



Seize the potential. Invest in Bahrain for ICT

 **EDB BAHRAIN**
ECONOMIC DEVELOPMENT BOARD

BUSINESS
friendly
BAHRAIN



There's nowhere better to make the ICT connection

Exploit ICT investment opportunities in the Gulf Cooperation Council (GCC) and Middle East and North Africa (MENA) region from where it counts – Bahrain.

The GCC IT sector is expected to grow by more than 10% in the next five years. While demand for mobile data, applications and services is growing significantly across MENA due to its young, affluent population.

✦ Bahrain is streets ahead

Why will your business succeed in Bahrain? Our ICT sector is mature and competitive. We outstrip the rest of the GCC with greater mobile and broadband penetration, faster projected ICT growth and higher international rankings. This is thanks to:

- Early investment
- Progressive reforms
- Market liberalisation
- A pro-business ethos

Discover the clear advantages that Bahrain offers for ICT. You are welcome to join the many companies who are already here.

Key regional ICT facts

200 million MENA internet users spend 6 hours a day online
41% CAGR in Cloud traffic to 2019 (ahead of Central and Eastern Europe, North America and Asia)¹
120% GCC smartphone penetration²
USD 200 billion Middle East IT spending³

“ Companies operating in Bahrain's ICT sector achieved more than 42% revenue growth 2008-2014 ”

Gartner 2015

1. Cisco. 2. TechPolis Mobile Market Report 2015. 3. Gartner



Exceptional access to growth markets

Maximise commercial opportunities through Bahrain's connectivity, digital capability and sector development.

❖ Super-connected

Bahrain connects you faster to the GCC and MENA. Located at the heart of the Gulf, we are less than an hour's flight to major GCC centres. Saudi Arabia, the region's biggest economy, is just 30 minutes by road.

International undersea cables and satellite links give dependable high-speed telecoms and data connection.

Moreover, within the Kingdom, our transport and logistics infrastructure is tightly integrated. People and goods move quickly and efficiently.

❖ Advanced, developed

Bahrain offers technical leadership for three main reasons:

- Our financial services sector fuels innovation and investment. A prime example is FinTech. Bahrain is already a regional hub with

strengths in card and mobile payment processing and financial software development. Companies like NEC Payments, PayTabs and 01-Systems are all using their Bahrain offices to identify opportunities for growth and development within this sector and carving out innovative payment solutions and process systems.

- The Bahrain government has driven access and engagement with online services among citizens and businesses.
- Bahrainis readily embrace new technology. The World Economic Forum puts Bahrain among the world's top ten for individual mobile and internet use.

As a result, Bahrain ranks first in MENA for e-government development⁴, ICT use⁵ and ICT development⁶, and is in the world's top 30 for network readiness.

❖ Strong ICT ecosystem

Discover a superb ICT ecosystem in Bahrain that comprises more than 30 local and international companies. These include product and technology developers, distributors and channel partners, and ICT service providers.

Tap into this ecosystem to provide the best customer service, extend your reach and benefit from breakthrough technologies.

Key Bahrain ICT facts

10.3% CAGR ICT market growth to USD 2.7 billion in 2020⁶
200-plus government digital services
20% CAGR digital media demand to 2020⁷
USD 1.5 billion FDI in the last seven years⁸

⁴. United Nations 2016. ⁵. World Economic Forum 2016. ⁶. International Telecommunication Union 2016. ^{7,8}. Frost and Sullivan.

Simply more business-friendly

Bahrain provides the conditions you need to set up and run a technology enterprise.

Our economy is recognised as one of the world's freest with low government intervention and a healthy national aversion to bureaucracy. Bahrain also has the Middle East's most liberal ICT infrastructure, regulatory framework and policies.

Yet we do more to protect innovation. Your enterprise will develop in a responsive environment that understands business. The Kingdom leads the region in intellectual property legislation, with trademark laws established for more than 20 years.

