

ANNUAL REPORT

2024



 **EDB**
ECONOMIC DEVELOPMENT BOARD
BAHRAIN

BUSINESS
friendly
BAHRAIN

A Message from our CE

02

With Gulf economies projected to reach USD 6 trillion by 2050, the region is poised to play a pivotal role in the global economy. Bahrain's longstanding partnerships across the Gulf Cooperation Council (GCC) have been further bolstered by increased exchange of knowledge and co-investments, including an inflow of investments from the likes of UAE's Mubadala and Saudi's Public Investment Fund (PIF). Moreover, the Bahrain-Saudi and Bahrain-UAE bilateral agreements signed in relation to the equal treatment of goods are additionally set to herald significant economic benefits both nationally and regionally.

For us at Bahrain EDB, 2024 was yet another milestone year. We successfully attracted over USD 1.8 billion in direct local and international investments spanning across priority sectors, including financial services, Information and Communication Technology (ICT), manufacturing, logistics and tourism. Bahrain's 2024 FDI stock relative to GDP stood at approximately 96.5%, well above the global average, a testament to the deep-rooted trust investors place in Bahrain as a leading investment destination of choice.

As a result of its agile and forward-looking regulations, highly competitive operating costs, and future-proofed, globally competitive talent pool, Bahrain continues to attract leading world-class investors. This includes the likes of JP Morgan Payments, which pledged to hire software engineers and technologists in Bahrain to serve its global payments business, as well as PwC Middle East which embarked on its first wave of hires for its regional service delivery centre. 2024 also saw several key projects announced, including Indian-based Polymatech which is planning a semiconductor manufacturing facility in Bahrain.

Our pioneering island nation continues to achieve robust steps as part of its digital transformation journey, investing in large-scale flagship infrastructure projects and preparing the workforce for the evolving landscape with the overall aim of building a more resilient, knowledge-based economy to elevate Bahrain's competitive position

on the global stage. stc Group announced two digital infrastructure projects in 2024 as part of over USD 300 million investments to expand connectivity in the region comprising a pioneering technology park and the 2Africa Pearl submarine cable system, strengthening Bahrain's position as a digital hub in the Middle East.

Under the direction of His Majesty King Hamad bin Isa bin Salman Al Khalifa and His Royal Highness Prince Salman bin Hamad Al Khalifa, the Crown Prince, Prime Minister, and Chairman of the Bahrain Economic Development Board, Bahrain EDB continues to prioritise a targeted approach to attracting investments. Through the agility and collaborative Team Bahrain approach, these investments, in turn, support economic sustainability and provide more job opportunities for the local market, in line with the Kingdom's goals of comprehensive development led by His Majesty King Hamad bin Isa Al Khalifa.

With a healthy portfolio of projects in the pipeline, we are confident about securing sustainable growth opportunities in the Kingdom. Going forward, we remain acutely focused on attracting international investments from strategic international markets, all while supporting local investors to grow by ensuring Bahrain maintains its business-friendly environment and remains open to doing business with the world.

H.E. Noor bint Ali Alkhulaif
Minister of Sustainable Development,
Chief Executive of Bahrain EDB



2024 Key Achievements

03

Total investments: **USD 1.804 billion**

Total Jobs: **7,496** (projected over a three-year period)

Total Number of Projects: **99**

2024 reinforced Bahrain's position as a leading destination for investment, exceptional talent and digital innovation. We reached a remarkable milestone securing a record level of investments upwards of USD 1.8 billion. The manufacturing sector accounted for the largest share of these investments, followed by the Information and Communication Technology (ICT) and tourism sectors.

Stemming from 99 projects, these record investments will contribute to creating more than 7,400 employment opportunities over a three-year period. Of these projects, 62% represented expansions, while 38% were new, helping to drive a positive trajectory of national economic growth and diversification.

We are excited to build on this progress in 2025, and continue our mission to create a conducive and attractive business environment for investors from across the world.

Financial Services

As the most established financial hub in the GCC, Bahrain is a regional leader in nurturing and encouraging the growth of digital financial services. The sector includes a balanced portfolio of international conventional & Islamic banking institutions, investment business firms, insurance and reinsurance companies, along with a dynamic ecosystem of fintech players. The Central Bank of Bahrain (CBB) continues to play a vital role, working on robust digital transformation efforts and new priorities that will help secure an ever-brighter future for the financial sector by attracting more innovative financial institutions and firms. This ambition is driven by pioneering regulations, which align with global best practices and ensure Bahrain keeps pace with the latest developments in supervisory practices and compliance requirements. Such technology-driven initiatives, coupled with a financial freedom score higher than regional averages, mean leading international financial institutions continue to launch new operations in Bahrain.



Singapore Gulf Bank

Singapore Gulf Bank (SGB) - Bahrain's first fully licensed digital bank offering comprehensive crypto-compatible banking services - announced the launch of its corporate banking services in November 2024. The move marks a pivotal moment in deepening financial connectivity between MENA and Asia through Bahrain, and is a testament to the country's pro-innovation environment and ability to attract ambitious global enterprises. SGB's launch also demonstrates Bahrain's commitment to fostering innovation in financial services while upholding the highest regulatory standards.



