

BAHRAIN

Business Guide

Compiled by:

Swiss Business Hub Middle East

Dubai, January 2021

ARRIVAL AND DEPARTURE

Visas are required for all visitors to Bahrain except passport holders of the GCC States. A Swiss citizen holding a regular passport (not temporary) can receive a tourist visa upon arrival in Bahrain. The applicant's passport must have at least six months of validity. Under the new visa policy, visitors from 66 countries, including Switzerland, will also be eligible to apply for their visas electronically ahead of their arrival in the Kingdom, further easing their travel experience, through a simple online application process, at www.evisa.gov.bh. A multiple entry, one-month visa on arrival is granted for a fee of BHD 25 (CHF 60). A single entry, two-week visa on arrival costs BHD 5 (12 CHF). There are other visa possibilities that can be obtained online.

LANGUAGES USED FOR BUSINESS

Arabic is the official language while English is very widely used as a second language, especially in the business community. Persian, Hindi and Urdu are also widely spoken among expat communities. Swiss businesspersons visiting Bahrain are well advised to bring along English-language catalogues or any other printed promotion material. Many commercial institutions and road signs are bilingual, displaying both English and Arabic.

PUBLIC HOLIDAYS

The dates of the Islamic Holidays change according to the Muslim calendar.

Public Holidays in Bahrain*

Date 2020	Date 2021	No. of Days	Holiday
1 January	1 January	1	New Year's Day
01 May	01 May	1	Labour Day
24 May	13 May	3	Eid Al Fitr
31 July	20 July	3	Eid Al Adha

Date 2020	Date 2021	No. of Days	Holiday
20 August	09 August	1	Islamic New Year
28 August	18 August	2	Ashoora
29 October	18 October	1	Milad Un Nabi (The Prophet's Birthday)
16 December	16 December	2	Bahrain National Day

*some holidays may shift depending on the moon sightings

The weekend is Friday and Saturday, on which Government offices and banks are closed, but private sector companies mostly work on Saturday. Shopping malls and boutiques are free to open on weekends and most of them do.

HEALTH AND INOCULATIONS

No inoculation is needed for visitors or residents. However, foreigners applying for jobs and residence will have to undergo an HIV (Aids) test, as well as other health aptitude tests. Any resident who may be diagnosed HIV positive shall be deported.

TIME ZONES

Bahrain lies in the Arabia Standard Time Zone, which is GMT +3 hours.

TIME DIFFERENCE BETWEEN SWITZERLAND AND BAHRAIN

Bahrain is all one time zone, three hours ahead of Greenwich Mean Time around the year, with no change of timing in summer. There is one hour time difference with Switzerland in the summer and two hours in winter.

ELECTRICITY SUPPLY

In Bahrain, BS-1363 socket type is used with 220-240 volts.

METHODS OF PAYMENT

- Cash for retail shopping is still very common, especially for merchandise less than \$100 in value. Bahrain is generally a very safe country, as incidents of mugging, snatching and pick-pocketing are extremely rare.
- Credit cards are widely accepted in boutiques, hotels, restaurants and department stores, and the user is always advised to hold proper identification documents. There are no restrictions on the movement of money or on the exchange of foreign currencies except the international banking regulations. It is anyway recommended to carry US\$ to be exchanged.

TRANSPORTATION

Manama city has a well-developed road system, but there are no trains, no trams and no recommended cycling routes. Public transport is limited to the use of buses. Plans are underway to build a railway system. Private cars and taxis are practically the dominant means of transport in Bahrain at present.

BY AIR

Air flights are the most common form of traveling in and out of Bahrain. There is only one international airport. SWISS International Airlines does not fly to Bahrain (but Lufthansa does through Frankfurt). The other alternatives mostly used for non-direct flights to and from Switzerland are Etihad Airways, Emirates Airlines and Turkish Airlines.

BY ROAD

Public transport in Bahrain consists of a modest fleet of buses, which do not cover all areas. A Swiss visitor can either rent a car through the hotel or from car rental offices in the city center or use taxis. A medium sized 4-passenger car can be rented for about BHD 15 (CHF 40) per day, while an average trip by taxi can cost BHD 5 (CHF 12).

HOTELS

There are about 20 five-star hotels in Bahrain, some 60 four-star and 30 three-star hotels, in addition to tens of hotel apartment complexes. The five-star hotels go for an average rate of BHD 100 (CHF 242) plus 20% service charge for a single room and BHD 60 (CHF 145) plus 20% service charge in a four-star hotel.