• Test-market without risk

Bahrain is the perfect testing-ground for new products and local customisations before regional roll-out. You will value our:

- 'Boutique' nature
- Concentrated physical infrastructure
- High level of digital uptake by population
- Comparable demographics

• Cost-effective operation

Low costs make it easier to enter the ICT sector in Bahrain and run your business.

Total operational costs are 30% lower than in neighbouring hubs. Commercial rent, internet and telephone services are all highly affordable. Business premises come well equipped, yet are excellent value at around USD 10 per square metre. Employment costs are low, with salary subsidies and fully-funded training.

But we go further to increase business revenue and disposable income.

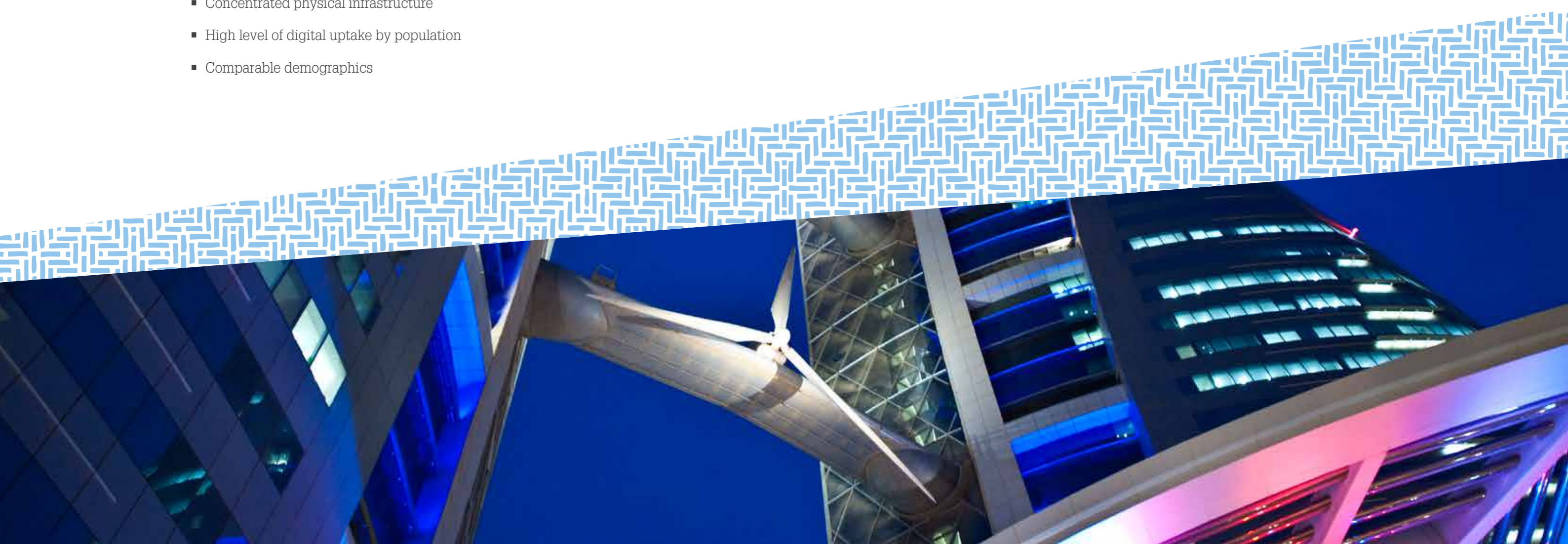
Companies registered in the Kingdom may be 100% foreign-owned and fully repatriate capital, profits and dividends. And Bahrain offers the Gulf's most favourable tax regime, with no corporate or personal taxes and few indirect taxes.

Key Bahrain ICT facts

First in MENA and 18th out of 186 countries worldwide in the Heritage Foundation Index of Economic Freedom

First Gulf state to liberalise its telecoms market in 2004

'Best Regulator' for five consecutive years as voted by CommsMEA





The human capital you need

Bahrain puts unparalleled skills at your disposal, so you recruit easily on the ground. You have access to the region's most capable bilingual local workforce, growing at 3% a year.

