

Bahrain

Living and Working Guide

Version 1.1 (Updated Feb 2012)



Photo: Manama Skyline

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Introduction to Bahrain:

Bahrain is a small island state located near the western shores of Persian Gulf. Ruled by Al Khalifa family since 1783 as an absolute monarchy, Bahrain has transformed itself from a poor British protectorate into a progressive independent state. Facing declining oil reserves, Bahrain has turned to petroleum processing and refining and has transformed itself into an international banking center making its economy one of the most diversified in the region. Highly developed communication and transport facility make Bahrain home to numerous multinational firms with business in Gulf.

Population: 1.24 Million (2011 est - ranked # 157 in the world with respect to population)

Demonym: Bahraini(s)

Capital: Manama (population of 155,000)

Total Area: 760 sq km (ranked # 188 in the world with respect to total area)

Terrain: Mostly low desert plain raising gently to low central escarpment

Total Land Boundaries: 0km

Border Countries: n/a

Ethnic Groups: Bahrainis 62.4%, non-Bahrainis 37.6%

Religions: Muslims 81.2%, Christians 9%, others 9.8%

Languages: Arabic (official), English commonly used as a second language

Time Difference: UTC + 3hrs

GDP: US\$ 30.8 billion (2011 est - ranked # 108 in the world with respect to GDP)

GDP Per Capita: US\$ 27,300 (2011 est - ranked # 50 in the world)

GDP Growth Rate: 1.5% (2011 est - ranked # 169 in the world)

Unemployment Rate: 15% (2011 est – ranked # 145 in the world)

Currency: Bahraini Dinars (BHD)

Exchange Rate: Fixed peg of 0.376 BHD against 1 US\$.

Economy of Bahrain:

Bahrain is one of the most diversified economies in the Persian Gulf. Highly developed communication and transport facilities make Bahrain home to numerous multinational firms with business in the Gulf. As part of its diversification plans, Bahrain implemented a Free Trade Agreement (FTA) with the US in August 2006, the first FTA between the US and a Gulf state. Bahrain's economy, however, continues to depend heavily on oil. Petroleum production and refining account for more than 60% of Bahrain's export receipts, 70% of government revenues, and 11% of GDP (exclusive of allied industries). Other major economic activities are production of aluminum - Bahrain's second biggest export after oil - finance, and construction. Bahrain competes with Malaysia as a worldwide center for Islamic banking and continues to seek new natural gas supplies as feedstock to support its expanding petrochemical and aluminum industries. In 2011, Bahrain experienced economic setbacks as a result of domestic unrest. Bahrain's reputation as a financial hub of the Gulf has been damaged, and the country now risks losing financial institutions to other regional centers such as Dubai or Doha. Economic policies aimed at restoring confidence in Bahrain's economy, such as the suspension of an expatriate labor tax, will make Bahrain's foremost long-term economic challenges - youth unemployment and the growth of government debt - more difficult to address.

Major Industries: petroleum processing & refining, aluminum smelting, fertilizers, Islamic and offshore banking, commercial ship repair, tourism

Exports: Saudi Arabia 2.9%, Japan 2%, UAE 1.9%, India 1.9% (2010 est)

Imports: Saudi Arabia 24.7%, US 12.2%, China 7.8%, Brazil 6%, Japan 5.8%, France 5% (2010 est)

Housing in Bahrain

Finding a nice place to live is always difficult. Bahrain is no exception – getting the right accommodation can be hard especially in large cities including Manama. Housing in Bahrain maybe different from that to which you have become accustomed and in most cases you will not be able to replicate your current lifestyle in every sense.

There is a wide range of villas and apartments available in Bahrain, both within and outside enclosed compounds, but it should be noted from the outset that expatriates cannot own land or property in Bahrain and therefore you will have no choice but to rent. Most visitors are pleasantly surprised when they see the cities of Bahrain for the first time, their modern architecture co-existing with traditional houses and ancient wind towers. New buildings are often spectacular, as oil has provided the money for the best architects, builders and materials.

Many construction projects are underway and when you're choosing accommodation you should check whether further construction is planned on surrounding land, as the resulting noise, dust and general inconvenience can be intrusive. Most foreign workers tend to live in either compounds or apartments. Majority of the property is rented unfurnished whether it be a grand villa or a modest studio apartment.

