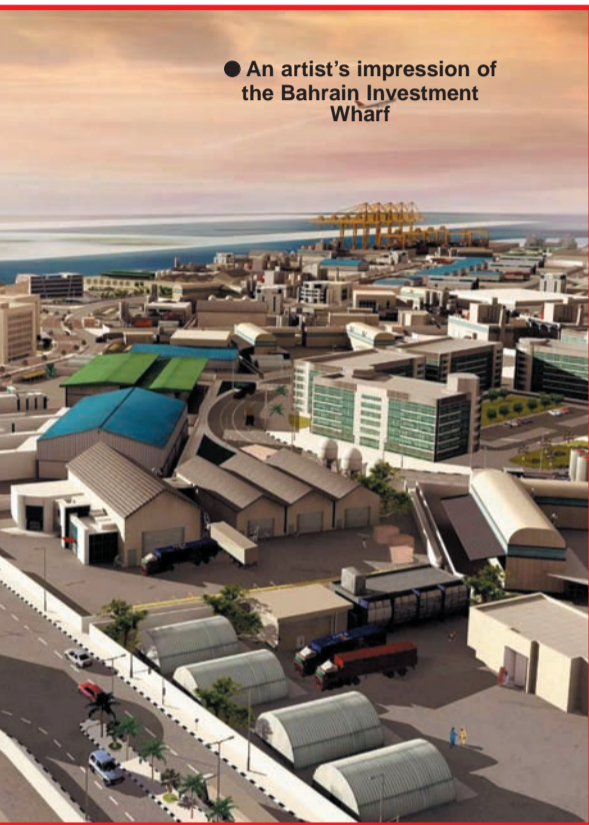


# global investors...



● An artist's impression of the Bahrain Investment Wharf



● An artist's impression of the Bahrain International Investment Park

ic attractiveness of regional integration, the result of which is the Gulf Common Market and the proposal to create a common currency. "There are a number of attractive propositions that result from such integration, not the least of which being complementarity," said Dr Fakhro.

"In this respect I firmly believe that the countries of the region are more complementary than competitors and where there appears to be competition within specific sectors, this is no more relevant than any other foreign competition, which as a free economy we encourage as an economic development policy."

Nevertheless, Bahrain has its own particular competitive advantages, not least of which is its sterling reputation as a legitimate international and regional financial and business cen-

tre, a reputation not easily replicated by others.

Elements that characterise Bahrain's advantage:

- No income or corporation tax
- No exchange control
- 100 per cent foreign ownership of companies permitted
- Property ownership permitted for foreigners
- Custom duties are low
- Corporate friendly policies
- Investor friendly legal system
- Simplified business procedures
- International and regional financial centre
- Tremendous scope for growth and open market for opportunities
- People are friendly and culture is conducive for business growth
- World class infrastructure
- Democratic and politically stable
- Major sea and air ports affording easy access to all Middle East and international markets

- Excellent legal and administrative infrastructure ensuring corporate legitimacy with strong corporate governance and anti-money laundering provisions
- Flourishing entertainment and tourism industry
- Cosmopolitan environment providing excellent lifestyle and living standards
- Low inflation
- Government economic policies are demand led and therefore less prone to external shocks

The ministry is the principal commercial and trade architect for Bahrain and as such is focused on continuous improvement of the commercial and trade environment.

Its role includes making it easier to do business and removing trade barriers and impediments, engaging in the development of trade agreements and relationships and contributing indirectly to the strengthening of trade relations.

At the same time, the ministry has overall responsibility for the Meeting, Incentive, Convention and Exposition (MICE) industry, through the chairmanship of the Bahrain Exhibitions and Conventions Authority.

It therefore plays an important role in providing the facilities for companies to gain access to the potential markets in the region by means of participating in exhibitions and conferences.

"Wearing its' industry hat, the ministry regularly showcases industrial opportunities and maintains a permanent exhibition of Bahrain products as a means for foreign investors to identify potential partners and products," said Dr Fakhro.

As the registrar of companies and the ministry responsible for the commercial and companies laws, it has made it its business to be second to none when it comes to providing an efficient and predictable incorporation process.

"Our Bahrain Investors' Centre is a state-of-the-art registration facility, which houses representatives of all key government ministries involved in the business licensing process and by means of a bespoke registration system is able to seamlessly integrate the back-end operations of the various involved agencies, so as to provide a single open-door for investors," said Dr Fakhro.

"We provide a hand-holding service for those larger businesses to ensure that all the necessary approvals for large-scale businesses are expedited as quickly as possible."

In addition, the ministry has an on-line facility that enables potential investors to search for possible joint venture partners, agents or cus-

tomers and its domestic and foreign trade Directorates stand always ready to lend a helping hand, by providing information and introductions wherever possible.

"It goes without saying that as the responsible minister, I am here to help and my door is open," said Dr Fakhro.

Bahrain has been experiencing strong growth over these past years and oil has played an important underpinning role by supporting national budget allocations to enhance infrastructure.

But the leadership's diversification and privatisation policies and a concentration on ensuring that the overall economic and commercial climate in the country is supportive of private sector initiatives, will be key factors in ensuring the achievement of sustainable future development, said Dr Fakhro.

This will be in the shape of a knowledge-based economy, strategically positioned around a number of key economic clusters in which the country has competitive advantage.

"Above all I believe that our main competitive advantage lies in the workforce," said Dr Fakhro.

"Bahrain is the only country in the region where locals outnumber expatriates, which means that producers and services providers have a ready and stable labour pool and the government has invested wisely over the years to ensure that the workforce is well educated, healthy and has an appetite for work."

The country is also undergoing broad-spectrum economic reforms, including labour, education and health, with a focus on making the country even more competitive.

The sharp-end of this is the articulation of the Economic Vision 2030, which will see the country achieving higher levels of productivity.

"Bahrain has adopted a demand-led approach to growth, which I believe puts us less at risk than the supply-driven policies which are a feature of some other countries and I believe that this will be a telling feature in future years," said Dr Fakhro.

"In short we know where we are going and what we have to do to get there, and I also believe that discerning investors and businesses recognise this and will help us to achieve success."

"I think that one of our major challenges for the future is promoting increased trade in the region, through the harmonisation of commercial and trade regimes and achieving a greater level of integration, in order to service external markets."

Looking to Bahrain's challenges, the minister says the main test will be ensuring that the private sector rises to the competition of the global marketplace.

"The government has opened up new markets for Bahrain producers and service providers, but there are production and service standards to meet, as well as direct foreign competition in the domestic market," he said.

"The government is doing all it can to encourage, educate and spread awareness, as well as assisting companies to enhance productivity and standards, but ultimately, in a private sector-led country, it is the private sector that will determine the success of the economic and trade policies."

"We also have a young and growing population, so our economic policies are oriented to projecting the growth of employment opportunities in cadres that support the achievement of a higher standard of living."

"The dual pillars of commerce and industry must take up this challenge by investing in higher value added services and productions, and in particular industry must play a greater role than it has in the past."

"Against the backdrop of a private sector that has preferred to engage in the trade of foreign produced products, our challenge is to promote investment in domestic manufacturing and also to deal with the rising costs of imported products, in particular food items, of which Bahrain is currently a net importer."



● The existing BIECC...massive growth on way

## city is planned