Bahraini ICT employees are motivated, qualified and experienced. Many train at specialist institutions on programmes backed by Tamkeen, a government agency that develops private enterprise. Employees are commercially aware and in tune with your objectives.

Language skills give you an edge when dealing globally or regionally. Not only is more than 90% of the workforce proficient in written and spoken English; Bahrainis speak with the same Arabic accent as their GCC neighbours, greatly aiding communication.

Key Bahrain ICT facts

- 8,000 employees, male & female, 47% Bahraini
- 89% bachelor's or master's degree
- 44% at least one professional certificate
- 60% aged 25-34
- 7 years' average experience

Supportive, forward-looking

Bahrain is dedicated to helping technology start-ups succeed, whether large or small.

❖ Fostering entrepreneurship

Our entrepreneurial culture is strong. You operate in an exciting, dynamic environment where anything is possible. We gain diversification and sustained economic growth.

❖ Practical assistance

We offer organisations, programmes, incubators and communities, including:

	Accelerator	Funding
The Bahrain Development Bank – equity/loan capital, specialist advice		✓
Tamkeen – training and technical support		✓
Tenmou – business Angel network	✓	✓
C5 Accelerator Ltd – technology investment	✓	✓

❖ Continued investment

Our commitment to infrastructure development doesn't stand still. So you can be sure of maximising opportunities.

❖ Cloud

Bahrain has become the regional focus for Cloud development: uptake is expected to grow at nearly 50% CAGR by 2020⁹. Moreover, the Kingdom has been instrumental in setting up MENA's first Cloud Accelerator. Based in Bahrain, it will develop and fund technology businesses across the GCC.

❖ Fibre

Bahrain's Telecommunications Regulatory Authority (TRA) is overseeing the build-out of a national broadband fibre-optic network that will increase capacity by 40% and give over 80% of the population access to super-fast broadband by 2018.

⁹ Frost and Sullivan.

Be part of proven success

Invest in Bahrain's ICT sector and you join global IT enterprises like Sabre, Huawei and Microsoft and home grown software companies such as Paytabs, Eat App, Baqala, Skiplino and 01-Systems.

In fact, businesses on every scale flourish here. Here are just two who are glad they set up here.

• Sabre Corporation

Hundreds of airlines and thousands of hotels use US-based Sabre's software, data, mobile and distribution solutions to manage critical operations.

The company first opened in Bahrain in 2005 with 30 employees. It now has 80 Bahrain-based staff, half of whom are Bahraini, with another 200 across MENA.

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“ Bahrain was a natural choice due to its central location, ease of travel throughout the region, cost of living and overall solid infrastructure ”

Daniel Naoumovitch, CEO

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• Elite Technologies

Elite Technologies is a consulting-led technology services firm that provides a wide range of IT solutions across government, financial services, real estate and manufacturing.

The company has grown quickly, from seven to 50 employees, and has already expanded into Riyadh, Saudi Arabia.

