



Cost of doing business in the GCC - Information, Communications and Technology



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Note to the reader

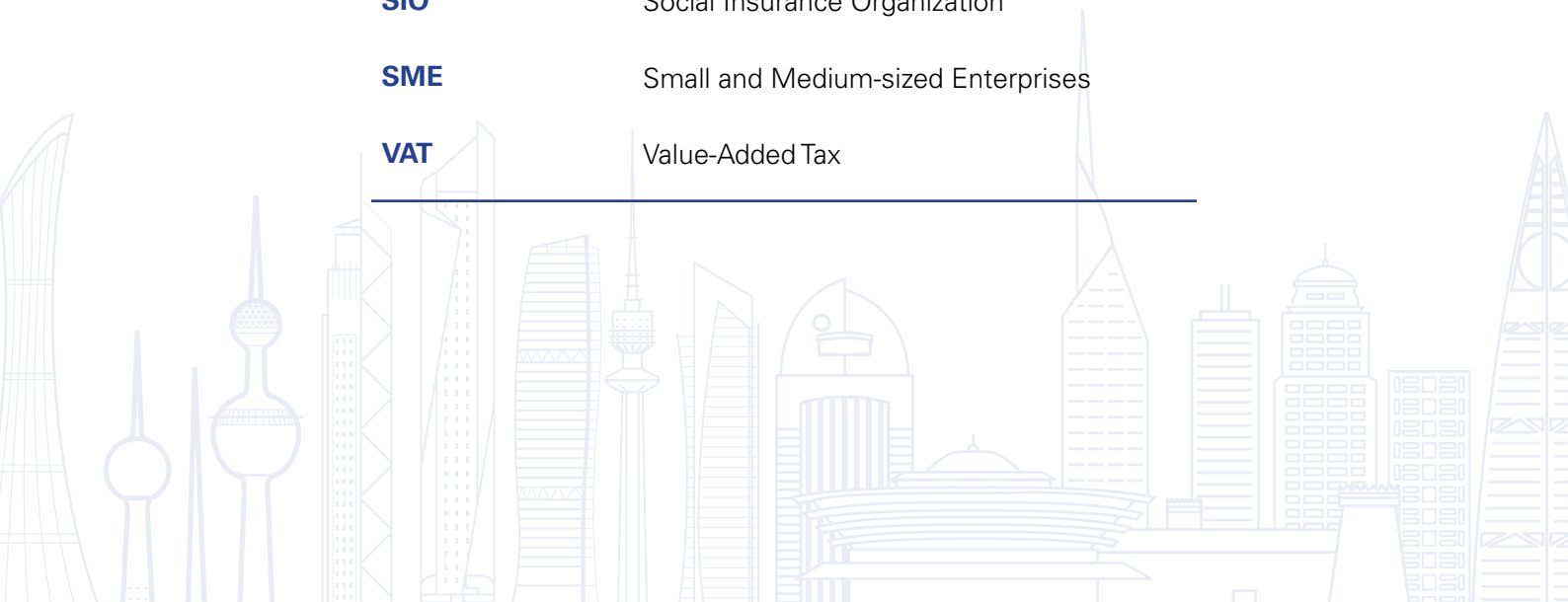
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Glossary of frequently used terms

ADGM	Abu Dhabi Global Market
CAGR	Compound Annual Growth Rate
CTC	Cost to Company
DEWA	Dubai Electricity and Water Authority
DSC	Dubai Statistics Center
EWA	Electricity and Water Authority
GCC	Gulf Cooperation Council
HRA	Human Resource Allowances
ICT	Information, Communication and Technology
KFH	Kuwait Finance House
LMRA	Labor Market Regulatory Authority
NIA	Net Internal Area
NPRA	Nationality, Passport and Residence Affairs
QDB	Qatar Development Board
SIO	Social Insurance Organization
SME	Small and Medium-sized Enterprises
VAT	Value-Added Tax



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I. Executive Summary



“

Bahrain and Kuwait enjoy a cost advantage of 15% to 20%, in terms of annual operating costs for an ICT business, when compared the annual operating cost average of the GCC countries. ”

This report looks at the typical costs associated with operating an ICT firm in the GCC countries. The report analyzes the cost of commercial registration, commercial rental rates, occupancy costs, telecom and utility expenses. Overall, the cost of doing business in Bahrain, Kuwait and Saudi Arabia is lower than the GCC average.

Rental rates of commercial properties remains highest in Qatar and lowest in Bahrain. Manpower costs in Saudi Arabia is the lowest, whereas it is highest in Dubai as compared with the average manpower cost in the GCC.

Cross border connectivity cost is lowest in Bahrain compared to the average cost of Cross Border Connectivity in the GCC. Overall commercial utility costs (electricity and water, internet and telephone services) in Bahrain is 25 percent cheaper compared to the average GCC utility costs. The same cost is 45 percent higher in Dubai compared with other GCC countries.

In addition to analyzing the costs of operating an ICT firm in these jurisdictions, the study also presents an overview of the average cost of living, focusing on the cost of education and cost of renting residential properties. The report also comments on incentives for the ICT sector in these jurisdictions.

Residential rents, in addition to utilities, the cost of education and domestic help salaries, are lowest in Bahrain whereas highest in Dubai as compared with the average of the other GCC countries. In terms of cost of accommodation, Dubai tops the list with 15 percent higher accommodation costs and Bahrain is lowest with 20 percent lower accommodation cost. Utilities costs are lowest in Kuwait with costs approximately 50 percent lower compared with the GCC average of the utility cost.

The following tables outline cost of setting up, registering and operating a software publishing firm. The example software publishing company used to illustrate the cost is assumed to have 20 employees occupying a Grade B office space. Recurring utility costs considered are manpower salaries, office rental costs, cross border connectivity cost, telephone and internet services and electricity and water costs.

In addition to operating costs of the firm, indirect costs related to accommodation costs, utilities costs (electricity and water and domestic help) and education costs are also evaluated.

Figure A: Average annual cost of operations (2018)












Cost Heads in US\$	Avg. GCC	Bahrain	Dubai	Kuwait	Qatar	Saudi Arabia
 Annual licensing fee ^a	1,049	928	950	501	334	2,530
 Commercial rent ^b	86,480	43,800	97,400	112,000	123,000	56,200
 Manpower cost ^c	895,608	849,607	1,145,463	753,630	991,323	738,014
 Cross Border Connectivity ^d	233,400	126,000	264,000	159,000	336,000	282,000
 Telephone services ^e	7,165	4,780	9,961	6,588	6,410	8,088
 Internet services ^f	2,326	1,272	2,760	2,580	3,888	1,131
 Electricity and water ^g	3,875	4,162	6,662	1,648	3,005	3,899
Total cost	1,229,903	1,030,548	1,527,197	1,035,947	1,463,961	1,091,862
Cost Difference	0%	-16%	24%	-16%	19%	-11%

Figure B: Average annual cost of living (2018)

Cost Heads in US\$	Avg. GCC	Bahrain	Dubai	Kuwait	Qatar	Saudi Arabia
 Residential - 3 bedroom villa ^h	42,198	33,000	48,120	47,385	40,541	41,942
 Electricity and water ⁱ	3,353	3,920	6,298	1,573	2,397	2,578
 Domestic help remuneration ^j	4,836	2,700	6,360	5,400	5,040	4,680
 Education ^k	16,243	11,636	21,595	14,675	16,107	17,200
Total cost	66,629	51,256	82,373	69,033	64,085	66,400
Cost Difference	0%	-23%	24%	4%	-4%	0%

^a Application fees for registration with the regulator as an ICT firm (software publishing)

^b Occupancy cost for 20 workstations in a commercial office building

^c Cost to Company wages for 2 Directors, 4 IT Managers, 4 IT Analysts, 4 Network Administrators and 6 Customer Service Representatives

^d Annual cross border connectivity costs based on the average recurring fees from GCC markets to Jordan / Egypt;

^e Charges are for a call center using voice calling through MPLS based IP-VPN; Assumed a bandwidth of 8-mbps from origin city to Amman and Cairo.

^f For 100 local calls and 10 international calls per workstation per month including fixed rental charges

^g Based on 12-month contractual package of 40-mbps speed

^h Based on average utilization 21 kWh and 0.08 m3 of electricity and water respectively (per sqm per month)

ⁱ Based on rental for a semi-furnished 3-bedroom villa

^j Expat household of 4 individuals with average electricity and water consumption of 40 kWh and 0.31 m³ per individual

^k Based on average remuneration of domestic help

^l Education cost for a K-12 American curriculum for one child

II. Direct Cost Components

2.1. Licensing and registration costs

In order to setup an ICT business, different commercial registration and licensing fees apply. An ICT business is allowed foreign ownership in the GCC, except in Saudi Arabia where it is limited to GCC nationals.

Registration costs are presented in the form of non-refundable application fees, in addition to annual fees charged to renew the commercial registration. Overall, commercial registration costs are lowest in Qatar and highest in Saudi Arabia. However, in terms of processing time, Bahrain, Dubai and Qatar are most efficient in registering and providing license to companies. As a rule of thumb, the processing time ranges between 4 to 6 weeks, but could take more time in certain circumstances.

Figure 1: Licensing and registration fees (2018)

Figures in US\$

	 Foreign ownership allowed	 Commercial registration fees	 Registration and investment license processing times
Bahrain	100%	928	4 to 5 weeks
Dubai¹	100%	950	4 to 6 weeks
Kuwait	100%	501	10 to 15 weeks
Qatar	100%	334	4 to 6 weeks
Saudi Arabia	0% ²	2,530	8 to 15 weeks

Source: Primary research, Dubai Department of Economic Development, Sijilat, KDIPA, Hukoomi, Sagia and KPMG Analysis

¹ Based on DIC fees

² 100% ownership is allowed only in free zones. Fees are based on DIC.