PwC Regional Service Hub

PwC Middle East chose Bahrain as the location of a new service delivery hub in 2024, creating up to 250 new job opportunities over the course of the upcoming years, and marking a new milestone for the Kingdom's professional services sector. Following its successful launch, it has been working closely with PwC's other regional offices. This new delivery hub capitalises on Bahrain's business-friendly environment and talented workforce, combining local insight with global perspectives.

J.P.Morgan

PAYMENTS

J.P. Morgan Payments

J.P. Morgan Payments plans to hire software engineers and other technologists in Bahrain to serve its global payments business. This is the next step in the continued strategic investment the business is making in technology talent globally.



Information & Communication Technology

With pioneering regulatory frameworks, an innovative tech ecosystem and advanced infrastructure, Bahrain continues to be an ideal location for growth in the Information & Communication Technology (ICT) sector. Bahrain's highly-skilled, bi-lingual and future-ready talent, coupled with high retention rates, continue to attract ICT businesses from around the world to invest in Bahrain, further reinforcing the Kingdom as a leading hub for talent and technology. Bahrain continues to bridge the talent gap by investing in upskilling workers in the tech sector through flagship initiatives such as AWS Cloud Innovation Centers, Apple Authorized Training Centre and Reboot01 coding school, providing world-class training to enhance the competitiveness of the Bahraini workforce.

stc

stc Data Centre

As part of stc Group, the national telecommunications company of the Kingdom of Saudi Arabia, stc Bahrain has committed to investing over USD 315 million in digital infrastructure. It was granted a Golden License in June 2023, and is now investing USD 109.7 million to establish a large data centre campus with a potential capacity of up to 60 MW. This milestone achievement will create a positive ripple effect across multiple sectors, generating jobs and cementing digital transformation as a cornerstone of sustainable economic development in Bahrain.

Tafaseel

People Driven, AI Enabled

Tafaseel Group Holding

UAE's business process outsourcing (BPO) company, Tafaseel, plans to establish its second regional hub in Bahrain and hire dedicated agents for its global operations. Backed by Bahrain's young, tech-savvy, and highly skilled workforce and world-class digital infrastructure, the firm's investment is a prime example of growth opportunities in the ICT sector in Bahrain.



Manufacturing

Bahrain's manufacturing sector has been a success story for decades, contributing 13.6% to the island nation's real GDP in 2023. It is now Bahrain's second largest non-oil sector and continues to grow impressively. Global and regional manufacturers benefit from Bahrain's strategic location, central to the USD 2.12 trillion GCC market. The Kingdom also offers duty-free access to 25 countries representing 33% of the world's GDP, and a cost-effective environment that is up to 41% lower for manufacturing businesses in the GCC¹. Manufacturing companies can choose from state-of-the-art operational locations like the Bahrain International Investment Park and the Bahrain Investment Wharf, already home to Mondelez, BASF and Arla among others. Upcoming Industrial Zones include the US Trade Zone (USTZ), which is set to further bolster the industrial sector.

Polymatech

Polymatech Manufacturing Facility

Polymatech is a leading Indian semiconductor chip manufacturer committed to innovation in the semiconductor space. As part of its global expansion plans, the company has announced an initial USD 16 million investment for launching a state-of-the-art manufacturing facility in Bahrain. This facility will play a critical role in producing essential chips for medical electronic appliances in addition to 5G and 6G components, positioning the island nation as a key player in the global semiconductor value chain. Top clients to be served from Bahrain include the automotive and aviation sectors, luminaire assemblers, hospitals, including the medical fraternity, and governments—another addition to Bahrain's robust portfolio of next-generation manufacturing offerings.



Geophysical Technology (GTI) Regional Headquarters

Based out of Texas, USA, GTI manufactures seismic nodal recording technology for exploratory services in the oil and gas field. GTI aims to establish its first international office in Bahrain. This office will act as regional headquarters, with ambitious plans to expand into other countries in the region. This underscores the importance of Bahrain as a strategic gateway, offering streamlined connectivity to global and regional markets in the Gulf and beyond.

Logistics

Bahrain offers the most cost-effective environment for logistics businesses in the GCC, with costs up to 69% lower¹. Thanks to highly efficient customs procedures and clearance times, the logistics sector has increased its contribution to Bahrain's GDP, from 6.8% in 2022 to 7.4% in 2023. This, combined with a world-class infrastructure and strategic location offering fast transit between airports, ports and industrial zones, has cemented Bahrain's position as a leading regional hub for international trade.

AJEX.

Logistics Services

AJEX Logistics

AJEX is the GCC logistics & transportation expert, operating in Bahrain since 2021. AJEX strives to become the premier provider of cutting-edge logistics solutions, bridging the Middle East with the global stage. With an extensive network of more than 50 facilities, 900 vehicles, and 1,500 professionals, AJEX offers a comprehensive range of customer-centric solutions, AJEX offerings extend to warehousing, cold chain logistics, and healthcare solutions. To support the growing demand in the logistics sector, AJEX ambitious expansion plans in Bahrain include two new facilities within Majaal and Bahrain Airport's Express Cargo Village.