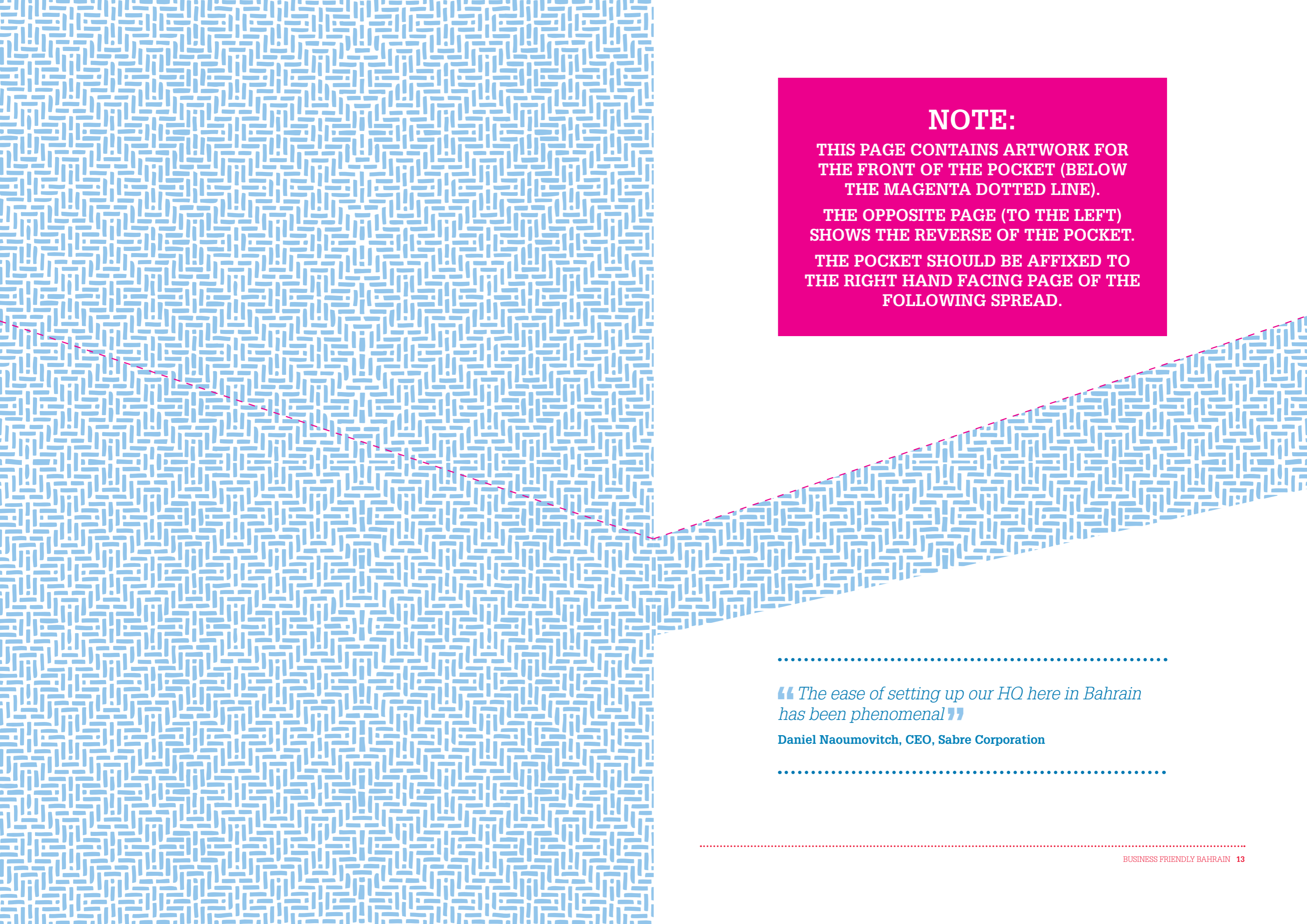
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“ We can test many concepts here then scale up in the GCC. ”

Arun Aravindan, CEO

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“ The ease of setting up our HQ here in Bahrain has been phenomenal ”

Daniel Naoumovitch, CEO, Sabre Corporation

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Contact the Bahrain EDB: We make entry easier

As part of a no-cost practical facilitation service for first-time investors, our sector specialists can help analyse factors such as costs, infrastructure, workforce requirements, regulatory, legal and tax issues, market opportunity and ease of registration.

In addition, we can act as your first point of contact in the Kingdom and discuss incentive packages to make setting up even more attractive. We strive to understand your objectives and respond efficiently with all the information you need to get up and running.

Who we are

The EDB is a dynamic public agency responsible for attracting inward investment into Bahrain.

The EDB works with government and both current and prospective investors to enhance Bahrain's investment climate, communicate its key strengths and identify opportunities for further economic growth.

How to get in touch

For all investment enquiries, please email us at investorenquiries@bahrainedb.com or visit www.bahrainedb.com. You can also call us on +973 175 89 999 for general enquiries. Our business hours are Sunday to Thursday, 8am to 4pm (GMT +3hrs).



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For more information on the Kingdom of Bahrain, visit www.bahrain.com

