



Annual Report 2022



A Message from our Chief Executive HE Khalid Humaidan

2022 has been a record year for us at the Bahrain EDB. Despite a challenging economic climate across the globe, we exceeded the USD 1 billion target set at the beginning of 2022, attracting investments worth USD 1.1 billion which are expected to generate more than 6,000 job opportunities in the Bahraini economy over the coming three years. These investments are from 89 projects in key sectors, including financial services, ICT, manufacturing, logistics and tourism.

The Kingdom's forward-looking regulations, competitive business environment, and skilled workforce have made it an ideal investment destination for key global players this year, including Binance and FedEx, and has moved it up the ranks on multiple global indices and reports, namely the first in the MENA region for Financial Freedom and Investment Freedom in the Heritage Foundation's Index of Economic Freedom 2023, as well as first amongst Arab countries in the Economic Freedom of the World 2022 by The Fraser Institute.

We have witnessed significant economic growth since the introduction of the Economic Recovery Plan in 2021. Non-oil real GDP growth for 2022 grew by 6.2%, and our FDI stock relative to GDP in 2022 stands around 80%, which is well above the global average, and is a testament to the attractiveness of the investment environment in Bahrain.

We are incredibly excited for 2023, where our focus remains on diversifying the economy and ensuring sustainable economic development, in line with our aim of achieving the USD 2.5 billion national FDI target by the end of 2023 and objectives set under the Economic Recovery Plan.



2022

2022 Achievements

Bahrain witnessed healthy growth since 2021 - not just recovery. The Economic Recovery Plan laid the foundations for further investment, resulting in the Bahrain Economic Development Board (Bahrain EDB) attracting USD 1.1 billion in direct investments, supported by Team Bahrain. 2022 was ultimately a record-breaking year for investment for Bahrain EDB.

These investments will see over 6,300 new jobs created over the next three years in key sectors like financial services, ICT, manufacturing, logistics, and tourism - vital areas of focus as we aim to secure healthy economy growth in 2023 and beyond.



Sector Highlights

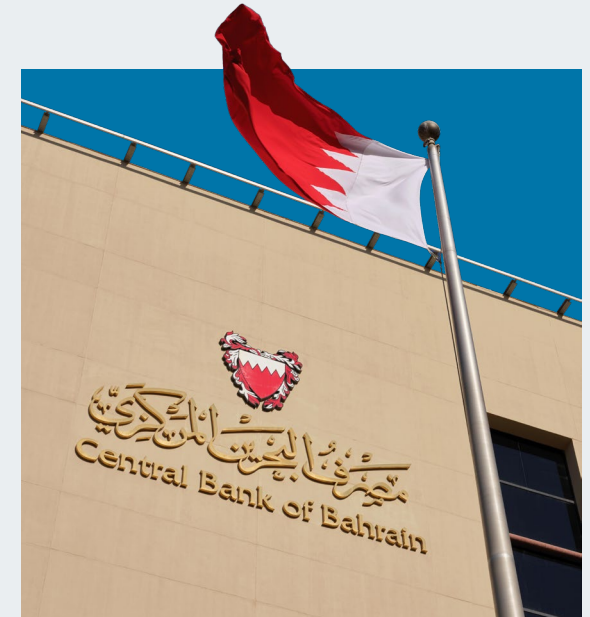
Financial Services



We saw Bahrain remain an extremely prosperous centre for financial growth this year. Fintech companies are just one branch of many businesses within the sector, basing their operations in Bahrain to serve the world. Moreover, we have seen the number of fintechs in Bahrain increase by 100% since 2018, an encouraging indication that we expect more businesses follow suit.

Binance is the world's leading blockchain ecosystem and cryptocurrency infrastructure provider with a financial product suite that includes the largest digital asset exchange by volume. Trusted by millions worldwide, Binance has established a local presence in Bahrain, and provides a local address and contact details to local regulators.

Meanwhile, Payment International Enterprise (PIE) mobile wallet services now provide Bahrain with a complete financial ecosystem. PIE is offering a digital-first programme that provides financial services under the brand name 'FLOOSS'. The platform is built to deliver a more efficient banking experience, through a completely digital experience which is both straightforward and transparent.



Sector Highlights

ICT

Technology expansion in Bahrain shows no signs of slowing down, with an increasing number of innovators basing themselves in the country. With the Kingdom's world-leading digital infrastructure and regulatory environments ready to harbour new business opportunities and future collaboration, the government aims to increase the number of ICT companies by 20 percent as part of the 2022-2026 Economic Recovery Plan.

