



ANNUAL

2023

REPORT

**EDB**  
ECONOMIC DEVELOPMENT BOARD  
**BAHRAIN**

BUSINESS  
*friendly*  
**BAHRAIN**



# Bahrain:

## A Leading Destination for Investment & Talent

2023 represented another milestone year for Bahrain Economic Development Board (Bahrain EDB). The Bahrain EDB exceeded targets set out at the beginning of the year; an achievement worth celebrating. Backed by the support of Team Bahrain, Bahrain EDB successfully attracted over USD 1.7 billion in investments in 2023. These investments are expected to contribute to creating more than 5,700 employment opportunities over a three-year period across multiple sectors.

In line with the priorities under the Economic Recovery Plan, Bahrain has witnessed positive economic growth, where the average real

GDP growth for 2023 stood at a rate of 2.4% and non-oil GDP at 3.4%. The economic growth led by a non-oil real GDP contribution of around 84% affirms the pivotal role diversification plays in achieving sustainable economic growth.

With its business-friendly environment that embraces forward-looking policies and agile regulatory reform backed by a highly skilled talent pool, Bahrain is bridging the global talent gap and cementing its position as a frontrunner for global investors looking to establish a presence in the region.



**We look forward with optimism to 2024 thanks to a healthy portfolio of projects in the pipeline. Bahrain EDB remains acutely focused on achieving further progress on Bahrain's ongoing journey to economic diversification and sustainable development.**





# 2023 ACHIEVEMENTS

As part of our mandate to enhance the existing investment climate, Bahrain EDB focused on attracting solid investments into diversified priority sectors including financial services, ICT, manufacturing, logistics and tourism.

2023 marked a record year for the financial services sector, which overtook oil and gas as the largest contributor to Bahrain's economy, representing 17.8% of real GDP. The sector also attracted the highest

volume of investments, comprising 36% of the total investments attracted by Bahrain EDB, followed by ICT (19.6%) and manufacturing (14.8%), which demonstrates the sectors' strength, resilience, and ability to attract leading global players.

Bahrain EDB will continue to work with Team Bahrain to promote and develop the Kingdom's highly attractive investment environment and identify opportunities and initiatives that support further economic growth and diversification.

Total  
investments

**USD 1.73 billion**

Total  
jobs\*

**5,792**

Total  
projects

**85**

*\*projected figure over a three-year period.*





# FINANCIAL SERVICES

2023 SECTOR HIGHLIGHTS

Bahrain's impressive growth rate is evident within our financial services sector. With more businesses laying down roots in the Kingdom, we're seeing others following suit. Owing to the Central Bank of Bahrain's pioneering legislation and progressive regulatory frameworks, a regional cost advantage of up to 27%\* and a highly talented workforce, a number of leading global enterprises have set up in Bahrain in 2023, benefiting from a business-friendly environment.



Having served organisations across multiple sectors in Bahrain for over two decades, **Oliver Wyman** has launched a new office in Bahrain, its sixth in the Middle East, expanding its regional presence to better serve its clients. The New York-based consulting firm with over 7,000 employees globally is renowned for providing strategic counsel and support, further enhancing Bahrain's financial services consultancy landscape.



**Howden**, the global insurance intermediary group with employee ownership at its heart, received its insurance broking license from the Central Bank of Bahrain to establish operations in the Kingdom in 2023, opening its sixth office in the Middle East, representing a significant step in its strategic growth ambitions for the Gulf region. Howden, which employs 17,000 people in 55 countries, provides a full range of insurance broking and risk advisory services across multiple risk sectors in Bahrain, including Aviation, Construction, Energy, Financial Institutions, Marine, Property & Casualty, Employee Benefits and Specialty Lines, and adds value to Bahraini clients by combining its international capabilities with local expertise through attracting and developing local talent.