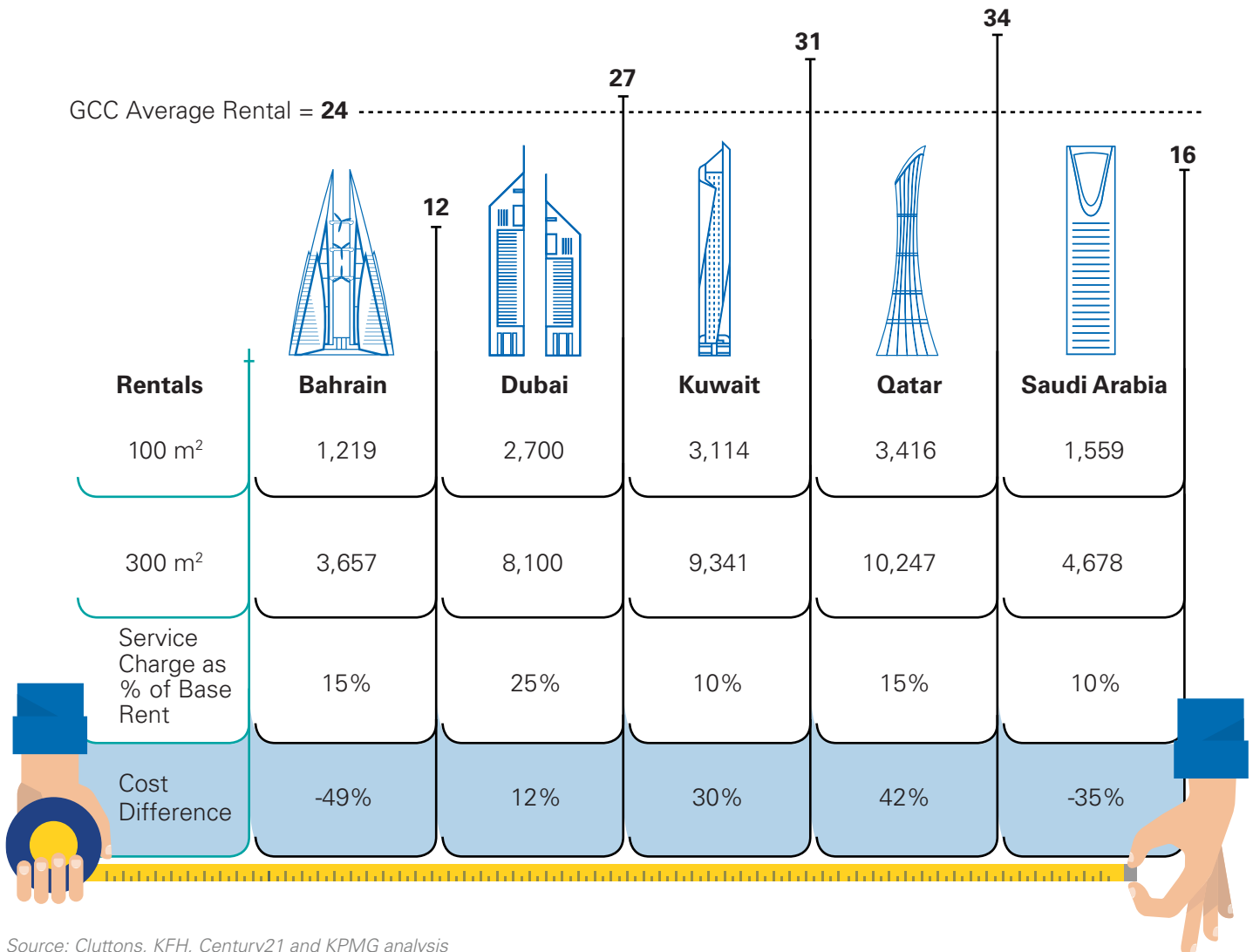
2.2. Rental of commercial office space

Commercial rental costs for office space in Bahrain, compared to other GCC countries, are the lowest. Qatar tops the list by offering the costliest rental for commercial office space, with a rental of US\$ 34 per m² per month for net internal area (NIA¹).

The following figure outlines several scenarios for occupying different office spaces across the GCC. The comparison covers mid-range commercial office space in areas such as Diplomatic area in Bahrain.

Figure 2: Commercial office space rental (2018)

Figures in US\$ per m² per month



Source: Cluttons, KFH, Century21 and KPMG analysis

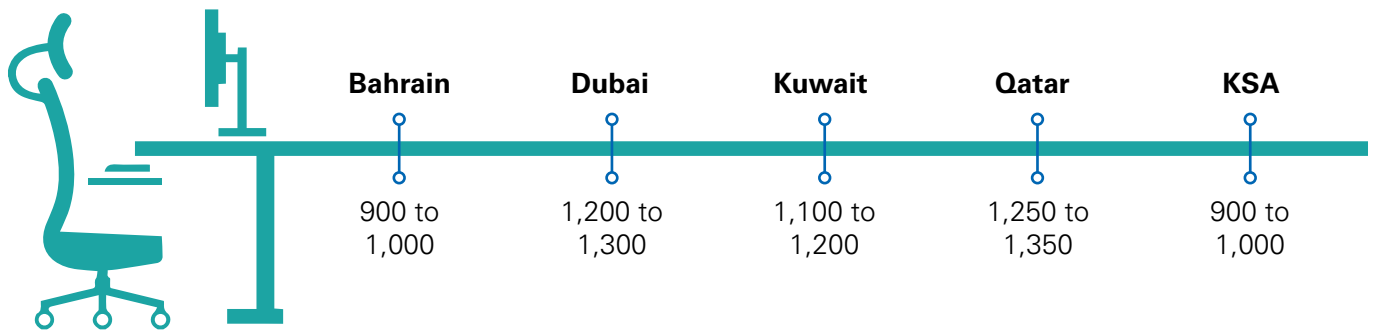
Rental figures above include base rents and service charges. The latter differs from one jurisdiction to another. For Bahrain and Qatar, the applicable service charge is 15 percent of the base rent, whereas for Kuwait and Saudi Arabia it is 10 percent of the base rent. For Dubai, the applicable average service charge is about US\$ 65 per m² per annum.

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

Business centers are companies providing workstation facilities for monthly rentals. Bahrain has the advantage amongst the other GCC countries in terms of ease of obtaining a commercial license through business centers. The following figure highlights a summary of monthly rental costs for a work station in target jurisdictions:

Figure 3: Business center rentals (2018)

Rates for renting a workstation (US\$ / month)



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

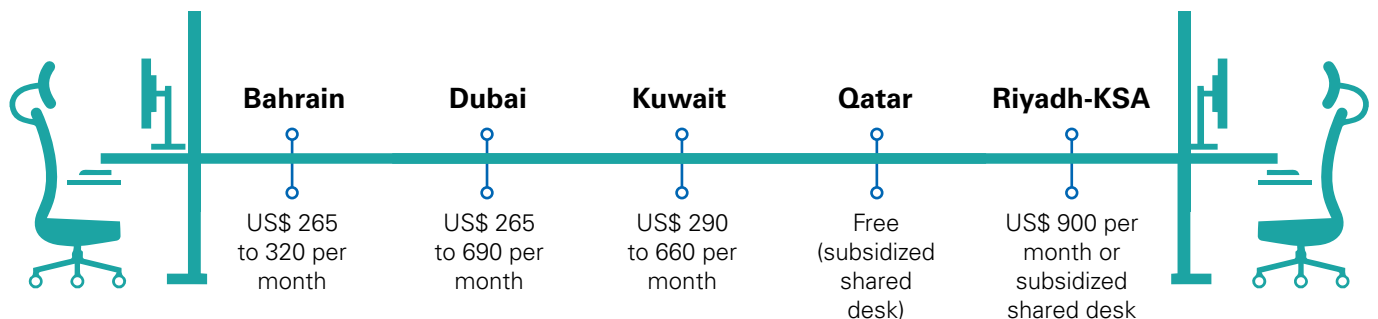
NB: The analysis considers the following business centers for comparison:

Bahrain (Alliance), Dubai (Alliance, The Bridge building, Nassima Tower, Burjuman Business Tower), Kuwait (Al Hamra Tower, Shayma Tower), Qatar (Alliance, Jaidah Square, the Pearl, Lusail Twin Towers), Riyadh (Moon Tower), Jeddah (Bin Sulaiman Center, Zahran Business Center).

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. Incubator centers in Qatar provide shared desk for free under equity sharing model.

Figure 4: Incubator center rentals (2018)

Rates for renting a shared desk (US\$ / month)



Source: Quotes from incubator centers, KPMG analysis

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

Bahrain (CH9 incubator), Dubai (In5, Dubai Silicon Oasis, Astro Labs, Dubai Technology Entrepreneur Centre, In5 Innovation Center), Kuwait (Sirdab Lab, Cubical services, Uni Incubators), Qatar (Digital Incubation Center), Riyadh (Arabian Enterprise Incubators, Badir).

2.3. Commercial utility costs

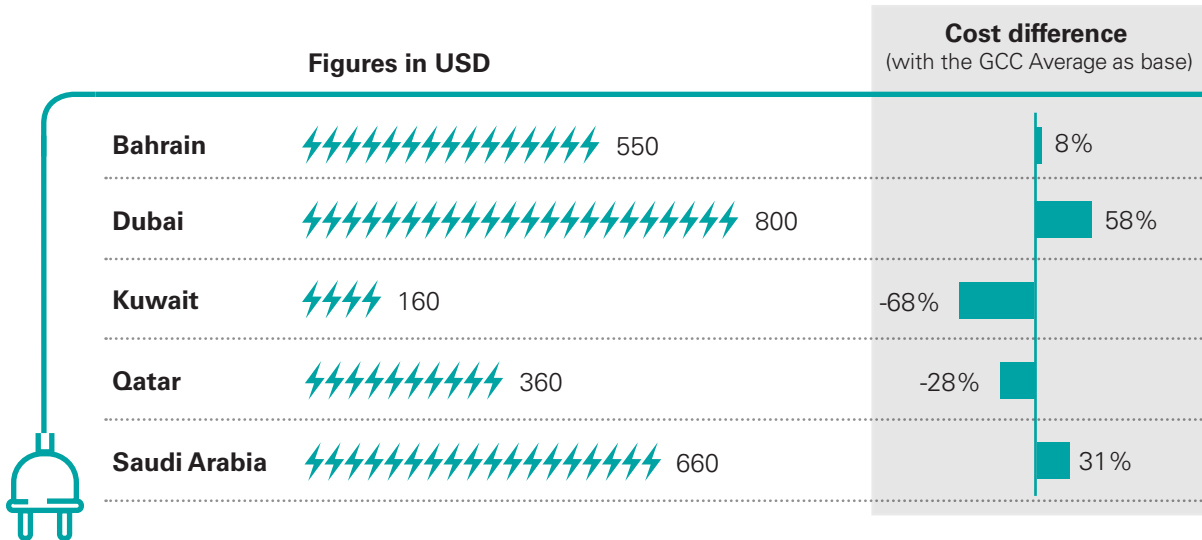
Electricity and water tariffs for commercial consumption vary in accordance to the total number of units utilized. All quoted tariffs are based on an electricity consumption of 10,000 kilowatt-hour (kWh) and water consumption of 450 cubic meters (m³).

