required to open a corporate bank account in each GCC country.

Bahrain, on average, is fastest for opening a corporate bank account



Figure 24: Average time to open a Corporate Bank Account



Source: Various banks

Note:

The above time frames are based on the bank's standard procedures and the published time. Actual time frames may vary on a case-by-case basis.



TRAINING



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



III. Direct Cost Components

3.11 Incentives for ICT sector

Figure 25 highlights the key incentives for ICT sector in the GCC. Most incentives focus on the funding of new ventures in the sector and the training and development of nationals.



Figure 25: Key incentives for ICT sector in the GCC



Bahrain

Tamkeen



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).

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.

Tamkeen Tech Disruptors program offers financial support to private companies to commercialize their disruptive technologies, bring innovative products and services ideas to life, and drive market change.

The “Cloud Computing Services” is a financing support that covers 50% of the cost of any hyper-scale cloud computing data center located in Bahrain. This is a part of ‘Go Digital’ Program of Tamkeen.

Train and Place program launched by Tamkeen 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.

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

Various Entities



The launch of Al Waha Fund of Funds is driving the creation of a dynamic Venture Capital community in MENA, supporting Venture Capital funds that will either invest in technology businesses, or that will deliver strategic impact through their networks and expertise.

Bahrain Development Bank



Tamkeen, in collaboration with Bahrain Development Bank, offers Women Business Finance Scheme “Riyadat” exclusively for women to facilitate access to Sharia compliant financing at a competitive profit rate, wherein Tamkeen will subsidize 60% of the Annual Nominal Profit Rate capped at 8% reducing balance. The finance amount ranges from BD 5,000 to BD 100,000 with an option of a long repayment tenor of up to 10 years.

Source: Respective authorities

III. Direct Cost Components



KSA

Ministry of Communications and Information



The Human Resource Development Fund supports activities related to developing and training Saudi labor. Part of the ICT Strategy 2023 is to increase female participants in the ICT sector, as well as increase the level of Saudization in the sector by 50%.

Government of Saudi Arabia



Tax reduction of 50 percent from annual expenses for recruiting and training, and annual salaries of Saudis in select regions (Ha'il, Jazan, Najran, Al-Baha, Al-Jouf and Northern Borders). The government of Saudi Arabia has granted tax concessions to these six less-developed regions with the intention of attracting more investment. These tax privileges are granted for a period of ten years from the start of any project.

Monshaat



Monshaat - Supporting, developing and caring for the small and medium enterprises sector in accordance with the best international practices by implementing and supporting programs and projects to spread the culture and thought of self-employment, entrepreneurship, initiative and innovation, and to diversify the sources of financial support for enterprises. This is available for Saudi nationals only.



Oman

Oman Technology Fund



The Oman Investment Authority oversees Oman Technology Fund, which focuses on defining the futuristic ideas in the ICT sector and amongst the entrepreneurs who have high potential technology and innovative projects through a phased plan that includes investment, guidance and cooperation.

Ministry of Commerce, Industry and Investor Protection



Income tax exemption for companies that begin operating during the period January 2021 to December 2022, in sectors aimed at economic diversification. The exemption will be valid for 5 years from the date of registration in the Commercial Registry of the Ministry of Commerce Industry and Investor Protection.

Source: Respective authorities

III. Direct Cost Components



Qatar



Qatar Development Bank



The SME equity fund offers equity financing of up to 50% stake in the business.

QSTP



Qatar Science and Technology Park (QSTP) offers product development funding startups and SMEs up to 50%.

Ministry of Transport and Communications



Qatar Digital Government Training Program created to boost the government ICT professional capacity to serve the 2020 Digital transformation of Qatar's government.

Digital Incubation Center



The Digital Incubation Center (DIC) was created to boost ICT innovation in Qatar, particularly among young people at the critical early stages of starting or growing a technology-related business.

Kuwait



National Fund



The National Fund is a finance scheme providing low-cost financing to SMEs. The fund subsidizes 80 percent of project financing at a 2 percent interest rate.

Kuwait Direct Investment Promotion Authority



Kuwait Direct Investment Promotion Authority waives taxes and gives priority in government bids to ICT companies.

Source: Respective authorities

III. Direct Cost Components



UAE (DXB)

Telecommunications
And Digital
Government
Regulatory Authority
(TDRA)

Grants for ICT companies available for research and development in the UAE through the ICT fund. The ICT fund supports both individuals and entrepreneurs, including larger incubation initiatives, dedicated to the ICT sector.



ICT Fund has launched “BETHA program” that aims to enhance the national education sector by supporting UAE academically distinguished cadres to drive the country’s education in ICT related disciplines.



The “Seeds for the future” Project is a learning and training initiative that provides students with a competitive platform to develop their innovative ICT ideas and projects into marketable products.



UAE (ABD)

Hub 71



Hub71 funds start-ups and support them with housing, office space and health insurance. In addition, these start-ups are granted licences at low costs.