Saudi Arabia's leading online food delivery platform, Jahez, has designed an in-house program to deliver the best in-app features and functions. With real growth potential, Jahez will soon establish new operations in Bahrain to cater to the Gulf region at large. Venture Sports Media – UK based sports audio business with exclusive sports license for top European football leagues - has chosen Bahrain to spearhead their digital sports innovation through their new MENA HQ and launch their new brand "El-Striker" to function as their sales and business development throughout the MENA region.



Sector Highlights

Manufacturing



Bahrain's position in the world - economically and geographically - is a natural choice for global manufacturers to invest in new projects. In 2022, a diverse range of businesses set up new operations in Bahrain for favourable customs, tax conditions, and the opportunity to employ an increasingly highly skilled talent pool of local workers and expats.

With an expected production capacity of 600k tonnes of refined sugar per year for local and international distribution, Bahrain Sugar Refinery is a key pillar of the food industry in the region expected to increase exports and contribution of the industrial sector to Bahrain's GDP. With plans to establish new production lines of yeast and molasses, Bahrain Sugar Refinery is another promising source of job creation for citizens. Meanwhile, Alumicor, the well-established aluminium dross treatment and scrap re-smelting company aiming to become a global leader in zero-waste, has established a facility on a 30,000 sqm plot of land in Bahrain, with plans for expanding its operations into the greater Gulf region.



Bahrain Sugar Refinery w.l.l.



Sector Highlights

Logistics

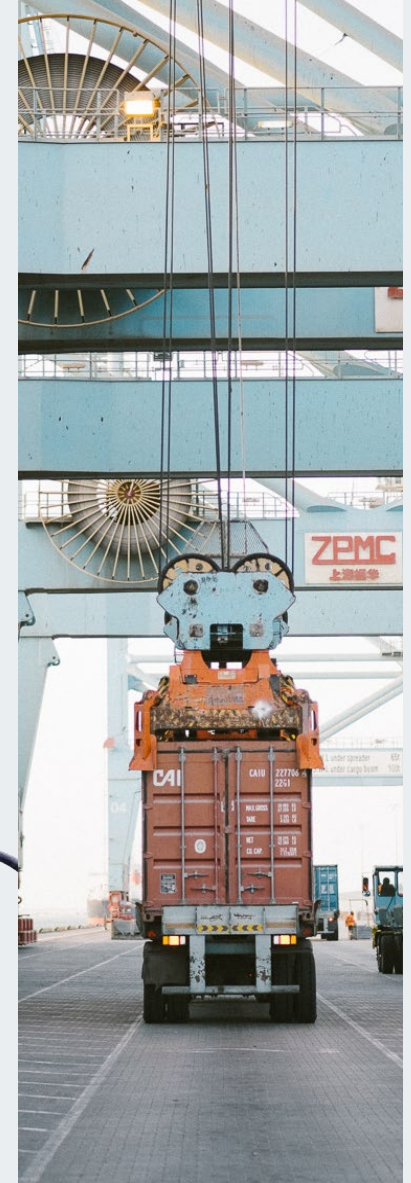
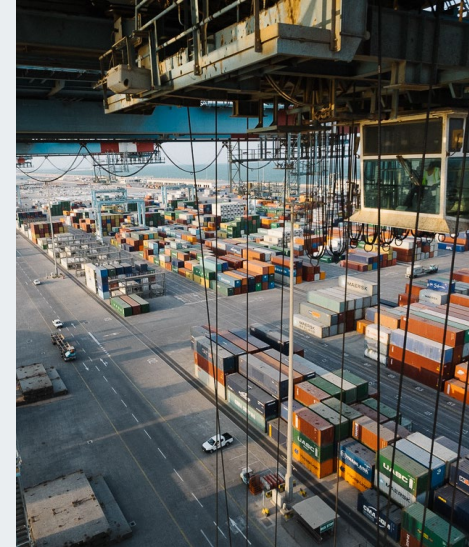


Bahrain's geographic position serves as a gateway to the world and backed by a leading infrastructure, quick freight handling times, year after year, leading logistics companies have chosen Bahrain as the ideal place for their operations.