Figure 5 highlights the average utility costs for a commercial space of 300 m². Overall, utility costs are lowest in Kuwait as compared with other countries in the GCC.

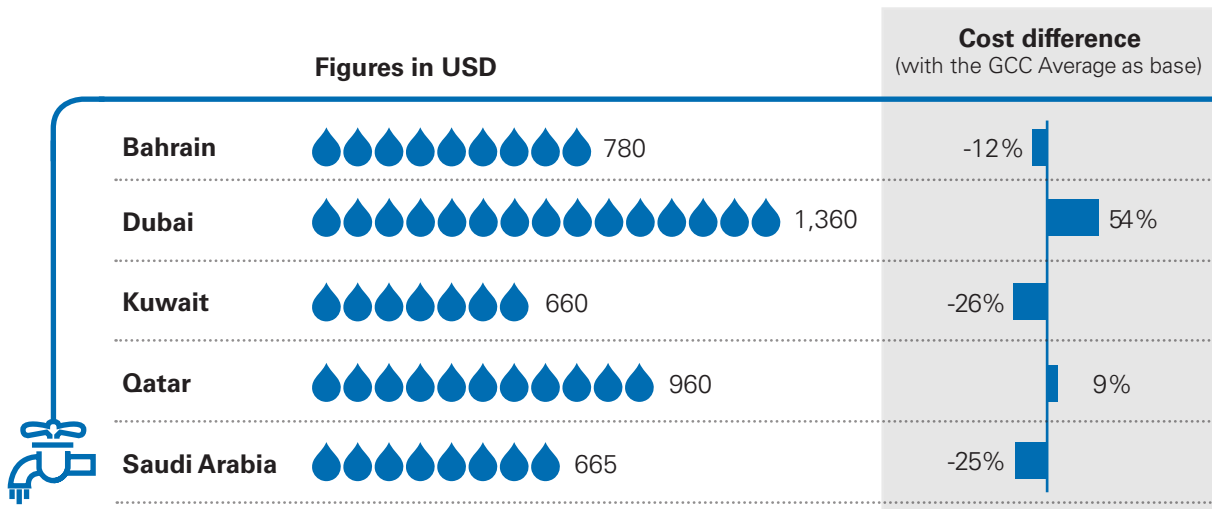
To further illustrate the differences in utility tariffs amongst the GCC countries, refer to the graph below outlining indicative charges for electricity and water consumption for a typical commercial office size.

Figure 5: Indicative utility charges⁴ for a commercial space⁵ (2018)

Electricity tariffs for commercial consumption of 10,000kWh/month (2018)



Water tariffs for commercial consumption of 450m³/month (2018)



Source: Bahrain Electricity And Water Authority, Dubai Electricity And Water Authority, Kuwait Ministry of Electricity And Water, Kahramaa, Saudi Electricity Company.

⁴ Please refer to the Appendix for detailed utility tariffs.

⁵ Charges have been calculated based on consumption of 21 kWh per square meter, and 0.08 cubic meters per m², of electricity and water respectively.

Telephone charges are presented in the form of fixed rental fees and an estimate of call charges based on average employee utilization. The cost of telephone services has been calculated based on the corporate rates offered from leading telecommunication providers in Bahrain, Dubai, Qatar, Kuwait and Saudi Arabia. Figure 8 summarizes the call rates applied for commercial telephone lines for both local and international calls.

The charges in the following chart show that Bahrain has the lowest call rates compared to other GCC jurisdictions.

Figure 6: Telephone services – local and international call charges (2018)

Figures in US\$ per minute

Jurisdiction	Local call rates ⁶	International call rates ⁶
Bahrain	0.026	0.64
Dubai	0.032	0.61
Kuwait	0.127	0.54
Qatar	0.040	0.58
Saudi Arabia	0.060	0.76

Figures in US\$ per month

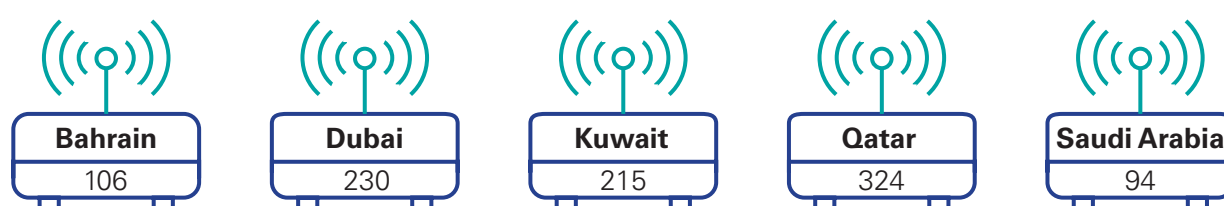
	Monthly rental plan	Local call rates for 300 incremental calls	International call rates for 10 incremental calls	Total telephone charges
Bahrain	5.7	7.8	6.4	19.9
Dubai	25.6	9.7	6.1	41.5
Kuwait	8.3	13.7	5.4	27.5
Qatar	8.9	12.0	5.8	26.7
Saudi Arabia	8.1	18.0	7.6	33.7

Source: Batelco Bahrain, Zain Saudi Arabia, Viva Kuwait, Ooredoo Qatar and Etisalat UAE.

The cost of internet service is based on a 40-mbps broadband business package. The features and added benefits may vary between the packages offered by each telecommunication company across the countries considered.

Figure 7: Internet charges for businesses (2018)

Figures in US\$ for a 40-mbps bandwidth (Monthly rental charges)



Source: Batelco (Bahrain), Etisalat (Dubai), Fasttelco (Kuwait), STC (Saudi Arabia), Ooredoo (Qatar).





⁶ Call rates are assumed to be standard rates without any phone plan or monthly subscription

2.4. Cross border Connectivity

Cross border connectivity costs are based on telecommunication fees incurred by an ICT firm. Figure 8 summarizes monthly recurring charges and non-recurring fees for select origin-destinations. Recurring charges (MRC) represent monthly rental subscription rates, while non-recurring charges (NRC) represent setup costs (one-time fee). The below fees are for MPLS based IP-VPN voice calling for a bandwidth of 8-mbps.

Figure 8: Cross Border Connectivity cost¹ (2018)

Figures US\$ per position

Point of origin	Destination point	Non Recurring Charges (US\$)	Monthly Recurring Charges (US\$)
 Bahrain (Manama)	UAE (Dubai)	2,500-3,000	12,000-13,000
	Kuwait (Kuwait City)	6,500-7,000	5,000-6,000
	Qatar (Doha)	10,500-11,000	18,000-19,000
	KSA (Riyadh)	6,000-6,500	14,000-15,000
 Jordan (Amman)	Bahrain (Manama)	9,000-12,000	11,500-14,500
	UAE (Dubai)	10,500-11,000	25,000-26,000
	Kuwait (Kuwait City)	14,500-15,000	17,000-18,000
	Qatar (Doha)	18,500-19,000	31,000-32,000
 Egypt (Cairo)	KSA (Riyadh)	14,000-14,500	27,000-28,000
	Bahrain (Manama)	9,000-11,000	7,000-8,000
	UAE (Dubai)	4,000-4,500	18,000-19,000
	Kuwait (Kuwait City)	6,000-6,500	8,000-10,000
 Oman (Muscat)	Qatar (Doha)	10,500-11,000	24,000-25,000
	KSA (Riyadh)	7,000-7,500	19,000-20,000
	UAE (Dubai)	1,000-2,000	19,000-20,000
	Kuwait (Kuwait City)	2,000-3,000	10,000-12,000
	Qatar (Doha)	6,000-7,000	15,000-18,000
	KSA (Riyadh)	2,000-3,000	35,000-37,000

Source: Quotes from key telecom providers, KPMG analysis

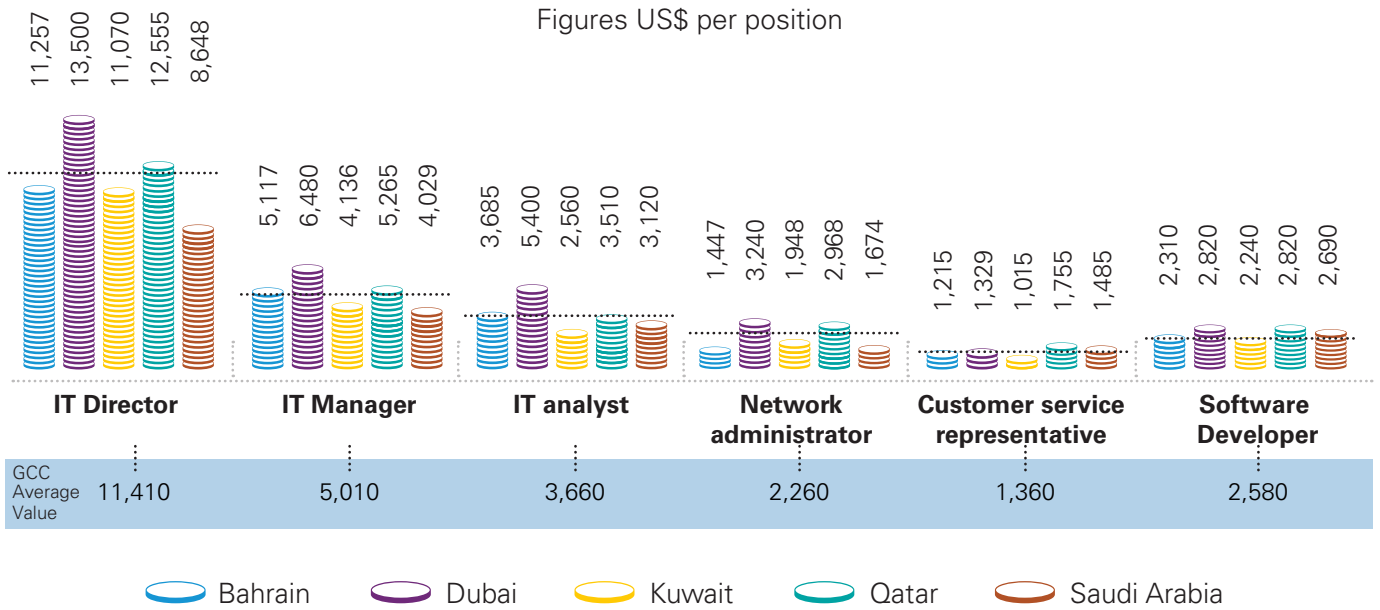
There is typically 20% to 30% price difference in MRC if bandwidth is reduced or vice versa. The prices above are budgetary estimates for dedicated bandwidth, not for shared bandwidth. The exact fee will vary depending on the origin and destination addresses. Quotes shared by telecom providers are for a 1-year contract; cross border connectivity costs could be 10% to 15% lower in case the call center is engaging on longer term basis (3 to 5 years).