Khalifa Fund



The launch of the “She Means Business” program through Khalifa Fund which is an entrepreneurial education programme that aims to support and train women through a series of virtual training sessions, with the overarching aim of equipping participants with a versatile range of skills that will help advance the marketing and e-commerce aspects of their respective businesses.

Source: Respective authorities

IV. Indirect Cost Components

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.



IV. Indirect Cost Components

4.1 Cost of living index

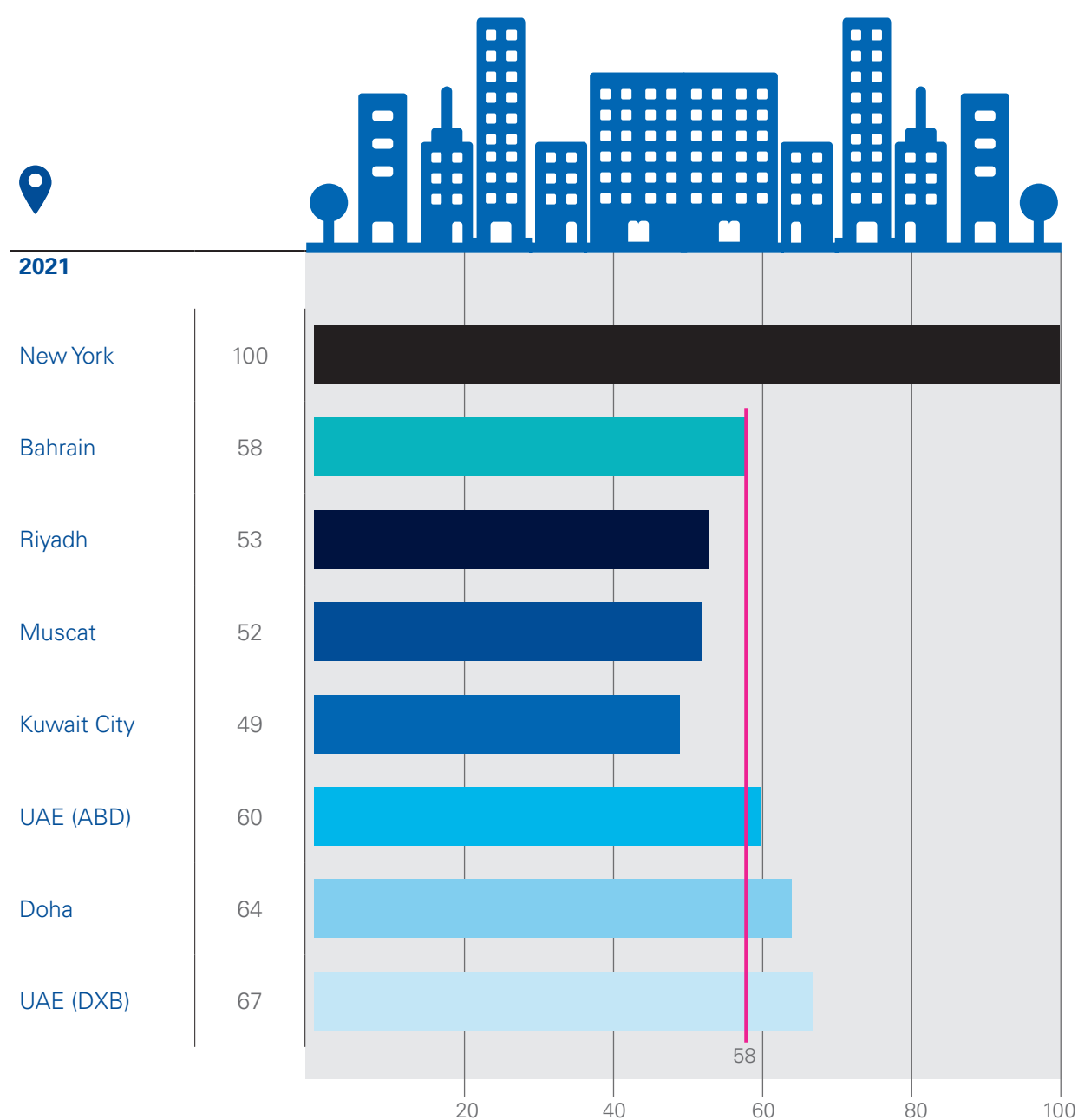
The cost of living index allows comparison of day-to-day living expenses (housing, transportation, healthcare, utilities etc.) between different jurisdictions over a period.

The cost-of-living index is calculated for the select jurisdictions by comparing them with New York as a base.