*\*Source: KPMG's "Cost of Doing Business in the GCC" Financial Services 2022 report.*



# INFORMATION & COMMUNICATION TECHNOLOGY

2023 SECTOR HIGHLIGHTS

Making its mark as the region's first to roll out a nation-wide Cloud-First policy, Bahrain has maintained an impressive track record within the ICT sector, where the government continues to promote digitisation and innovation through its Digital Government Strategy. With a highly advanced infrastructure, coupled with a bi-lingual workforce that benefits from high retention rates and robust tech skills, the island nation continues to attract leading technology and digital-first companies to setup their regional operations.

**talabat**

**talabat**, the largest and fastest-growing food delivery company in the Middle East, recently launched the region's largest local shared services centre, servicing six markets out of Bahrain and creating 1,000+ new job opportunities. Backed by a diverse future-ready workforce, business-friendly regulations, and competitive operating costs, it is easy to see why talabat chose the Kingdom as its key operating hub further reinforcing Bahrain as a destination for highly-skilled talent and quality customer experiences.



Supported by a robust investment fund, the multi-layered film & TV production venture **Entajati** aims to enhance Bahrain's digital content development offerings and scale up its creative film industry. Comprised of a consortium of investors; an established Hollywood producer and a leading American film distributor, the Bahrain-based production company additionally has plans to launch a film academy in association with a top US film school and a post-production facility designed to serve local, regional and global productions.





# MANUFACTURING

Bahrain is a top destination for global manufacturing companies thanks to its strategic location, world-class infrastructure and favourable operating costs. With Free Trade Agreements covering 25 countries, which represent 32% of the world's GDP, coupled with regulatory flexibility and a skilled talent pool, Bahrain is the ideal base for global manufacturers and exporters.



UK-headquartered Conexus Resources Group pioneers solutions in the metals and agricultural commodities sectors. Their new flagship aluminium rod plant in Bahrain – **Konexus Aluminium International** – affirms the Kingdom's standing as a leading location for manufacturing and an export hub to international markets. With an investment of over USD 100 million, the plant is a welcome addition to Bahrain's thriving aluminium industry, adding-value with niche experience and capabilities. Export-focused firms can gain streamlined connectivity to international markets with advanced sea and air freight connectivity and direct access to the Kingdom of Saudi Arabia via the King Fahd Causeway.



Aptar Closures recently acquired a stake in Gulf Closures, a manufacturer of beverage closures in Bahrain. **Aptar** and Al Zayani Industries announced a joint venture to produce plastic caps and closures in Bahrain to serve global F&B brands and beauty products. This partnership will strengthen the collaboration between local and international investors and additionally add to the diverse portfolio of manufacturing products in the Kingdom.



# LOGISTICS

Thanks to the proximity of the Bahrain Logistics Zone (BLZ) to Khalifa Bin Salman Port (KBSP) and the Bahrain International Airport (BIA), the Kingdom offers one of the region's most advanced infrastructures, shortest transit times and holds a strategic geographical position on the world map, ideal for global logistics supply chains. Bahrain also serves as a gateway to the region's largest economy, Saudi Arabia, which is just a 30-minute drive across the King Fahd Causeway.



Based out of Singapore, **Asia Cargo Network (ACN)** is Southeast Asia's leading air cargo provider and parent company to three leading regional airlines. ACN placed an investment to become the biggest shareholder in MAE Aircraft Management, the aircraft and management division of MENA Aerospace, with a 49% stake. Their first venture in the Middle East, ACN will deploy six new air freighters and recruit Bahraini pilots, aircraft engineers, and operational management from a readily available talent pool.

The investment pushes the expansion of cargo routes to other areas of the region while strengthening the Kingdom's position as a global logistics hub.





# TOURISM

Alongside a host of new tourism projects, the Kingdom's rich cultural heritage, deep-rooted history of hospitality and island-living lifestyle have continued to cement Bahrain's appeal as a premier travel destination. Home to 3 UNESCO world heritage sites, an entertainment amphitheatre carved from the limestone ground, an award-winning airport passenger terminal and one of the region's largest exhibition centres, the Kingdom continues to attract investments that broaden its tourism offerings.