¹ Key Assumptions: Bandwidth uplink / downlink ratio of 1:1; Cooper / fiber cable; Layer - P2P Network; 80 to 100 executives working in the call center; The quotes above include CPE (Customer Premises Equipment) costs.

2.5. Manpower costs

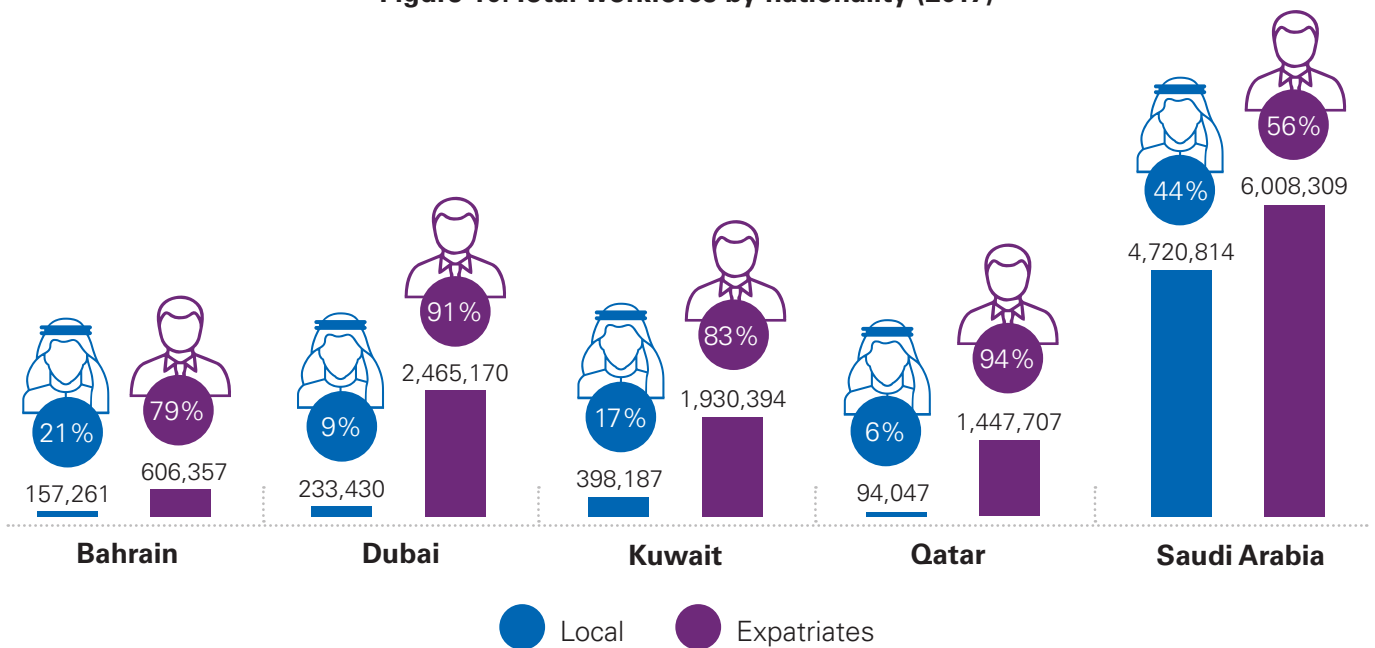
When comparing the average salaries for the ICT sector, Saudi Arabia stands out as the lowest in terms of wages followed by Bahrain. Figure 9 shows the average annual salaries for different positions within the ICT sector.

Figure 9: Monthly salaries for the ICT sector (2018)



Source: Payscale, Gulfalent, Hays, Salaryexplorer.com and KPMG Analysis.

Figure 10: Total workforce by nationality (2017)



Source: Kuwait Central Statistical Bureau, MDPS, LMRA, DSC, General Authority for Statistics (Kingdom of Saudi Arabia).

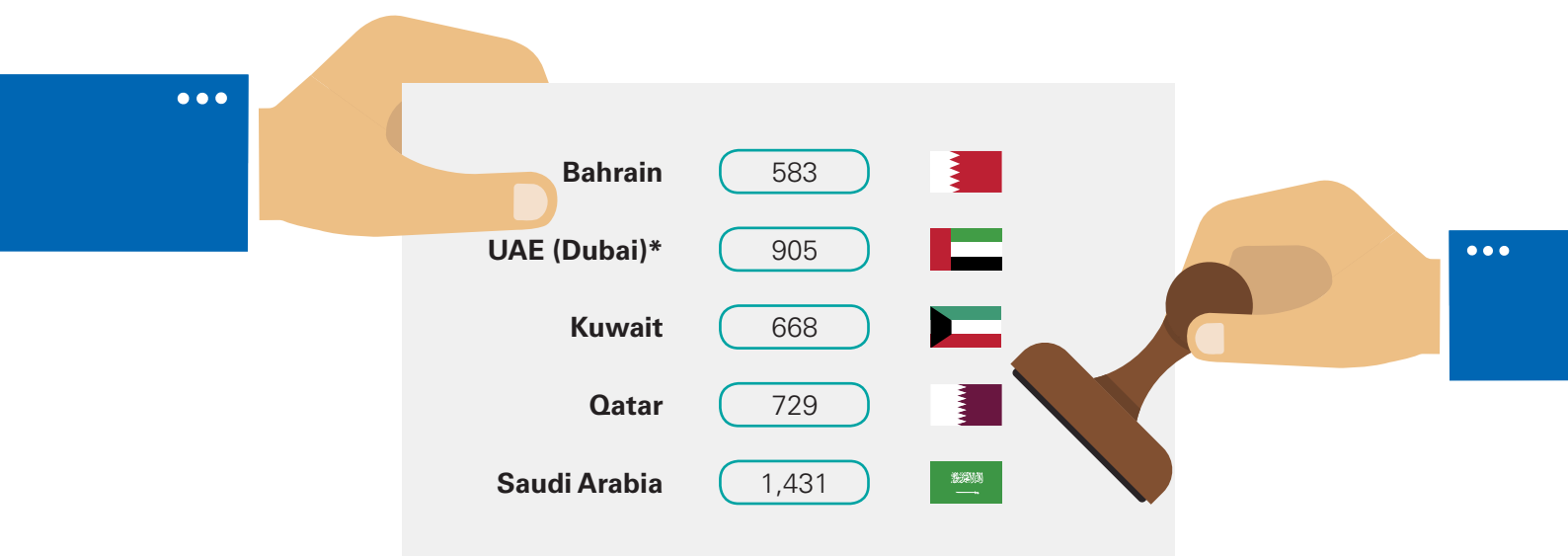
2.6. Visa and residency costs

Visa and residency costs include the fees of residency permits for 2 years, re-entry visas, medical checkups and national ID charges.

Bahrain offers the cheapest work visa package, compared to the other GCC countries. In addition, Qatar has a relatively low cost when it comes to single entry visit visa charges. Furthermore, Qatar offers 'visa on arrival' to the largest number of nationalities, compared to the other GCC countries.

Figure 11: Work visa cost (2018)

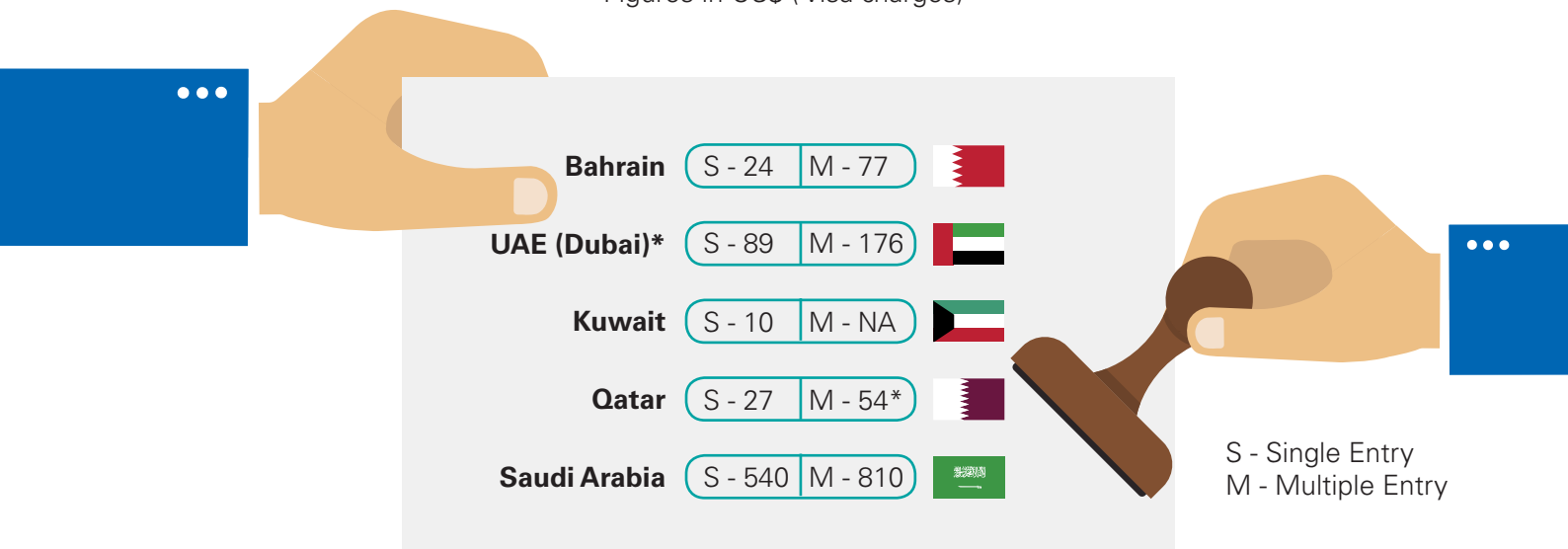
Figures in US\$ (Work Visa Package)



* Dubai work visa package is for a duration of 3 years

Visit visa

Figures in US\$ (Visa charges)



Source: LMRA, ADGM document, Saudiexpat news article, eVisa, visitqatar.qa, mofa.com.sa, Emirates website and KPMG research.

