

# Expat Guide to Bahrain: Frequently Asked Questions

## I. The Essentials: Location, Size, and Global Connectivity

### 1. Where is Bahrain located?

The Kingdom of Bahrain is an archipelago of islands situated in the Arabian Gulf.

### 2. What is the total size and population of Bahrain?

- Total Area (Land): Approximately 780 km<sup>2</sup> (300 sq mi).
- Total Population: Approximately 1.6 million residents, with roughly half being expatriates, creating a highly cosmopolitan environment.

### 3. What are the direct flight times from major global and regional financial hubs?

Bahrain International Airport (BAH) offers exceptional connectivity to 72 countries.

The approximate direct or fastest scheduled non-stop flight times to key business centres from shortest to longest are:

City	Region	Approximate Direct Flight Time
Dubai	Regional GCC	1 hour 15 minutes
Riyadh (Saudi Arabia)	Regional GCC	1 hour 20 minutes
Delhi	Asia	3 hours 50 minutes
Istanbul	Europe/Asia	4 hours 30 minutes
Zurich	Europe	6 hours 15 minutes
London	Europe	6 hours 30 minutes
Frankfurt	Europe	6 hours 40 minutes
Hong Kong	Asia	7 hours 50 minutes
Singapore	Asia	7 hours 50 minutes
New York (JFK)	North America	13 hours 55 minutes

### 4. What is the meaning and relevance of the GCC?

The GCC stands for the Gulf Cooperation Council. It is an economic union comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE. It facilitates the free movement of goods and provides a large, unified market for businesses based in Bahrain.

## **II. Business Environment and Economic Incentives**

### **5. What are the key business advantages promoted by the Bahrain EDB?**

The Bahrain Economic Development Board (EDB) promotes the Kingdom as the most cost-effective, liberal, and competitive gateway to the Gulf's \$2.1 trillion market. Key advantages for foreign investors include:

- 100% Foreign Ownership: Permitted across most sectors, with no requirement for a local partner.
- Low Operational Costs: Highly competitive establishment and operating costs (up to 51% lower in sectors like manufacturing compared to neighbouring hubs).
- Tax Efficiency: No standard corporate tax, income tax, or withholding tax (excluding the oil and gas sector and specific large multinational enterprises subject to the new Domestic Minimum Top-Up Tax).
- Gateway Access: Seamless access to the wider GCC, Middle East, and North African markets.

### **6. Are there Free Zones or Special Economic Zones?**

Yes. While much of the Bahrain mainland already offers favourable regulations, special zones provide additional incentives, often geared toward export-focused manufacturing and logistics:

- Bahrain International Investment Park (BIIP): Ideal for large-scale, export-oriented manufacturing and industrial services.
- Bahrain Logistics Zone (BLZ): Tailored for logistics, freight forwarding, and value-added services, offering duty-free imports/exports.
- Incentives: These zones typically offer customs duty exemptions and sometimes land rental/utility rebates.

### III. Residency and Long-Term Investment Permits

#### 7. Which are the main long-term residency permits for High-Net-Worth Individuals (HNWIs) in Bahrain?

Bahrain offers several attractive, self-sponsored residency pathways for non-Bahrainis, primarily categorized by the basis of application:

Permit Name	Primary Eligibility Basis	Typical Tenure	Key Benefit
<b>Golden Residency Visa</b>	Financial Investment or Retirement	Renewable Long-Term (e.g., 5 or 10 years)	Unlimited entry/exit, Family sponsorship, No local sponsor required.
<b>Investor Residence Permit (Investor Visa)</b>	Owning and Operating an active business	From 1 Up to 10 years	Residency linked directly to business activity; No local sponsor required.
<b>Self-Sponsorship Resident Permit (Property Owner)</b>	Real Estate Ownership	From 2 Up to 10 years	Independent residency based solely on property assets; No local sponsor required.

#### 8. What are the specific financial requirements for the Golden Residency Visa?

The Golden Visa is a premium, long-term, renewable residency permit for high-value individuals, requiring:

- Property Investor: Owning property with a total value of at least BHD 130,000 (approx. USD \$345,000).
- Non-Resident Retiree: Demonstrating a regular income of at least BHD 4,000 (approx. USD \$10,624) per month.