Figure 26: Cost of living index

| GCC Average



Source: Numbeo.com

IV. Indirect Cost Components

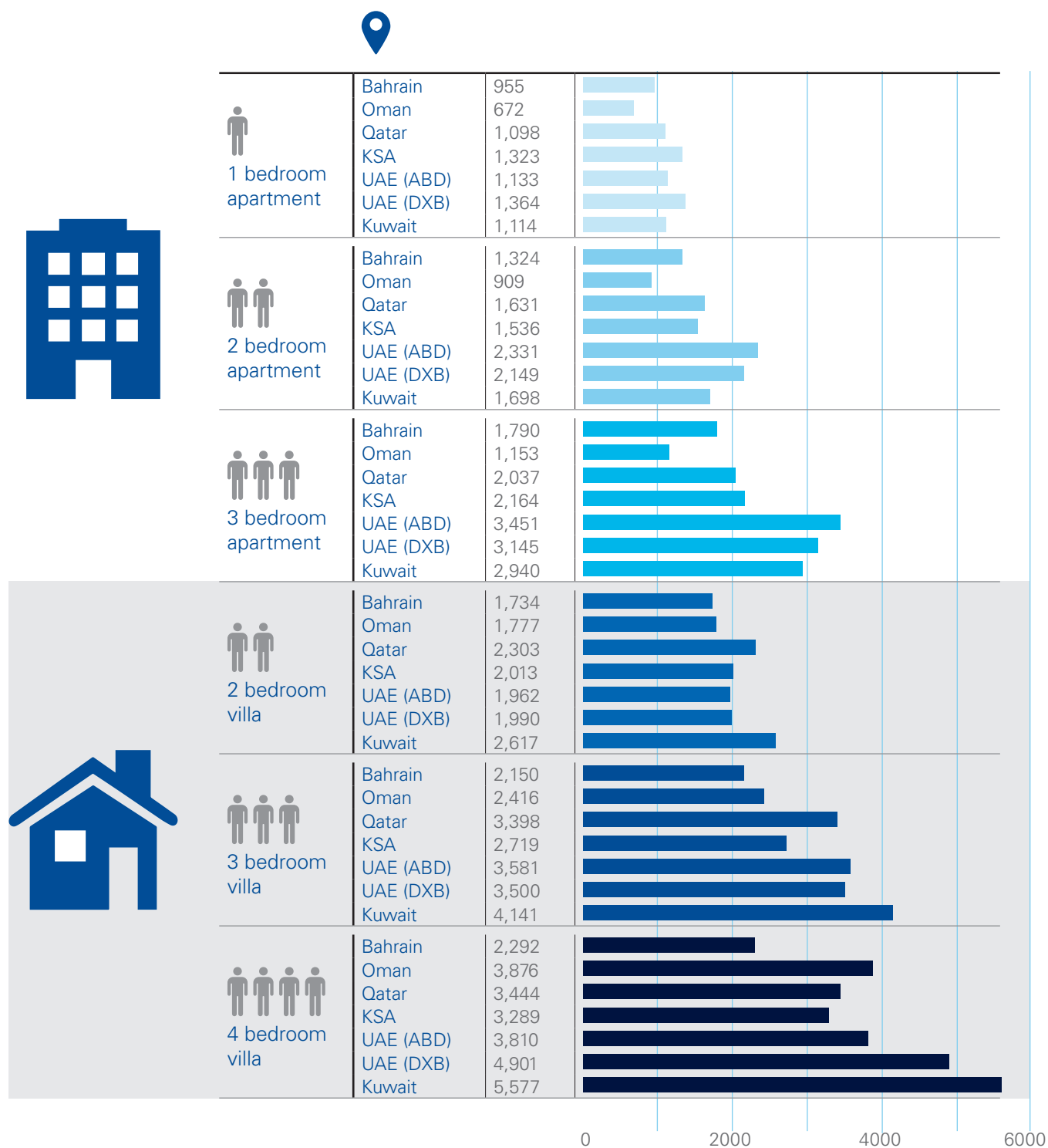
4.2 Accommodation costs

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

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

Figure 27: Average monthly accommodation rentals comparison

Figures in US\$ per month



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

IV. Indirect Cost Components

4.3 Residential utilities costs

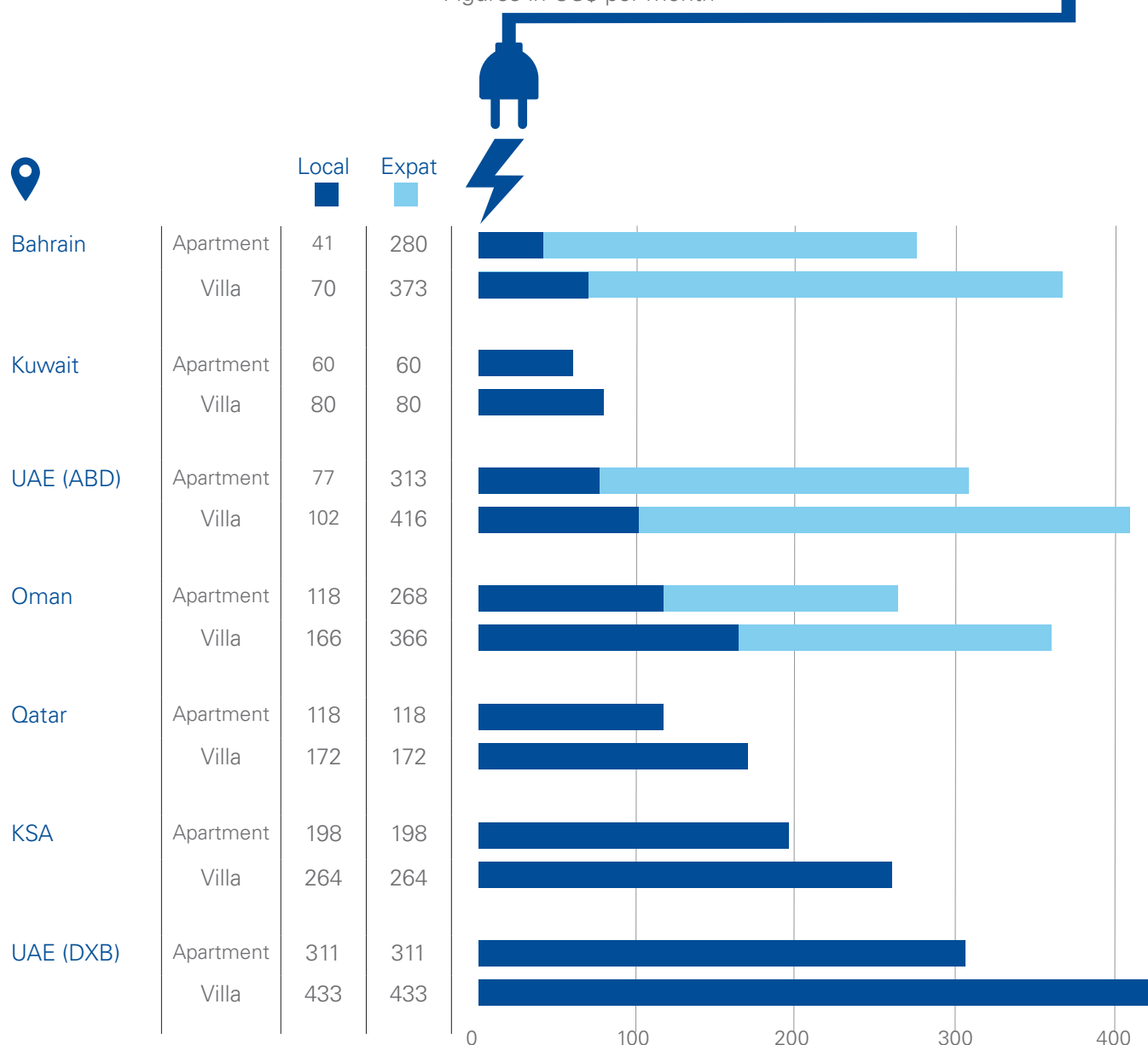
Figure 28 illustrates the differences in domestic electricity costs between GCC countries for a household of four people, living in either an apartment or a villa. The costs are based on a daily electricity consumption of 30 kWh per capita for an apartment, and 40kWh per capita for a villa.

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



Figure 28: Monthly electricity costs per household

Figures in US\$ per month



Source: EWA, DEWA, ADDC, Saudi Distribution Company, Kahramaa', Kuwait Ministry of Electricity and Water, ASPR