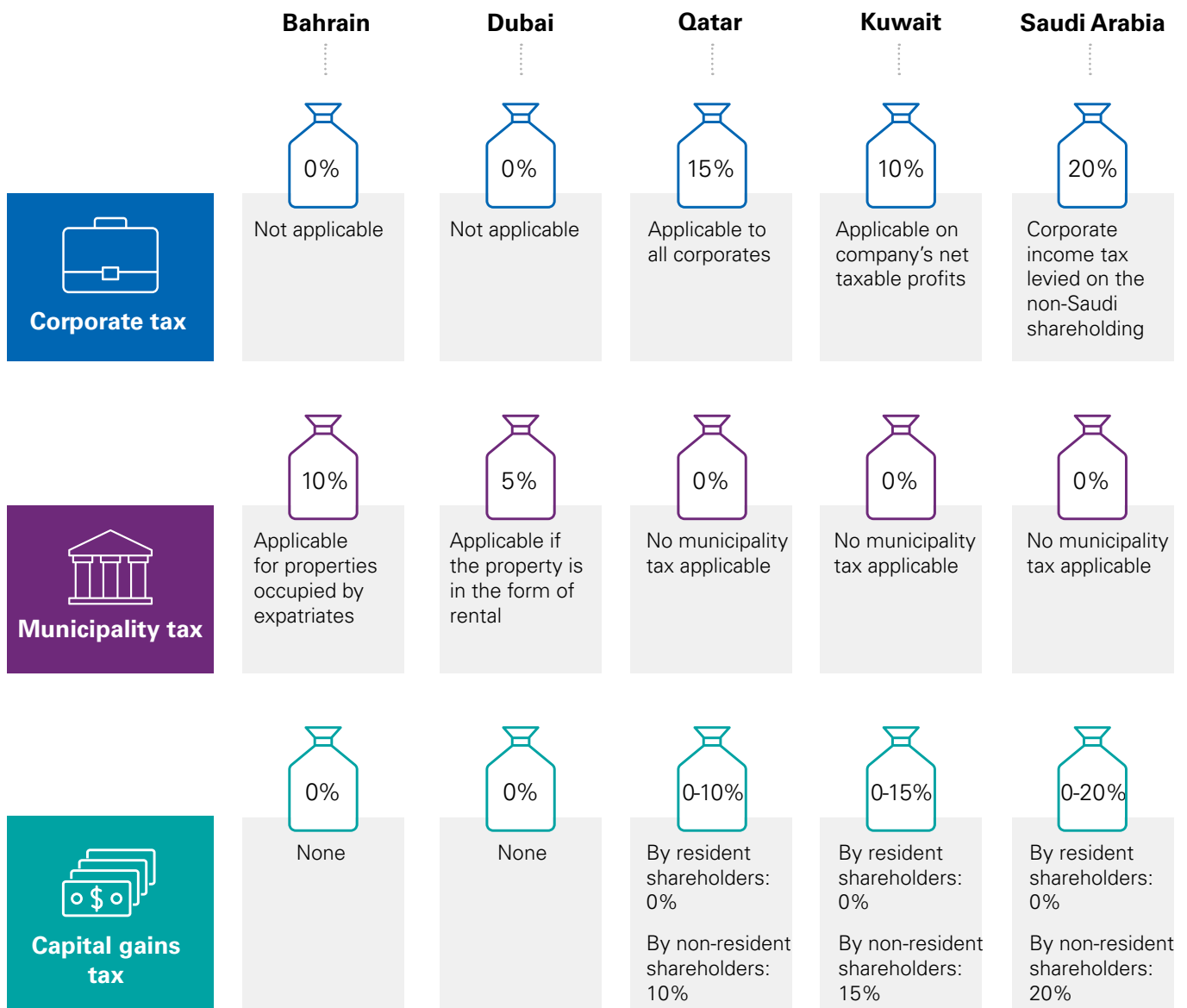
* Visa charges for 1 month only have been calculated.


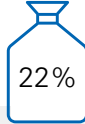

Note: The State of Qatar allows visa-free entry to nationals from 80 countries, with variable lengths of stay.

2.7. Taxes and fees

Personal income tax is not applicable in the covered jurisdictions. VAT is expected to be launched by all the GCC countries and, so far, it has been implemented by the UAE and Saudi Arabia. Bahrain, Qatar and Kuwait are planning to implement VAT by January 2019. Figure 12 summarizes several taxes applicable in the selected jurisdictions across the GCC.

Figure 12: Overview of taxes in selected jurisdictions (2018)



	Bahrain	Dubai	Qatar	Kuwait	Saudi Arabia
 <p>VAT</p>	 <p>N/A</p> <p>VAT will be introduced in 2019</p>	 <p>5%</p> <p>Few exception apply (e.g. Healthcare, Education)</p>	 <p>N/A</p> <p>VAT will be introduced in 2019</p>	 <p>N/A</p> <p>VAT will be introduced in 2019</p>	 <p>5%</p> <p>Few exception apply (e.g. Healthcare, Education)</p>
 <p>Social security contribution for nationals</p>	 <p>19%</p> <p>By employee - 7%</p> <p>By employer - 12%</p>	 <p>17.5%</p> <p>By employee - 5%</p> <p>By employer - 12.5%</p>	 <p>19.5%</p> <p>By employee - 8%</p> <p>By employer - 11.5%</p>	 <p>10%</p> <p>By employee - 0%</p> <p>By employer - 10%</p>	 <p>22%</p> <p>By employee - 10%</p> <p>By employer - 12%</p>
 <p>Social security contribution for expatriates</p>	 <p>4%</p> <p>By employee - 1%</p> <p>By employer - 3%</p>	 <p>0%</p> <p>NIL</p>	 <p>0%</p> <p>NIL</p>	 <p>0%</p> <p>NIL</p>	 <p>2%</p> <p>By employee - 0%</p> <p>By employer - 2%</p>
 <p>Withholding tax</p>	 <p>0%</p> <p>Not applicable</p>	 <p>0%</p> <p>Not applicable</p>	 <p>0%</p> <p>Not applicable</p>	 <p>5%-7%</p> <p>5% on royalties and technical fees. 7% to non-residents for services carried out fully or partially in Qatar</p>	 <p>5%-20%</p> <p>5%-20% on foreign shareholding component. Withholding tax is not applicable for local transactions.</p>

Source: Ministry of Works, Municipality Affairs and Urban Planning, DEWA, ADDC, SIO, Doingbusiness.org and Federal Tax Authority.

III. Indirect Cost Components

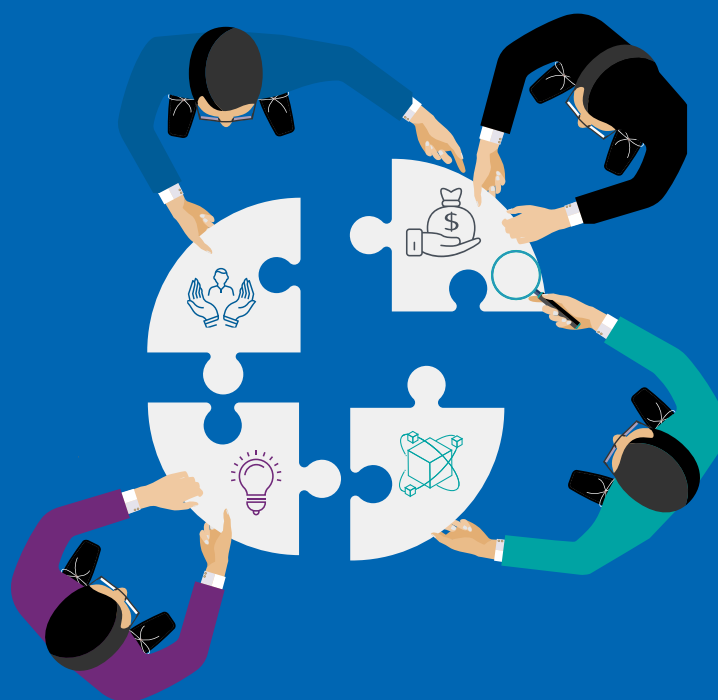
3.1. Incentives for the ICT sector

Figure 13 highlights key incentives for the ICT sector in the GCC. The majority of incentives focus on training and development of nationals or funding of new ventures in the sector.

Figure 13: Key incentives for the ICT sector (2018)

Bahrain

- Wage subsidy support for nationals (up to 70 percent of salaries) for fresh graduates and up to 25% of salaries for experienced professionals of 2-5 years.
- Training subsidy support for nationals is 100% for the ICT sector.
- Tamkeen Business Development Scheme provides 50% grant. This includes machinery and equipment, ICT, marketing, business consultancy, etc.
- The "Cloud Computing Services" is a financing support that covers 100% of the cost of any hyper-scale cloud computing data center located in Bahrain.
- Tamweel is a finance scheme whereby Shariaa compliant financing is offered to small and medium-sized enterprises (SMEs). Tamkeen subsidizes 50 percent of the interest rates (capped at an 8 percent reducing balance).



Dubai

- Grants for ICT companies available to research and development in the UAE through the ICT fund. In addition, the fund has a dedicated budget to support the incubation phase to enable the innovators to turn their ideas into products.
- SMEs can benefit from a subsidy that reduces licensing and fees by up to 90 percent for up to 3 years.