Hotel apartments can be cheaper and are often preferred by foreign visitors coming for long stays. Their numbers are also on the rise and the new ones are of good quality.

COMMUNICATION

Land phone lines and telecommunications services are provided by different operators such as Batelco, Zain and STC, formerly Viva.

TELEPHONES

The country phone code of Bahrain is: 00973

Within Bahrain, there are no codes for areas.

Roaming service is available, as well as WiFi and data plans.

CELL PHONES

Mobile phone numbers start with 3. Pre-paid is easy to find in the telecommunication outlets.

BUSINESS HOURS

Government offices work from 07:30 to 14:00, Sunday through Thursday. However, it is recommended to avoid meetings in the first and last hour of a working day. With very few exceptions, government agencies and departments do not take a lunch break.

Most private companies work from 08:00 AM to 05:00 PM, either from Saturday or Sunday through Thursday. Banks are open to the public from 07:30 AM to 03:00 PM (depending on the bank the opening and closing hours can vary) from Sunday through Thursday. ATMs are available in shopping centers and in many branches of Bahrain's commercial banks.

Bahrain's numerous shopping malls are open very late, often past midnight on weekends.

Ramadan is the holiest month of the Islamic Calendar. Muslims fast from sunrise to sunset during Ramadan. It is illegal in Bahrain for anyone – including non-Muslims – to smoke, eat or drink in public during daylight hours. Most restaurants and cafes are closed during daylight hours, but major hotels will normally keep one restaurant discretely open for non-Muslim guests. During Ramadan, government offices and most businesses have shortened hours, though many shopping malls and restaurants reopen at dusk and operate well past midnight.

ADDRESS AND OPENING HOURS OF BAHRAIN EMBASSY IN SWITZERLAND

Consulate General of the Kingdom of Bahrain in Geneva
Chemin Jaques-Attenville 1
1218 Grand-Saconnex
Case Postale 39
1292 Chambésy Genève
Switzerland
Email: Geneva.mission@mofa.gov.bh
Phone: +41 22 – 758 9640
Fax: +41 22 – 758 9651

Hours: From Monday to Friday from 9:00 AM - 5:00 PM (10:00 AM – 03:00 PM during Ramadan)

ADDRESS AND OPENING HOURS OF THE SWISS EMBASSY IN BAHRAIN REPRESENTED BY THE SWISS EMBASSY IN ABU DHABI

Embassy of Switzerland
Al Khaleej Al Arabi Street
Centro Capital Center Building, 17th floor
Office Building Adjacent to Rotana Centro Hotel
ADNEC / Exhibition Centre Area
Abu Dhabi
United Arab Emirates
Email: adh.vertretung@eda.admin.ch
Phone: +971 2 627 46 36
Fax: +971 2 626 96 27
Hours: (for the public) From Sunday to Thursday from 9:00 AM to 12:00 PM and 08:00 AM to 04:00 PM by phone.

ADDRESS AND OPENING HOURS OF THE CONSULATE GENERAL OF SWITZERLAND IN BAHRAIN

Consulate General of Switzerland
Bahrain World Trade Center
West Tower, 28th Floor
Manama
Kingdom of Bahrain
Tel.: +973 – 1751 7780
Fax: +973 – 1753 1158
Hours: From Sunday to Thursday from 08:00 AM to 05:00 PM

TIPS FOR INITIATING BUSINESS CONTACTS

Swiss firms wishing to export their products or services to Bahrain first of all need to establish a good business relationship with a local partner. Patience and perseverance is needed for developing such partnership. Regardless of who initiated the contact, a Swiss exporting company needs to present its product elaborately. The dispatch of a pictorial catalogue may not be good enough to trigger the desired reaction. Bahrainis know that their country is a highly competitive import market and are used to getting many such offers. Since the process from the first contact to decision-making is rather lengthy, a Swiss company is well advised to follow up on its first contact. Bahrainis are clever merchants with a lot of exposure to the international markets.

BUSINESS PRACTICES

A foreign supplier generally needs a local partner in Bahrain to oversee the import formalities, defend the trademark and secure the distribution of the product. The local partner is particularly needed, if the end user of a product or service is a public sector entity. The government buys its requirements through public tenders, which are generally open only to local suppliers, agents of foreign entities. Occasionally, international firms are invited to pre-qualify for upcoming large-scale projects, and the local agent would be instrumental to complete the pre-qualification procedures for the foreign company. Bahrain may have eventually to scrap the agent/sponsor system to comply with WTO regulations. However, a Swiss company must not jump into an agency agreement until and unless it has conducted a careful examination of the agent's standing and capabilities in the market.