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

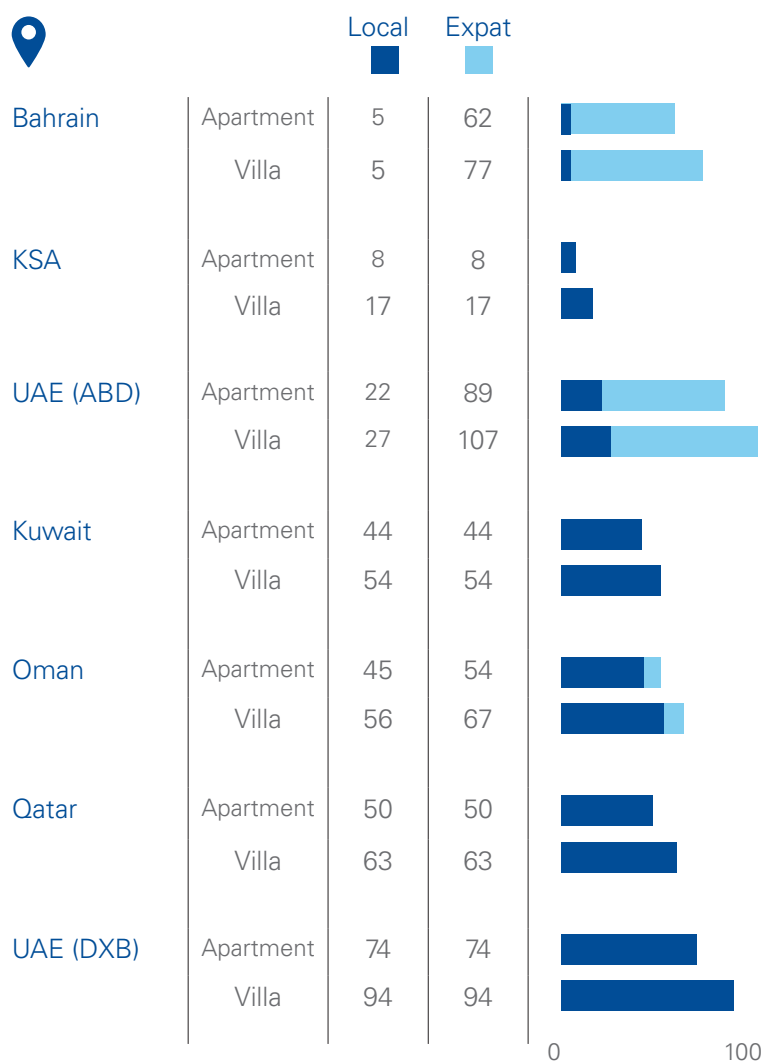
IV. Indirect Cost Components

Figure 29 shows the monthly water consumption for a household of four members, with a daily consumption of 250 litres 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 29: Monthly water costs per household

Figures in US\$ per month



Source: EWA, DEWA, ADDC, Saudi Distribution Company, Kahramaa', Kuwait Ministry of Electricity and Water, ASPR

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

4.4 Education costs


Figure 30 outlines the average annual cost of schooling in the GCC. 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 as compared to the other GCC countries.



Figure 30: 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
Qatar	American	13,042	16,244	18,341
	British	9,565	11,913	15,958
	Indian	1,252	1,470	2,323
Kuwait	American	8,239	12,573	14,245
	British	7,085	9,002	11,849
	Indian	1,358	1,914	2,329
Oman	American	12,298	19,214	24,297
	British	8,804	11,270	17,173
	Indian	1,876	2,398	2,989

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 a sample set of select key schools across the three curriculums in the respective jurisdictions.

IV. Indirect Cost Components




Figure 31 shows the overall university fees across the GCC. Bahrain has the lowest fees for ICT bachelor's programs compared to the other GCC countries, followed by Qatar and Oman.



Figure 31: Average university fees across GCC countries

Figures in US\$

	Computer Science	Software Engineering	Network Engineering	Cybersecurity
Bahrain	56,690	56,158	48,110	51,266
UAE (DXB)	57,134	55,884	72,909	62,975
UAE (ABD)	51,532	59,537	66,330	65,362
KSA	89,462	96,872	98,595	98,595
Qatar	66,606	61,286	69,160	70,650
Kuwait	56,100	57,750	56,999	41,846
Oman	62,764	62,764	44,409	81,120

Source: University websites

Note:

Qatar university fees include public universities as the select majors are not available in the private universities.

IV. Indirect Cost Components

4.5 Vehicle and fuel costs

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



Figure 32: 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
Qatar	12,100	27,230	66,000	79,830	46,290
Kuwait	9,940	27,500	39,760	80,140	39,330
Oman	15,590	27,300	59,800	75,480	44,540

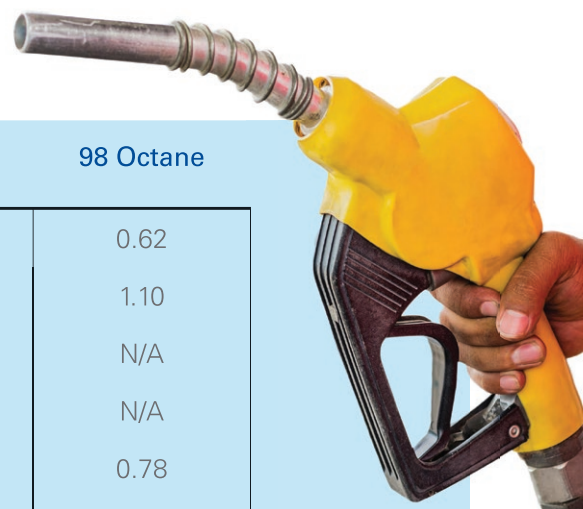
Source: YallaMotors, DriveArabia, local dealers



Figure 33: 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
Qatar	0.56	0.55	0.58	N/A
Kuwait	0.40	0.30	0.36	0.78
Oman	0.72	0.61	0.63	1.14