Valo Aviation Bahrain

Valo Aviation WLL, a new luxury jet operator, officially received its Air Operator Certificate from the Bahrain Civil Aviation Affairs, accelerating its mission to deliver exceptional private charter and business aviation services in the region. This milestone reinforces Bahrain's strategic position as a leading aviation hub in the Arabian Gulf region.

Source: ¹EY Cost of doing business in the GCC - Logistics 2024



Tourism

Bahrain boasts a rich and unique cultural heritage dating back to the Dilmun civilization. Ranked 1st in MENA as the best destination to live and work¹, today the Kingdom offers unparalleled experiences for its residents and guests alike – whether it's a visit to one of three UNESCO World Heritage sites or attending the Formula 1 Gulf Air Bahrain Grand Prix. From its consistently high quality of life, diverse blend of cultures and safe, open and welcoming society, it's no wonder Bahrain has earned the title of Gulf Tourism Capital for 2024. The sector's contribution to overall GDP has surged as target markets expand and offerings diversify, attracting global brands, including 4-star and 5-star hotel chains, international F&B brands, and iconic infrastructure projects—further solidifying Bahrain as an ideal destination to live, work, and invest.



Bahrain City Centre Towers WLL (Hilton)

The internationally renowned chain Hilton Hotels & Resorts operates properties in 94 countries across six continents. In Bahrain, its newest offering Hilton Seef Residences, is geared towards family tourists and provides world-class amenities. It consists of two high-rise towers with 600 serviced apartments – the biggest internationally branded hospitality facility in terms of number of keys. Landmark projects such as this are a key driver of growth in Bahrain's tourism sector, and solidify the Kingdom's position as a highly attractive global tourism hub.



Onyx Arjaan by Rotana Bahrain Bay

Built by Bahrain's Kooheji Contractors, Onyx Arjaan by Rotana is a waterfront five-star property located in Bahrain Bay – one of the Kingdom's most prestigious mixed-use waterfront destinations. Featuring luxury suites with state-of-the-art facilities, this project furthers Bahrain Bay's reputation as a premium lifestyle and tourism spot, and adds to its already vast line-up of luxury hotels, restaurants and retail destinations.

Our Focus for 2025: Future-Proofing Our Economy and Talent

09

Bahrain EDB's mandate is to attract investments in key priority sectors that support sustainable growth across all facets of the economy. Every project aspires to support the creation of high-value job opportunities, driving future-proof, sustained economic growth. By enhancing competitiveness and innovation across sectors, we harness collaboration to build sustainable development opportunities that benefit all.

The Kingdom's government continues to invest in the local talent pool, upskilling and reskilling Bahrainis to meet rapidly changing market and future needs. This includes studying the impact of AI on the cross-sectorial growth of vital sectors, to support the development of a dynamic, adaptable workforce. By enabling sustainability across all sectors via technology, renewable energy and sustainable industrial practices, Bahrain aims to create a conducive environment for businesses to thrive and talents to flourish, fostering innovation and driving long-term economic growth.

By embracing emerging technologies that transform our economy and combining attractive investment opportunities with world-class talent, we are supporting the Kingdom's economic, social and development aspirations - for an innovative, digital and resilient future.

Our ambitions are becoming reality through the new iteration of talent and technology hubs that have located themselves in Bahrain, pledging to train, develop and create sustainable jobs for the future. Some of these innovation hubs include:



Array:

A home-grown tech hub with ambitions of becoming the largest tech provider in Bahrain by introducing AI into the process of matching talent with job openings.



JP Morgan Tech Hub:

The multinational financial giant tapping into Bahrain's highly-skilled workforce to create a center of excellence for finance and technology in the region.



PWC Regional Service Hub:

The leading global professional services network expanding its presence in Bahrain, creating new job opportunities and contributing to the Kingdom's diversification strategy.

About Bahrain Economic Development Board — 10

Bahrain Economic Development Board (Bahrain EDB) is an investment promotion agency with overall responsibility for attracting investment into the Kingdom and supporting initiatives that enhance the investment climate. Bahrain EDB works with the government and both current and prospective investors to ensure that Bahrain's investment climate is attractive, to communicate the key strengths, and to identify where opportunities exist for further economic growth through investment.

Bahrain EDB focuses on several economic sectors that capitalise on Bahrain's competitive advantages and provide significant investment opportunities. These sectors include financial services, manufacturing, logistics, ICT and tourism.

Contact Us

As Bahrain's investment promotion agency, Bahrain EDB offers comprehensive support to businesses starting from before the setup process all the way to client aftercare services, which includes talent discovery, location advisory, facilitating introductions to key stakeholders, and guidance on navigating legal requirements.

Get in touch to learn more about Bahrain's exceptional investment opportunities.

Contact Information

 www.bahrainedb.com

 +973 1758 9999

 hello@bahrainedb.com



@bahrainedb #TeamBahrain