If you're planning to relocate to Bahrain with your pets, then moving a pet from a cool or temperate climate is something to be carefully considered since Bahrain's climate is fairly harsh especially during summers. The landlords of many apartment buildings and compounds will not allow animals so it would be wise to discuss this aspect with the landlord or your relocation advisor before deciding on accommodation. If it is important to you or your family to bring your pet then you should employ a pet import specialist to make the move go smoothly.

Living with Family

Bahrain can be ideal for those who wish to raise families, for children Bahrain can be a magical Island, with the weather ideal for outside activities for most of the year. Bahrain is a family-oriented country where children are welcomed just about everywhere. Families, and especially children, play an important role in Bahraini culture. Family outings are very popular and you will see large extended family groups picnicking outside and around the playgrounds, parks and the coastal area in cooler months.

Bahrain may be a small country, but it's booming! It almost seems like each time you blink, a new mall has popped up or an existing one has been extended. All this means more choice for the shoppers and a constant buzz of excitement and anticipation. Moreover, quality of life in Bahrain is very good by most standards.

The schools systems in Bahrain are diverse and plentiful offering all sorts of educational systems including are American, British, International and Indian curriculum. One thing you must do when you know you're coming to Bahrain is to get your child registered, as most good schools fill up very early and you may find you're on a waiting list for some time.

Activities in Manama that can keep your family active include aikido, aerobics, golf, horseback riding, tennis, badminton, baseball, basketball and bowling. Don't forget, Bahrain hosts numerous world-class sporting events annually. Moreover throughout the year, Bahrain has many festivals to entertain the entire family.

Cost of Living Index

The cost of living for expats in Manama/Bahrain is considered high compared to other places. The overall cost of living is determined using the prices for defined quantities of the same goods and services across 10 Expense Groups. In 2012, Manama is ranked 226 overall out of 950 cities globally (rank 1 is most expensive; rank 950 is least expensive). The cost of living rank for each of the 10 Expense Groups is as follows:

Accommodation costs such as house/flat rental, household utilities, local property rates and mortgage etc and are high compared to other places. Currently Manama is ranked 225 in this expense group.

Alcohol & Tobacco costs are very high compared to other places for items such as alcoholic beverages, alcohol at a bar, beer, whiskey and wine as well as for tobacco products such as cigarettes. Currently Manama is ranked 50 in this expense group.

Clothing costs are relatively very high compared to other places for item such as casual clothing, business suits, children clothing and footwear etc. Currently Manama is ranked 7 in this expense group.

Communication costs such as home telephone rental, mobile phone contracts, call charges and internet connectivity are very low compared to other places. Currently Manama is ranked 853 in this expense group with only 97 places that are less expensive.

Education costs such as pre-school fees, primary and high school/college fees are very low compared to other places. Currently Manama is ranked 851 in this expense group with only 99 places that are less expensive.

Grocery costs are very high compared to other places for items such as food, non-alcoholic beverages, baked food, canned food, dairy products, cleaning products, baby consumable, fresh fruits and vegetables etc. Currently Manama is ranked 35 in this expense group.

Healthcare costs such as medical insurance, general practitioner consultation fees, hospital wards daily rates and non-prescription medicine etc are low compared to other cities. Currently Manama is ranked 585 in this expense group.

Recreation and Culture costs such as prices of books, cinema tickets, DVDs and CDs, sports goods, outdoor leisure activities are very high compared to other places. Currently Manama is ranked 229 in this expense group.

Restaurants, Meal Outs and Hotel costs are very high compared to other places for items such as take away drinks and snacks (fast food), dining at restaurants (non-fast food) and hotel rates. Currently Manama is ranked 68 in this expense group.

Transport costs such as public transport, vehicle costs, car insurance and maintenance, petrol/diesel prices, and car hire/lease rates are very low compared to other places. Currently Manama is ranked 778 in this expense group with only 172 places that are less expensive.

National Holidays:

- New Year Day, 1 January
- Prophet's Birthday (as per Islamic calendar)
- Eid Al Fitr, End of Ramadan (as per Islamic calendar)
- Eid Al Adha, Feast of sacrifice after Hajj (as per Islamic calendar)
- Islamic New Year (as per Islamic calendar)
- National Day, 16 December
- Ashura (as per Islamic calendar)