Kuwait

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

Qatar

- The SME Equity Fund offers equity financing of up to a 50 percent stake in the business.

Saudi Arabia

- The Human Resource Development Fund supports activities related to developing and training Saudi labor.
- 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).

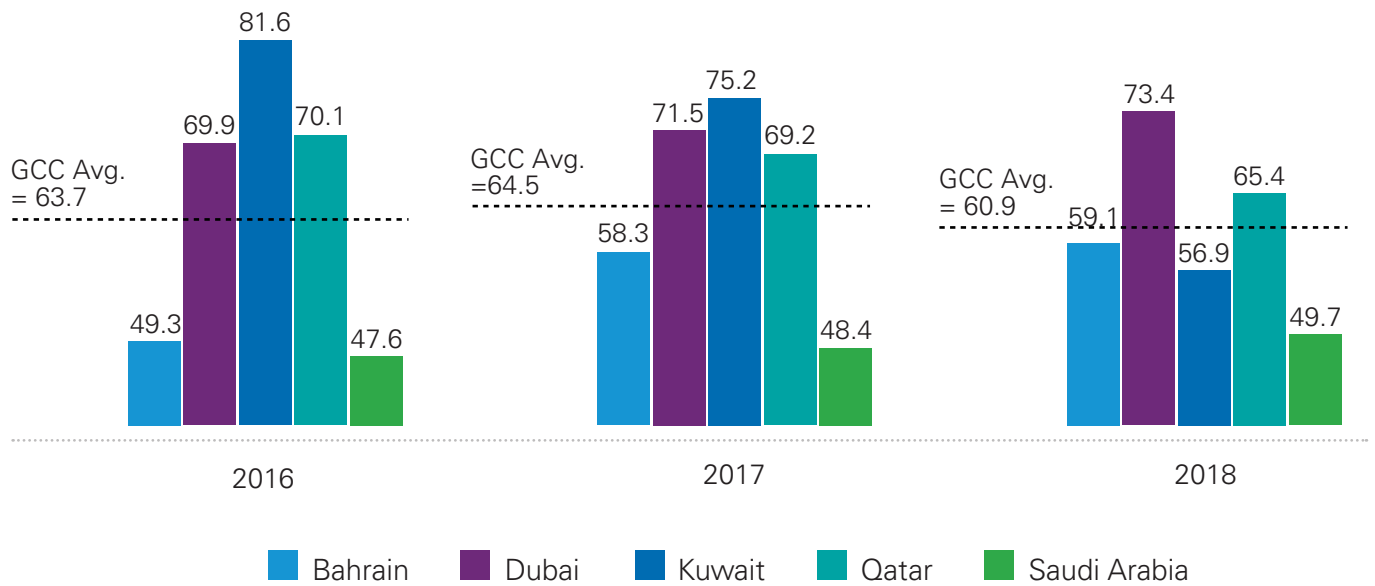
Source: Tamkeen, National Fund of Kuwait, QDB, Dubai SME, Oxford Business Group and Sagia.

3.2. Cost of living index

The cost of living index allows comparison of day-to-day living expenses (housing, transportation, healthcare, utilities etc.) between different locations and over time. The cost of living index is calculated for the covered jurisdictions by comparing them with New York as a base.

The cost of living in Saudi Arabia is very attractive, followed by Bahrain, when compared with the GCC average and other GCC countries, especially in light of salary levels.

Figure 14: Cost of living index across the GCC

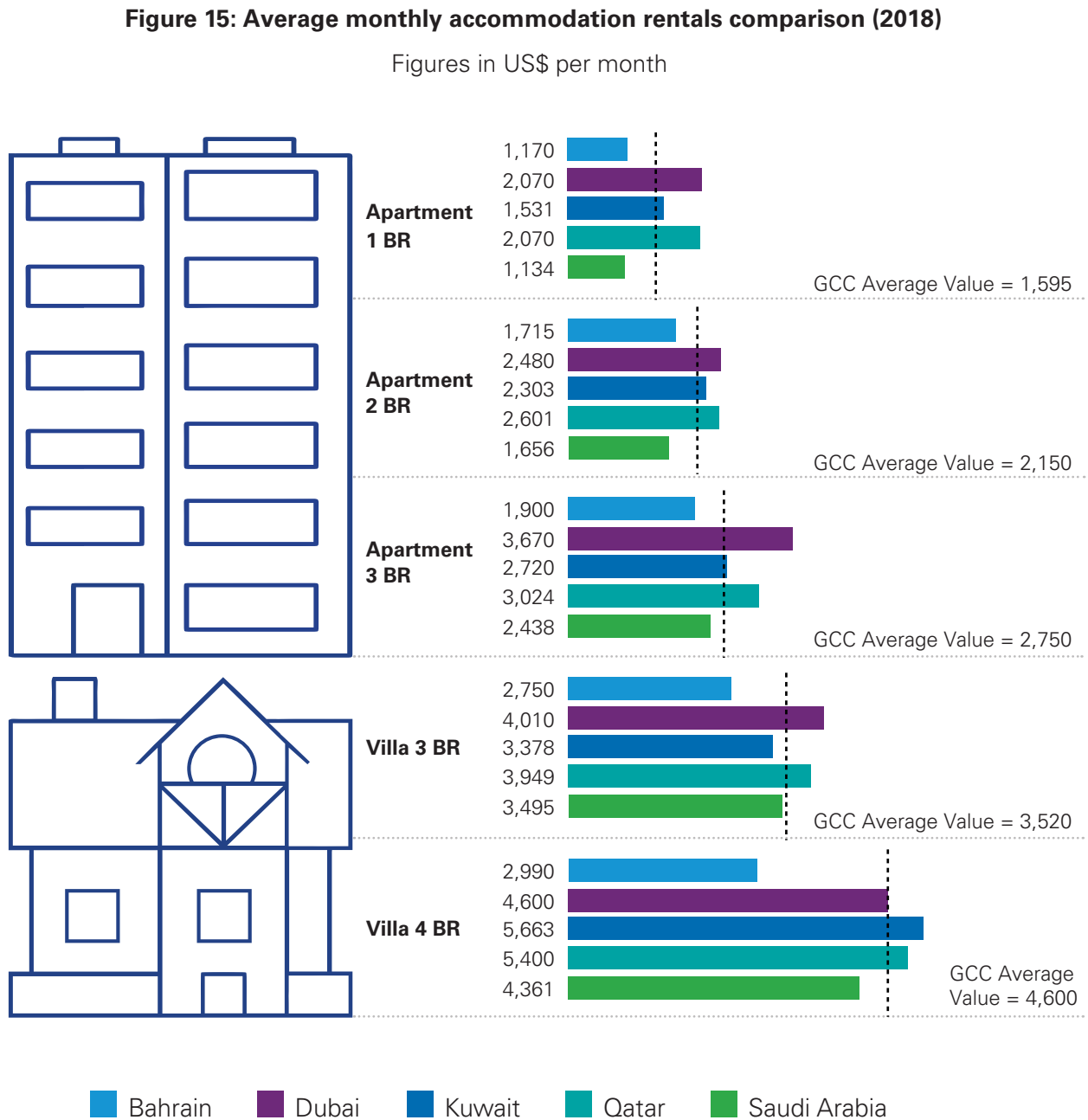


Source: www.numbeo.com

3.3. Accommodation costs

Amongst all the GCC countries, Bahrain costs lowest in terms of cost of accommodation followed by Saudi Arabia. Dubai, on an average, costs highest across different accommodation types.

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



Source: Primary research, KPMG analysis.

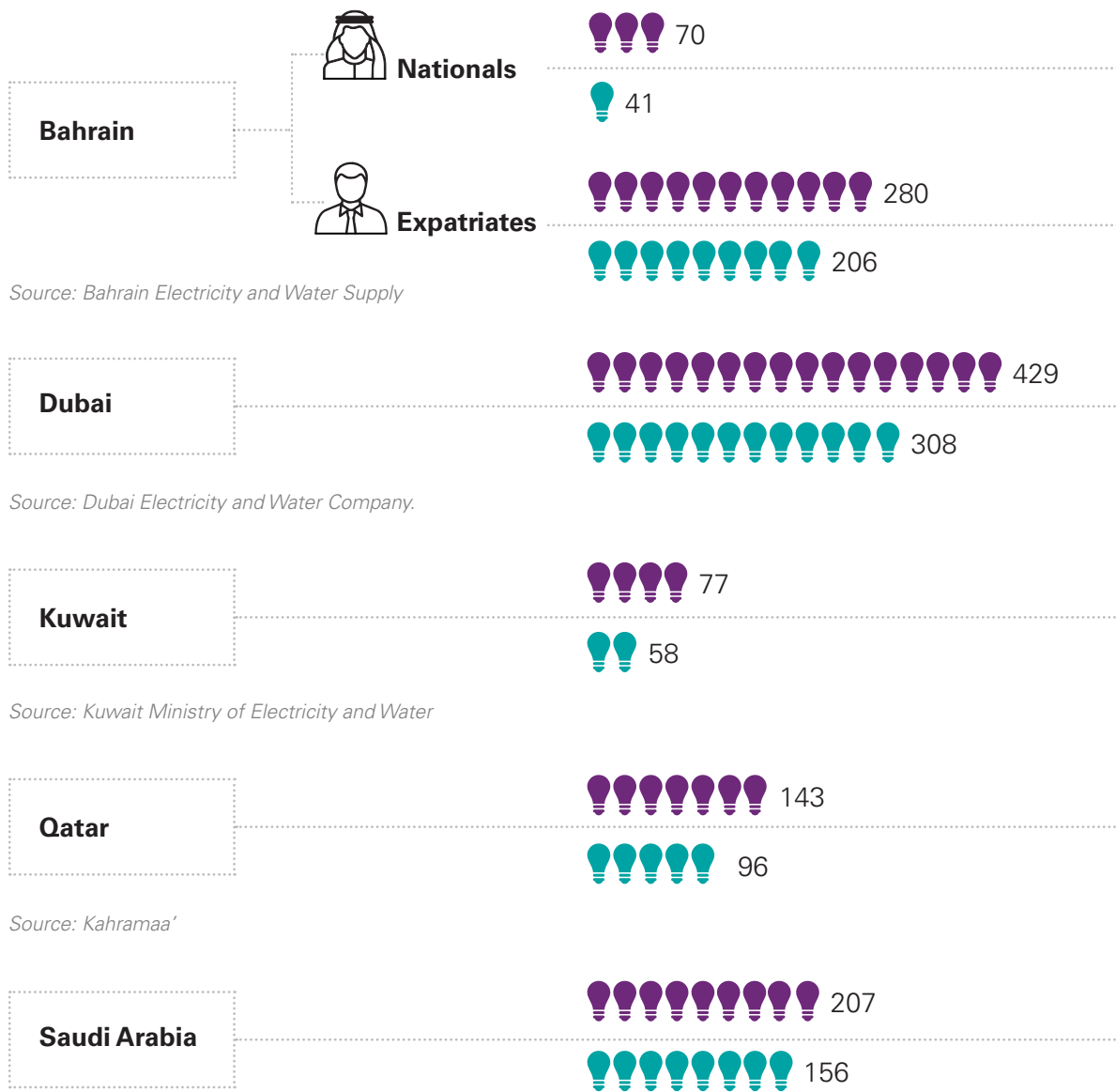
3.4. Residential utilities costs

Figure 16 illustrates the differences in domestic electricity costs between other GCC countries for a household of four people, living either in an apartment or a villa. The costs are based on a daily electricity consumption of 30kWh per capita for an apartment, and 40kWh per capita for a villa.

