

Leading international ICT businesses choose to take advantage of Bahrain's business friendly proposition



INFORMATION, COMMUNICATION & TECHNOLOGY OPPORTUNITIES IN BAHRAIN

THE OPPORTUNITY

The Bahrain information and communication technology (ICT) market is expected to reach \$375 billion by 2010, due to high demand for IT products and services from both public and private sectors. The growing need for robust IT solutions is also being driven by massive eGovernment and eCommerce initiatives, which are aimed at achieving economic diversification.

Bahrain offers low entrance costs and its underdeveloped market is rich with opportunity. The Kingdom's ratified Free Trade Agreement with the United States of America facilitates the exchange of technology expertise. The possibilities for long-term opportunities in outsourcing for Bahrain in niche areas of software development are rich.

MAKING BUSINESS EASY

Bahrain's eGovernment strategy aims to have over 90% of key services available online. For business this includes business and office registration, work permits, banking services, environmental compliance and the eTendering of government contracts.

INDUSTRY LEADERS CHOOSE BAHRAIN

Leading international ICT businesses choose to take advantage of Bahrain's business friendly proposition and base their Middle East enterprises in the Kingdom. Both Microsoft and Hewlett Packard have regional offices in Bahrain, as well as WIPRO, Satyam, Software AG, Netgear, Cisco, Tata Consultancy Services, Huawei, Tech Mahindra and Zain

TELECOMMUNICATIONS REGULATORY AUTHORITY (TRA)

To facilitate competition and fair pricing Bahrain unbundled its local loop and dismantled Batelco's monopoly in 2002. Since 2003 the TRA has issued 140 licences across 12 segments since and eight other companies have been issued licences for national fixed-line services. The TRA follows European model.

GOVERNMENT SUPPORT

The government has adopted a liberal approach towards internet regulation and has invested heavily in the Kingdom's IT infrastructure and education.

E-GOVERNMENT

The concept of e-government is long-established in Bahrain with a number of government services available on the internet. For example, residents can pay utility bills, traffic fines and visitors can apply for tourist visas online. The government aims to have more than 150 services related to key "lifecycle events" for both residents and businesses available online in the near future.

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SMARTCARDS

In another regional first, Bahrain introduced smartcards in 2005. The cards serve as a combined ID card, driving licence and population registry card. They can be used for voting, electronic payments or as a valid travel document for journeys within the GCC.

IT IN EDUCATION

In 2004 the Ministry of Education signed an agreement with Microsoft to train teachers how to integrate ICT into the learning process and boost IT knowledge amongst 1000 unemployed people.

GLOBAL INFORMATION TECHNOLOGY REPORT

Bahrain’s regional leadership in Information Technology (IT) has been acknowledged by the World Economic Forum and INSEAD in the organisations’ Global Information Technology Report 2007-2008.

Bahrain is ranked 45th global information and communications technology readiness index ahead of Jordan 47, Saudi Arabia 48 and Oman 53.

KEY TELECOMS COMPANIES

Batelco and Zain are the main players in Bahrain’s telecoms market. Batelco was the first Middle East telecommunications company to receive ISO9002 certification from the British Standards Institute and has an alliance with Cable & Wireless. Zain entered the Bahraini telecoms market in 2003, in two short years the company’s net revenues more than trebled from \$35m to \$107m and it achieved a market share of 30%.

In January 2007, menatelecom successfully implemented a Fixed Wireless Access (FWA) license which will allow the company to provide customers with the full range of fixed and nomadic telecommunications services. Partnering with Motorola, menatelecom has rollout its FWA

network nationwide, deploying a world-class technology solution based on state-of-the-art WiMAX technology.

In early 2009, Saudi Telecom (STC), the biggest Arab operator by market value, acquired Bahrain’s third mobile licence for \$230 million.

CONTACT

Companies like Zain (Vodafone), menatelecom, WIPRO, Satyam, Software AG have already discovered the advantages of Bahrain. To find out how the Bahrain Economic Development Board can help you set up and support your business long-term, contact:

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SALARY: GENERAL MANAGER ¹ (\$ Monthly)		CORPORATE INCOME TAX ²	
BAHRAIN	13,723	BAHRAIN	0
Saudi Arabia	18,230	Oman	0-30
Kuwait	15,350	Qatar	0-35
Oman	19,110	Kuwait	0-55
UAE	14,125	UAE	0-55
Qatar	16,200	Saudi Arabia	20-85

¹ Average monthly salary for a western expatriate in the Gulf; Gulf Business Salary Survey, 2009.

² Ernst & Young, Corporate Taxation in the Middle East, January 2009.