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

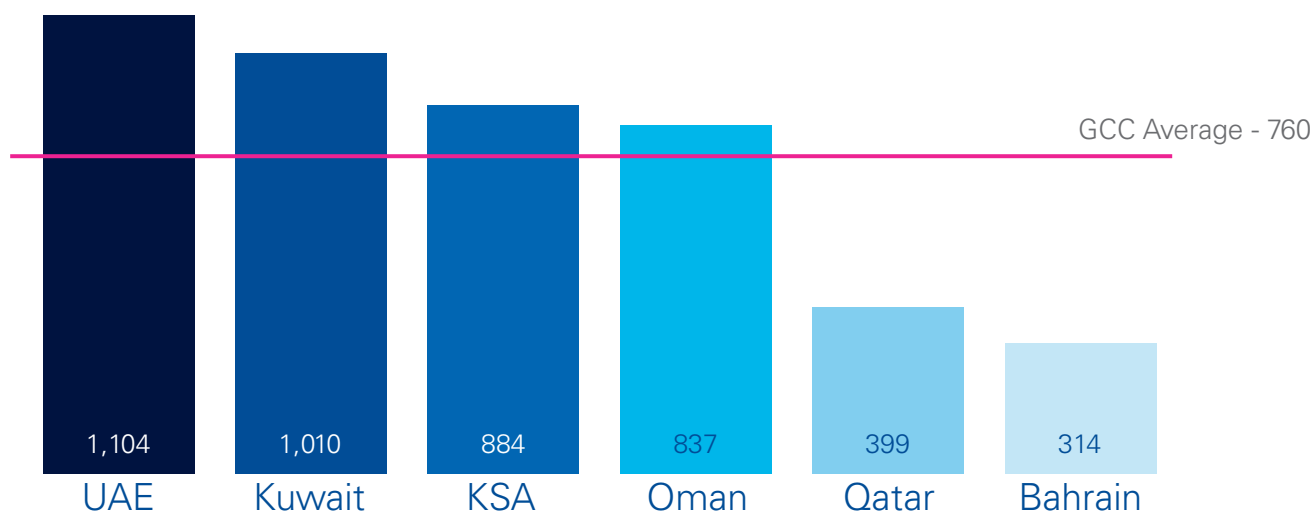
4.6 Domestic help costs

The cost of a visa for domestic help is shown in Figure 34. Bahrain has the minimum domestic visa cost in the GCC. The UAE and Kuwait, on the other hand, have the most expensive domestic visa prices.



Figure 34: Domestic help visa costs (2021)

Figures in US\$



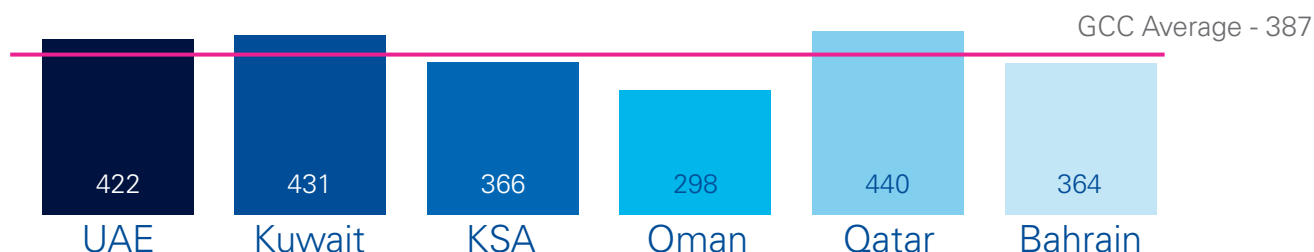
Source: LMRA, MOHRE, Musaned, KPMG analysis

Figure 35 represents the average wages for domestic help in different GCC countries. When compared to the GCC average wage for domestic help, which is US\$ 387, Oman and Bahrain have 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 35: Domestic help wages (2021)

Figures in US\$



Source: Primary and secondary research.

Oman and Bahrain have the lowest domestic help wage.

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

Electricity and water tariff structure in Qatar


Cost of commercial utilities - Water (2022)

US\$ per m³

	First 50 m ³	Above 50 m ³
Qatar	1.65	2.37

Cost of commercial utilities - Electricity (2022)

US\$ per kWh

	First 4,000 kWh	4,001 to 10,000 kWh	Above 10,000kWh
Qatar	0.04	0.05	0.06


Cost of residential utilities - Water (2022)

US\$ per m³

	First 20 m ³	21 – 250 m ³	Above 250 m ³
Qatar	1.51	1.93	2.75

Cost of residential utilities - Electricity (2022)

US\$ per kWh

	First 2,000 kWh	2,001 to 4,000 kWh	4,001 – 15,000 kWh	Above 15,000 kWh
Qatar	0.03	0.04	0.05	0.07

Source: KAHRAMAA

V. Appendix

Electricity and water tariff structure in Kuwait

Cost of commercial utilities - Water (2022)

US\$ per m³

	Any Quantity
Kuwait	1.46

Cost of commercial utilities - Electricity (2022)

US\$ per kWh

	Any Quantity
Kuwait	0.02

Cost of residential utilities - Water (2022)

US\$ per m³

	Any Quantity
Kuwait	1.46

Cost of residential utilities - Electricity (2022)

US\$ per kWh

	Any Quantity
Kuwait	0.02

Source: Kuwait Ministry of Electricity and Water.