Bahrain is the only country among the selected ones which has different electricity tariffs for nationals and expatriates.

Figure 16: Electricity monthly consumption per household (2018)

Figures in US\$



Source: Bahrain Electricity and Water Supply

Source: Dubai Electricity and Water Company.

Source: Kuwait Ministry of Electricity and Water

Source: Kahramaa'

Source: Saudi Distribution Company, Saudi Electricity Company

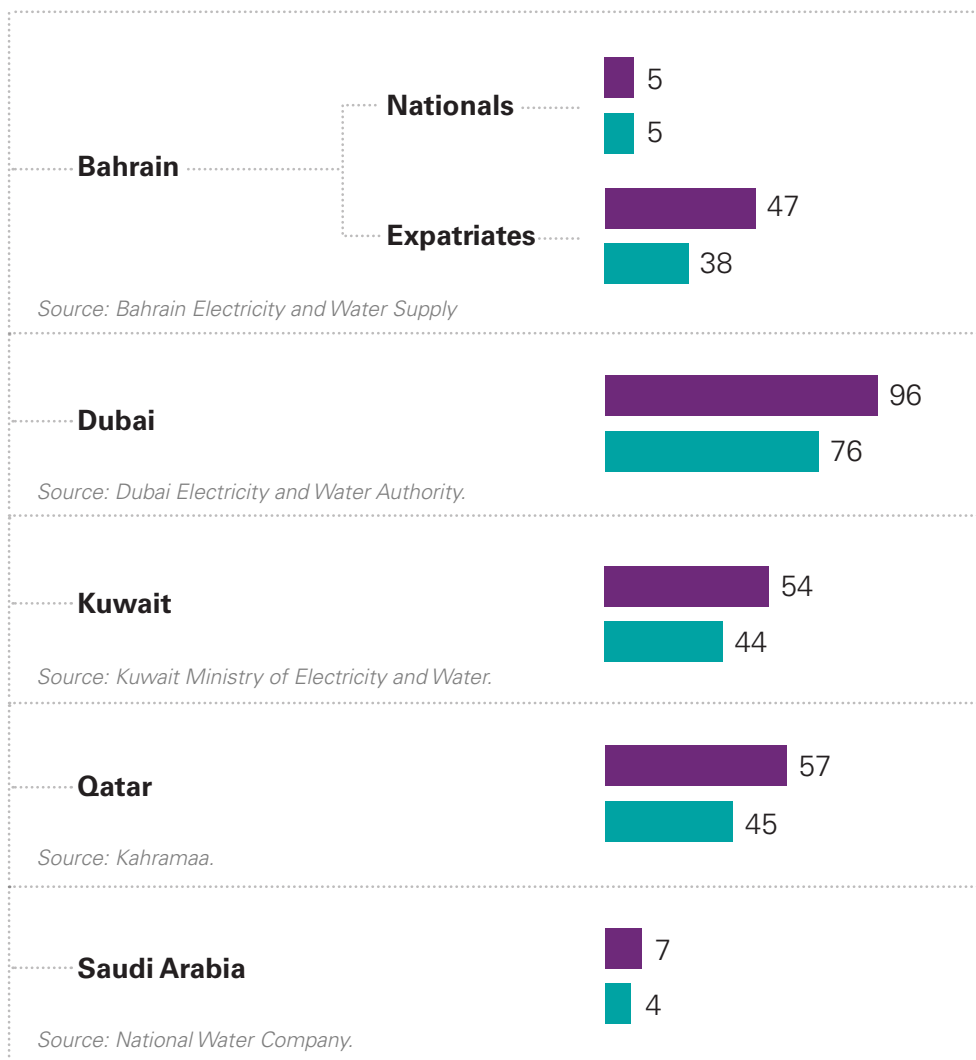
Villa Apartment

Please note that the tariffs shown in the above figures include the following:
 - A fixed monthly charge of US\$ 2.65 is added to Bahrain's utility tariffs (electricity and water).
 - Dubai's utility tariffs include a fuel surcharge added for consumptions of both electricity and water.

Figure 17 shows the monthly water consumption for a household of four members, with a daily consumption of 250 liters per capita living in an apartment and 310 liters per capita residing in a villa. Water cost in Saudi Arabia is lowest as compared to other GCC countries. Bahrain is the second lowest in terms of water tariffs in the GCC.

Figure 17: Water monthly consumption per household (2018)

Figures in US\$



■ Villa ■ Apartment

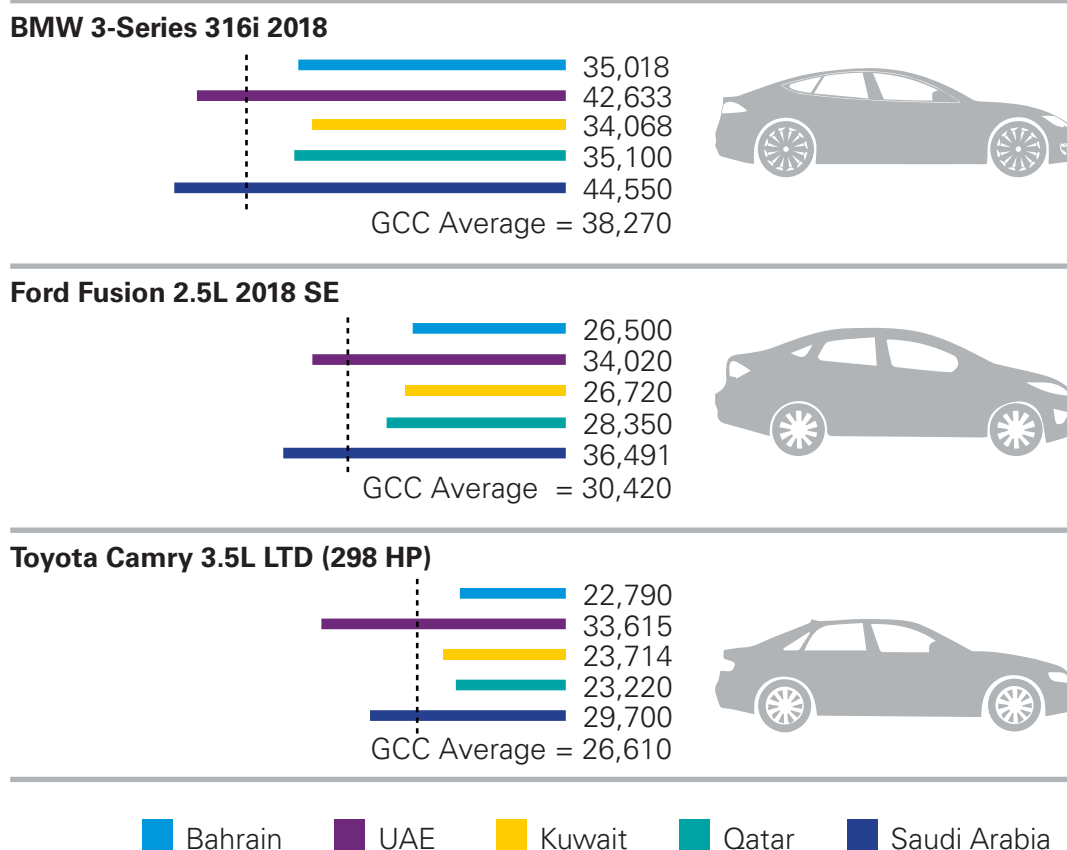
Note: The tariff shown in the above figure include the following:
 - A fixed monthly charge of US\$ 2.65 is added to Bahrain’s utilities tariffs (electricity and water).
 - Dubai’s utilities tariffs include a fuel surcharge added for consumptions of both electricity and water.

3.5. Vehicle costs

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

Figure 18: Vehicle purchase prices across GCC countries (2018)

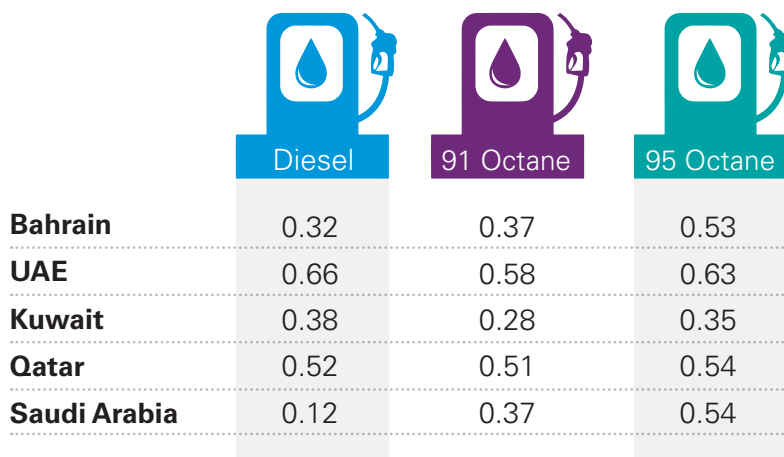
Figures in US\$



The following figure compares the fuel prices across the GCC countries.