With or without an agency agreement, a Swiss exporter should secure a safe method of payment when dealing with private companies. A Letter of Credit remains the best such method. Government agencies normally never fail to honor their financial commitments, though some delays might occur due to bureaucracy.

Problems of outstanding payments occasionally pop up, as a result of miscommunication or misunderstanding with regard to specifications of the dispatched merchandise, or as a result of delayed shipment and other technicalities.

In such disputes, the Swiss supplier will be better off to seek an amicable settlement, even if it entailed some sacrifice. Legal action against the customer could take years and be costly in legal fees.

Bahrainis are friendly to guests and are quick to add a personal touch to a business relationship. The Swiss are always expected to live up to their image, as Switzerland is widely viewed as the paramount of excellence on all fronts.

Things move at a slow tempo and tight deadlines are not welcome. For a major deal, an eye-to-eye encounter can do what hundreds of e-mails cannot. A business meeting does not jump "to the point" instantly as ample time is usually given to a preliminary informal chat to break the ice. The Swiss side would do well to avoid sounding too formal.

After the exchange of business cards it is safely polite for a Swiss visitor to use the title Mr. with the first name of the person. Likewise, the Swiss visitor should not be offended if he was addressed with his first name, especially if his surname is multi-syllabic and difficult to pronounce. Bahrainis can also quickly go on first-name basis as sign of endearment. Anyone with a PHD Degree, regardless of specialization, is referred to as Dr.

Like elsewhere in the Middle East, kisses on the cheeks among men are a common form of greeting on several occasions. Touching, like a pat on the shoulder, is also part of the local culture as a sign of endearment. However, it must be carefully avoided between men and women. Swiss men will be well advised not to offer to shake hands with a Bahraini woman wearing the (Islamic) head cover, unless she initiates the gesture. By the same token, Swiss women would avoid offering a handshake with Bahraini men unless the other side offers to.

Local corporate executives very often take their foreign guests to business lunches or dinners outside, or host them to a reception at their residence as a gesture of hospitality.

SPECIAL FEATURES OF THE MARKET

Bahrain is one of the most diversified economies in the Gulf region; highly developed communication and transport facilities make Bahrain home to numerous multinational firms with business in the Gulf. Over the past four decades, Bahrain has steered its economy away from oil more rapidly than any other Gulf State, supporting steady and stable economic growth. Other major economic activities are production of aluminum (Bahrain's second largest export after oil), finance, and construction. Bahrain competes with Malaysia as a worldwide center for Islamic banking. Other sectors such as tourism, education and training and pharmaceuticals are also growing rapidly in Bahrain.

A friendly business environment

In an effort to attract and encourage foreign investment, Bahrain has created a remarkably business-friendly environment to go hand in hand with the advantages of the geographic location. This is why hundreds of international corporations, including several of the Global 500, have chosen Bahrain as their base of operations in the Middle East. The following are key advantageous elements often cited in that context:

- Bahrain has a highly favorable tax environment, with no taxes on personal or corporate income, and no withholding tax. In January 2019, Bahrain implemented 5% VAT.
- Raw materials, imported semi-finished commodities, imports required for development projects, machinery for manufacturing, and goods imported for re-export are all exempt from duties in Bahrain.
- International investors and companies are guaranteed 100% ownership of their interests in such sectors as technology, tourism, healthcare, education and training, manufacturing services, business services, and industrial services.
- Bahrain is a free market, where businesses are allowed to operate, with minimal red-tape and foreign ownership restrictions.

COVID-19 UPDATE

By the end of 2020, Bahrain has had 94,284 Coronavirus Cases. On 31st December, 2020 Bahrain has had 2,106 active cases.¹ Entrance into the country is exclusively allowed for nationals and residents of Bahrain and nationals of Kuwait, Oman, Saudi Arabia and the United Arab Emirates. Those arriving to Bahrain through land entry are required to provide a negative PCR test taken up to 72 hours before arrival into Bahrain. Air passengers are subject to PCR test on arrival followed by self-isolation until test results are received.² COVID 19 rule are updated regularly and can be checked on <https://www.gulfair.com/covid19#travel-advisories>

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¹ <https://www.worldometers.info/coronavirus/country/bahrain/>

² <https://travelbans.org/asia/bahrain/>