V. Appendix

Electricity and water tariff structure in Oman

Cost of commercial utilities - Water (2022)

US\$ per m³

	Any Quantity
Oman	2.57

Cost of commercial utilities - Electricity (2022)

US\$ per kWh

	Any Quantity
Oman	0.05


Cost of residential utilities - Water (2022)

US\$ per m³

	Any Quantity
Oman (Nationals)	1.43
Oman (Expats)	1.72

Cost of residential utilities - Electricity (2022)

US\$ per kWh

	0 – 4,000 kWh	4,000 – 6,000 kWh	Above 6,000 kWh
Oman (Nationals)	0.03	0.04	0.07

	0 – 500 kWh	500 – 1,000 kWh	Above 1,500 kWh
Oman (Expats)	0.05	0.07	0.08

Source: Authority for Public Services Regulation

Trade barriers relevant to ICT

Bahrain

Bahrain offers foreign investors in the ICT sector 100% business ownership, and offers 0% tax (corporate and personal tax)

Tamkeen, a semi-government organization bolstering the private sector, offers salary and training subsidiaries as well as grants to cover other costs such as equipment, IT infrastructure, and marketing.

Telecommunications, radio and television receiving, and broadcasting equipment are restricted and their import into the Kingdom of Bahrain is only allowed with a valid permit or approval document from the relevant regulatory authority

The Customs Affairs developed a 'Single Window' customs clearance system, operated via a streamlined software interface, simplifying the documentation processes and clearance for export-oriented companies, freight forwarders and shipping agents.

Bahrain currently has free trade agreements with 22 countries, an expansion of such agreements may aid in successfully adapting digital technologies for trade facilitation.

UAE

Only companies in the UAE that have the appropriate trade license can import products into the country.

The UAE government has established several FTZs such as Dubai Internet City (in 1999) and Dubai Silicon Oasis (in 2005) that specialize in the ICT industry and act as industry clusters for high technology and innovation. Within these zones, firms are allowed 100% import and export tax exemptions, 100% repatriation of capital and profits, and corporate tax exemptions for 50 years, on a renewable basis.

To attract foreign companies and develop human capital resources, the UAE government has established the UAE ICT Fund, which educates hundreds of Emirati students overseas in the ICT field.

Qatar

Qatar requires importers to have an import license for most products, and only issues import licenses to Qatari nationals

The Ministry of Transport and Communication (MOTC) has the Qatar Smart Nation program, also known as Tasmu. This is a five-year \$1.64 billion initiative to develop Qatar's ICT infrastructure.

Trade barriers relevant to ICT

Saudi Arabia

The ICT strategy of the Ministry of Communications and Information Technology is to establish a robust and cutting-edge digital architecture so digital transformation accelerates and supports the Vision 2030 goal of promoting the sector's role to build a digital society, a digital government.

Investing \$1 Bn to support the artificial intelligence sector while focusing on startups, research and development, and the development of higher skills.

An equipment is considered licensed for use in the kingdom when the equipment is approved by the Commission or conforms to the technical specifications issued by the Commission.

The US government has engaged Saudi authorities on the principles for international standards per the WTO Technical Barriers to Trade Committee Decision and encouraged Saudi Arabia to adopt standards developed according to such principles in their technical regulations, allowing all products that meet those standards to enter the Saudi market.

Kuwait

In March 2003, Kuwait implemented its International Conformity Certification Program (ICCP), a pre-shipment certification program requiring that covered products be tested and certified by a single private company before being imported into Kuwait.

Kuwait's telecommunications industry is technically open to private investment, in practice the government maintains extensive ownership in the sector and controls licensing and infrastructure development.

Oman

The labelling of imported goods may occur after customs clearance but must occur before the goods enter the Omani market

Companies looking to import goods to Oman register with the Ministry of Commerce and Industry through the Bayan system, the digital platform which links all customs partners, including government agencies, shipping and clearing companies, commercial banks and operators of ports and airports into a single electronic window.

Media imports are subject to censorship by the Ministry of Heritage and Culture for morally or politically sensitive material. The Ministry of Information delays or bars publications of content it deems morally suspect or politically sensitive.

Source: Trade.gov

V. Appendix

University Enrollments

There are 3,617 students enrolled in ICT fields at both public and private universities in the academic year of 2020/2021. Expat students, on the other hand, account for approximately 12% of total university enrollments in Bahrain in all the majors.

Enrollments in ICT fields at Private Universities for the Academic Year of 2020/21

University	Male	Female	Total
Arab Open University	295	106	401
Ahlia University	224	125	349
Applied Science University	83	81	164
University College of Bahrain	9	3	12
University of Technology Bahrain	144	49	193
British University	44	31	75
American University	13	15	28
Total Private University Enrollments	812	410	1,222

Enrollments in ICT fields at Public Universities for the Academic Year of 2020/21

University	Male	Female	Total
University of Bahrain	1,061	704	1,765
Bahrain Polytechnic	373	175	548
Bahrain Training Institute	37	45	82
Total Public University Enrollments	1,471	924	2,395

Source: Higher Education Council

V. Appendix

Visit Visa (On Arrival) Countries in the GCC

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

1. Visa on arrival not available. (Oman discontinued visas on arrival in 2019. This means that foreign nationals who are not visa-exempt must apply for their travel permit before leaving for Oman.)