Figure 19: Fuel prices (2018)

Figures US\$ per liter







Source: www.argaam.com

3.6. Education costs

Figure 20 outlines the average annual cost of schooling across Bahrain and other major GCC countries for British, Indian and US curriculum.

Figure 20: Average annual cost of schooling per curriculum (2018)

Figures in US\$

	 Curriculum	 Pre-School	 Primary	 Secondary
Bahrain	US	8,774	10,535	11,636
	British	7,656	8,669	14,765
	Indian	2,306	2,772	4,783
Dubai	US	15,917	11,798	21,595
	British	10,944	12,985	18,265
	Indian	4,297	5,982	7,465
Kuwait	US	9,042	12,342	14,675
	British	6,539	8,790	12,875
	Indian	1,033	1,350	1,627
Qatar	US	10,664	11,592	16,107
	British	11,396	11,507	16,330
	Indian	1,714	2,330	3,054
Saudi Arabia	US	10,100	14,482	17,200
	British	9,126	14,179	17,560
	Indian	1,455	1,790	2,105

Source: School websites.

As compared with the average schooling cost in the GCC, Bahrain has the lowest cost for British and American curriculum as opposed to Dubai, which has one of the highest cost of schooling. For Indian curriculum, however, cost of schooling is lowest in Kuwait as compared with other GCC countries.

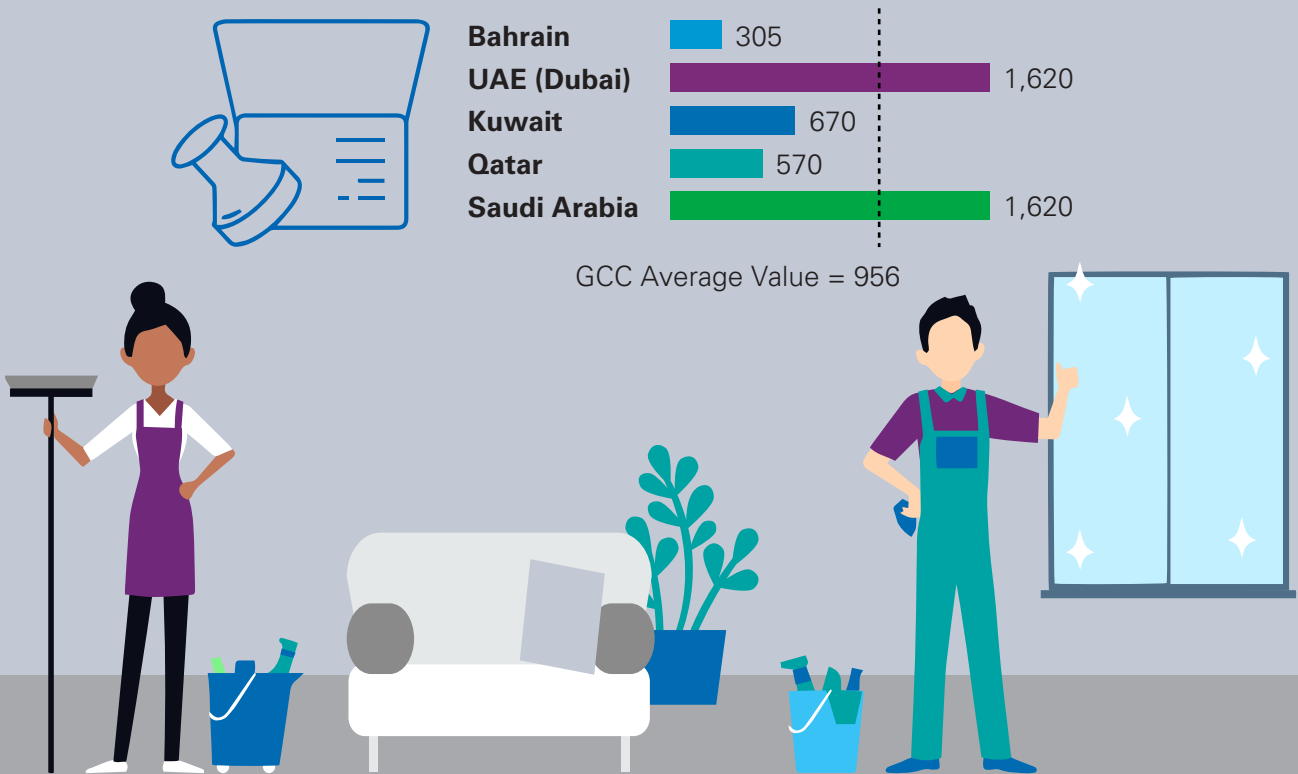
Note: Only annual tuition fees are considered in the calculations. Other educational costs, such as registration fees, book fees, facilities fees are not included.

3.7 Domestic help visas

Figure 21 shows the visa cost for domestic help. Compared with the GCC average, Bahrain has the lowest domestic visa help package cost. Dubai and Saudi Arabia, on the other hand, have the highest domestic visa package cost.

Figure 21: Domestic help visa package cost (2018)

Figures in US\$ (Visa cost)



Source: LMRA and ADGM Registration Authority document, NPRA, moi.gov.ae, visa.musaned.com.sa, KPMG research.

Figure 22 shows the average salaries for domestic help in different GCC countries. Bahrain is lowest in terms of salary for domestic help wages as compared to the average wage for domestic help in the GCC, which stands at US\$ 400.

Figure 22: Domestic help wages (2018)

Figures in US\$



Source: LMRA, Helperchoice.com

IV. Appendix

Bahrain



Electricity and water tariff structure in Bahrain

Cost of commercial utilities - Water (2018)

US\$ per m ³			
Jurisdiction	First 450 m ³	451 - 1,000 m ³	Above 1,000 m ³
Bahrain	1.72	1.86	1.99

Cost of commercial utilities - Electricity (2018)

US\$ per kWh				
Jurisdiction	First 5,000 kWh	5,001 - 250,000 kWh	250,001 - 500,000 kWh	Above 500,000 kWh
Bahrain	0.04	0.07	0.07	0.08

Cost of residential utilities - Water (2018)

US\$ per m ³			
Jurisdiction	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 expat	1.19	1.33	1.59

Cost of residential utilities - Electricity (2018)

US\$ per kWh			
Jurisdiction	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 expat	0.06	0.06	0.07

Source: Bahrain Electricity And Water Supply.



United Arab Emirates

Electricity and water tariff structure in Dubai

Cost of commercial utilities - Water (2018)

US\$ per m ³			
Jurisdiction	0 - 45 m ³	45 - 90 m ³	90 m ³ and above
Dubai	2.10	2.40	2.76

Cost of commercial utilities - Electricity (2018)

US\$ per kWh		
Jurisdiction	0 - 10,000 kWh	10,001 kWh and above
Dubai	0.06	0.10

Cost of residential utilities - Water (2018)

US\$ per m ³			
Jurisdiction	0 - 22 m ³	23 - 45 m ³	45 m ³ and above
Dubai	2.10	2.40	2.76

Cost of residential utilities - Electricity (2018)

US\$ per kWh				
Jurisdiction	0 - 2,000 kWh	2,001 - 4,000 kWh	4,001 - 6,000 kWh	6,001 kWh and above
Dubai	0.06	0.08	0.09	0.10

Source: Dubai Electricity And Water Company.

Other variable cost:

Fuel charge (Electricity) - US\$ 0.02 per kWh

Fuel charge (Water) - US\$ 0.04 per kWh



Qatar

Electricity and water tariff structure in Qatar

Cost of commercial utilities - Water (2018)

US\$ per m ³		
Jurisdiction	1 to 50 m ³	51 m ³ and above
Qatar	1.54	2.21

Cost of commercial utilities - Electricity (2018)

US\$ per kWh			
Jurisdiction	First 4,000 kWh	4,001 - 10,000 kWh	Above 10,000
Qatar	0.030	0.041	0.050

Cost of residential utilities - Water (2018)

US\$ per m ³			
Jurisdiction	1 - 20 m ³	21 - 250 m ³	Above 250 m ³
Qatar	1.35	1.76	2.57

Cost of residential utilities - Electricity (2018)

US\$ per kWh				
Jurisdiction	1 – 2,000 kWh	2,001 – 4,000 kWh	4,001 – 15,000 kWh	Above 15,000 kWh
Qatar	0.02	0.03	0.04	0.06

Source: Kahramaa



Kuwait

Electricity and water tariff structure in Kuwait

Cost of commercial utilities - Water (2018)

US\$ per m ³	
Jurisdiction	per m ³
Kuwait	1.46

Cost of commercial utilities - Electricity (2018)

US\$ per kWh	
Jurisdiction	per kWh
Kuwait	0.016

Cost of residential utilities - Water (2018)

US\$ per m ³	
Jurisdiction	per m ³
Kuwait	1.46

Cost of residential utilities - Electricity (2018)

US\$ per kWh	
Jurisdiction	per kWh
Kuwait	0.02

Source: Kahramaa', Kuwait Ministry of Electricity And Water.

Saudi Arabia



Electricity and water tariff structure in Saudi Arabia

Cost of commercial utilities - Water (2018)

US\$ per m ³					
Jurisdiction	<15 m ³	15 to 30 m ³	31 to 45 m ³	46 to 60 m ³	60 m ³ and above
Saudi Arabia	0.03	0.27	0.81	1.08	1.62

Cost of commercial utilities - Electricity (2018)

US\$ per kWh			
Jurisdiction	Less than 4,000 kWh	4,000 to 8,000 kWh	Above 8,000 kWh
Saudi Arabia	0.04	0.06	0.08

Cost of residential utilities - Water (2018)

US\$ per m ³					
Jurisdiction	<15 m ³	15 to 30 m ³	31 to 45 m ³	46 to 60 m ³	60 m ³ and above
Saudi Arabia	0.03	0.27	0.81	1.08	1.62

Cost of residential utilities - Electricity (2018)

US\$ per kWh		
Jurisdiction	First 6,000 kWh	Above 6,000 kWh
Saudi Arabia	0.04	0.08

Source: Saudi Distribution Company, National Water Company.





Contact us

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