## EMAAR

ENTERTAINMENT

**Emaar Entertainment** is a leading owner and operator of exceptional entertainment experiences defined by pioneering attractions that are unique and transcend excellence in entertainment and leisure. Emaar Entertainment is credited with developing and managing some of Dubai's most-visited leisure attractions that delight millions of customers including At The Top Burj Khalifa, Dubai Aquarium and Underwater Zoo, Reel Cinemas, KidZania® Dubai and Abu Dhabi, as well as Dubai Ice Rink, Sky Views Observatory, The Storm Coaster, Adventure Park by Emaar, Dubai Opera and more. Customer focused and committed to developing unparalleled leisure and entertainment choices, Emaar Entertainment is building its portfolio through strategic global alliances, joint ventures, franchises and licenses with premium brands in the UAE and the GCC.

## AZADEA

Owning and operating more than 40 brand names and franchise concepts with over 700 stores spread across 14 countries around the region, premier lifestyle retail company, **Azadea Group**, has doubled its presence in Bahrain by opening around 25 outlets for new and existing brands in the Marassi Galleria Mall. With access to one of the region's most highly skilled bi-lingual workforce, the group's expansion marks yet another addition to Bahrain's robust tourism offerings.



# OUR FOCUS FOR 2024:

## Leveraging Bahrain's Future-Ready Talent Pool

Businesses operating in Bahrain gain access to a workforce that is bridging the global talent gap, which combines highly skilled, bi-lingual, driven Bahraini nationals alongside a diverse expat talent pool offering an unmatched perspective. Moreover, Bahrain's forward-looking government continues to heavily invest in equipping the workforce with niche digital skills and expertise, with a particular focus on the financial services & ICT sectors, ensuring Bahrain's talent pool cater to future market needs. Bahrain's extensive talent pool continues to gain global recognition within the international community, including several impressive rankings in international reports:

**4<sup>th</sup>** Globally\* for Skilled Labour.

**1<sup>st</sup>** in MENA\* for Talent Growth, Finance Skills, Employee Training, and Language Skills.

**1<sup>st</sup>** in the Arab World\* for percentage of Females in the Labour Force.  
\*The Institute for Management Development (IMD) World Talent Ranking 2023.

**1<sup>st</sup>** in the Arab World\* for Digital Technological Skills and Qualified Engineers.  
\*The Institute for Management Development (IMD) World Competitiveness Ranking 2023.

**1<sup>st</sup>** amongst GCC\* for Women with Degrees, Communication Technology and Digital Skills.  
\*The Institute for Management Development (IMD) World Digital Competitiveness Ranking 2023.

A thriving business-friendly environment and progressive legislation continue to cement Bahrain's attractiveness as a leading destination for investment, which continue to bridge the global skills gap across sectors, Bahrain has given rise to local success stories with global impact.

**Citi's Global Technology Hub** — Citi Bahrain celebrated the first anniversary of the new Tech Hub, which will employ 1,000 Bahraini coders over ten years. The Hub aims to develop and improve digital solutions for Citi's regional and global clients like digital platforms Citi Velocity and CitiFX Pulse.

**talabat's Regional Service Centre** — talabat, the region's leading food delivery and Q-commerce platform is set to create over 1,000 new jobs over a two-year period through its latest regional local shared services centre. The centre will provide attractive opportunities for Bahraini graduates in the technology sector.

**PwC Middle East's latest Regional Service Centre** — The service centre will capitalize on Bahrain's skilled talent pool to offer strategic compliance and advisory services to a wide range of global institutions. The new Bahrain-based centre will strengthen PwC's global network and will work closely with the other centres to serve the region's client base.

# Contact Us

## About us

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

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

For more information about Bahrain EDB, visit: [www.bahrainedb.com](http://www.bahrainedb.com)

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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.

## Contact Information



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