V. Appendix

Visit Visa (On Arrival) Countries in the GCC

	Bahrain	UAE	Saudi Arabia	Qatar	Kuwait	Oman
25	Germany	Greece	Liechtenstein	Kazakhstan	Laos	N/A ¹
26	Greece	Honduras	Lithuania	Lebanon	Latvia	
27	Guyana	Hong Kong, China	Luxembourg	Macau	Liechtenstein	
28	Hong Kong	Hungary	Malaysia	Macedonia	Lithuania	
29	Hungary	Iceland	Malta	Maldives	Luxembourg	
30	Iceland	Italy	Monaco	Mauritius	Malaysia	
31	India	Japan	Montenegro	Mexico	Malta	
32	Ireland	Kazakhstan	Netherlands	Moldova	Monaco	
33	Italy	Kiribati	New Zealand	Monaco	Netherlands	
34	Japan	Latvia	Norway	Montenegro	New Zealand	
35	Kazakhstan	Liechtenstein	Poland	New Zealand	Norway	
36	Latvia	Lithuania	Portugal	Pakistan	Poland	
37	Lichtenstein	Luxembourg	Romania	Panama	Portugal	
38	Lithuania	Macau, China	Russia	Paraguay	Republic of Cyprus	
39	Luxemburg	Malaysia	San Marino	Peru	Romania	
40	Macau	Maldives	Singapore	Russia	San Marino	
41	Malaysia	Malta	Slovakia	Rwanda	Singapore	
42	Malta	Mauritius	Slovenia	San Marino	Slovakia	
43	Mexico	Mexico	South Korea	Singapore	Slovenia	
44	Monaco	Monaco	Spain	South Africa	Spain	
45	Netherlands	Montenegro	Sweden	South Korea	Sweden	
46	New Zealand	Nauru	Switzerland	Suriname	Switzerland	
47	Norway	Netherlands	Ukraine	Thailand	Turkey	
48	Paraguay	New Zealand	United Kingdom	United Kingdom	United Kingdom	

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V. Appendix

Visit Visa (On Arrival) Countries in the GCC

	Bahrain	UAE	Saudi Arabia	Qatar	Kuwait	Oman
49	Peru	Norway	USA	USA	USA	N/A ¹
50	Poland	Paraguay		Uruguay	Vatican City	
51	Portugal	Peru		Vatican City	Vietnam	
52	Romania	Poland		Venezuela		
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				

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V. Appendix

Definition of Positions

Core Positions

IT Director	Above managerial position - responsible for the overall management of IT Department (e.g. COO, CIO, Head of Technology and Innovation)
IT Manager	Manager position - responsible for the management of a section of the IT Department
IT Analyst	Non-managerial position - responsible for assisting the staff with hardware solutions, IT helpdesk request
Network Administrator	Non-managerial position - responsible for network related tasks of the organization
Software Developer	Non-managerial position - responsible for development and engineering of software and tools for the company
Customer Service Representative	Non-managerial position - responsible for reception, customer services, customer representation, front desk and directory operator

Non Core Positions

Marketing Manager	Manager position - responsible for the management organization's execution of marketing strategies for customer outreach. Also includes CRM related aspects of process flow
Sales Manager	Manager position - responsible for the sales of the products and services of the organization. This position is mainly related to retail customers (i.e. B2C)
Business Development Manager	Manager position - responsible for the B2B partnerships and business of the organization
Product Manager	Manager position - responsible for managing a product /service of the organization during the product life cycle
Project Manager	Managerial position - responsible for the overall management and completion of a project (overall project lifecycle management)
Data Intelligence	Non-managerial position - responsible for handling all the data and data related tools for the organization
Cyber Security Officer	Non-managerial position - responsible for handling the security of data, tools and security of organization's assets

Definition of Positions

Additional Positions

Engineer	Non-managerial position - responsible for designing, installing and maintaining different structures, plans, processes, and materials related to a company's computer systems (e.g., Software Engineer, Network Engineer, Process Engineer, Electrical Engineer, IT Support Engineer)
Cloud Architect	Non-managerial positions – responsible for various duties that include design, deployment, management and support for cloud apps
Producer	Non-managerial position - Mainly linked to digital media. The individual is responsible for making the business and budget related decisions of a television or movie project and shaping the project
Director	Non-managerial position - mainly linked to digital media, and is involved in planning, supervising the entire creative process and guiding the team
Writer	Non-managerial position - Mainly linked to digital media. The individual is responsible for researching, proofreading and expressing ideas through text according to a set of specifications
Composer	Non-managerial position - Mainly linked to digital media. The individual is responsible for creating original pieces of music and rearranging existing pieces of music
Illustrator	Non-managerial position - Mainly linked to digital media. The individual is responsible for creating original pieces of artwork for print and digital publications (position may also be referred to as graphic designer)



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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