FedEx is one of the largest international transport and logistics companies globally. By combining the world's largest air express network with the unparalleled European road network of TNT, FedEx will be occupying a large-scale site at Bahrain International Airport as the first anchor tenant in the Express Cargo Village, the strategic move will cement Bahrain as one of the first countries where FedEx-TNT operations are integrated to better serve markets with new opportunities and services both locally and around the world.

SMSA, a market leader in Transportation and Logistics industry with a network covering 230 countries worldwide, has selected Bahrain Logistics Zone to build a warehouse on a 10,000 sqm of land plot. This facility will act as its Bahrain HQ and will aid in expanding SMSA's operations in the region.

Since commencing business, SMSA has developed a range of services, including warehousing & fulfillment, international and domestic express transportation, and many other services that qualify SMSA as the ideal logistics partner for prominent companies.



Sector Highlights

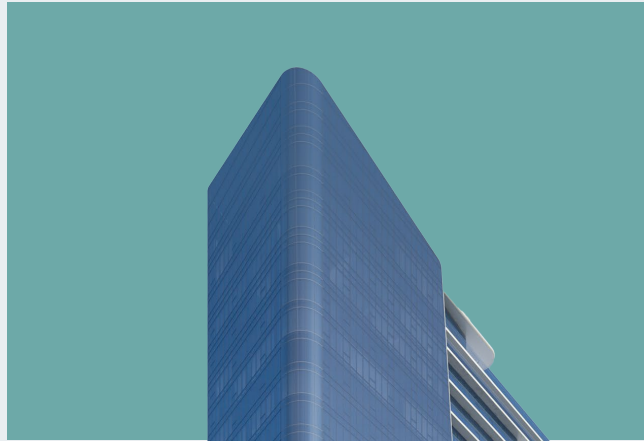
Tourism

Bahrain continues to draw in visitors from around every year and has welcomed 3 million tourists in the third quarter of 2022 alone. Owing to increased connections and ongoing developments in travel infrastructure while offering an array of hospitality experiences and worldly cuisines, leading international brands on the global tourism and hospitality map are consistently choosing to call Bahrain home.

CONRAD
HOTELS & RESORTS™



Conrad Hotels & Resorts, Hilton's contemporary luxury hotel brand, is set to open Conrad Residences Bahrain Financial Harbour at the Sayacorp Tower. The highly anticipated property will be the first fully residential luxury development for the Conrad brand in the Middle East.



Bahrain's Focus for 2023

Bahrain is very optimistic about the economic future in 2023, given the positive recovery since 2021. We also have five key priorities set out in the major economic growth and fiscal balance plan announced in 2021, which signposted the steps toward sustainable development.

- 01 Creating quality jobs for Bahrainis**
Creating high-value job opportunities within the private sector will encourage training and entrepreneurship, and competitiveness, making the Bahraini workforce the top choice for the labour market.
- 02 Simplifying and increasing the efficiency of commercial procedures**
Strengthening public-private sector partnerships in order to facilitate and streamline the effectiveness of commercial procedures to enhance the overall business-friendly environment conducive for foreign direct investments.
- 03 Launching major strategic projects**
Prioritising projects covering key priority sectors like Energy, Tourism, Logistics, Finance, Telecoms, and IT will help support current and future economic development in Bahrain.
- 04 Developing priority sectors**
Encourage investment in key sectors by implementing incentives and initiatives, promoting development, research, and innovation, and utilising modern technology to support all efforts.
- 05 Achieving fiscal stability**
Strengthening partnerships locally and regionally, transforming a consumer market into a producing market, and identifying new government revenue initiatives will help Bahrain attain fiscal balance and economic stability.

And, of course, we must achieve all this sustainably. Elevating national capabilities in food manufacturing, water production, expanding access to technology, preserving our resources, and encouraging all sectors to use renewable energy will help us strive towards our sustainability goals.



Cutting **30%** of total emissions by **2035**



Achieving **net zero** emissions by **2060**

Contact Us

About us

The Bahrain Economic Development Board (Bahrain EDB) works with government and investors to promote and develop our country's highly attractive investment environment.

Focusing on key economic sectors that benefit from Bahrain's many competitive advantages, the EDB identifies opportunities, supports investors and engages in a broad range of initiatives to deliver superior investment value.

For more information about EDB, visit: www.bahrainedb.com

For information about Bahrain, visit: www.bahrain.com

Get in touch with one of our highly skilled advisers to learn more about Bahrain's exceptional investment opportunities and how we can help you capitalise on them.

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