#### 9. How does the Investor Residence Permit (Investor Visa) work?

This permit is for foreign nationals who establish and manage a business entity in Bahrain.

- Basis: Residency is linked to the active Commercial Registration (CR) of a business (e.g., With Limited Liability - W.L.L.).
- Term: Renewable for up to 10 years, depending on the scale and viability of the investment project.
- Minimum Capital: The highly popular W.L.L. company structure generally has No Minimum Share Capital requirement for registration, offering flexibility, for renewable 2 Year Visa, though sufficient capital investment may be required for the long-term 10 year visa.

## **10. What is the Self-Sponsorship Resident Permit (Property Owner) and what are its requirements?**

This permit allows a foreigner to reside in Bahrain based solely on their real estate investment, independent of employment or business operation.

To qualify, the applicant must meet all of the following:

- Property Requirement: Own residential property in a designated freehold zone valued at not less than BHD 50,000 (approx. USD \$132,500).
- Income Requirement: Provide evidence of a stable income of not less than BHD 500 per month (approx. USD \$1,325).
- Fixed Deposit (If applicable): For certain nationals there is a requirement to hold a fixed deposit of BHD 15,000 in a local Bahraini bank may apply (applicants should confirm this with current regulations).
- Health Insurance: Must possess a valid medical insurance certificate issued in the Kingdom of Bahrain.

## **IV. Tax, Finance and Corporate Setup**

### **11. Is there personal income tax or taxes on wealth/capital gains?**

No. Bahrain maintains a highly favourable tax regime with zero personal income tax, capital gains tax (on real estate/stocks), or inheritance tax.

### **12. How does Private Banking work for HNWIs in Bahrain?**

Bahrain's CBB-regulated financial sector offers tailored wealth management, including bespoke investment solutions, trust and succession planning, and multi-currency facilities from international and local private banks.

### **13. How do I open a corporate bank account for my new company?**

This requires a valid Commercial Registration (CR) and Know-Your-Customer (KYC) documentation, including the company's legal documents, shareholder and signatory details, and a detailed Source of Funds declaration and business plan.

## **V. Lifestyle and Importation**

### **14. Which neighbourhoods are popular among HNWI expatriates?**

Luxury areas for high-end residency and freehold property includes: Bahrain Bay, Bahrain Marina, Diyar Al Muharraq, Amwaj Islands, and Saar.

### **15. Who supplies Private Healthcare insurance in Bahrain and what are the costs?**

While Bahrain operates a National Social Health Insurance Program (Sehati) that mandates employer-funded basic coverage for most expats, HNWIs and self-sponsored residents (like Golden Visa holders) typically opt for International Private Medical Insurance (IPMI) to guarantee access to top-tier private facilities and worldwide coverage.

#### **A. Key Providers:**

The private market includes both international and local/regional insurers:

- International Providers (offering global IPMI plans): AXA Global Healthcare, Bupa Global, Cigna Healthcare Middle East, IMG, and Blue Cross Blue Shield Global Solutions.
- Regional/Local Providers (offering local and regional plans): GIG Gulf, Gulf Union Insurance, Solidarity Bahrain, and Bahrain Credit.

#### **B. Cost and Coverage:**

Costs are highly variable based on the required level of coverage (e.g., local only, Worldwide Excluding USA/Canada, or Worldwide), the applicant's age, and included benefits (inpatient, outpatient, dental, vision).

- Entry-level Plans: Basic local plans may start as low as BHD 50 per year, but with a maximum coverage limit of approximately BHD 1,500 (typically inadequate for HNWI needs).
- Premium IPMI Plans: Comprehensive International Private Medical Insurance (IPMI) plans, which provide access to premium hospitals globally and high annual limits, can range significantly, with some local options offering coverage up to BHD 250,000 per member per year. Expect a considerable annual premium for the level of coverage HNWIs typically require.

### **16. What is the healthcare system like for HNWIs and expats?**

Most HNWIs opt for Premium Private Insurance to access high-quality international hospitals and clinics (e.g., American Mission Hospital), ensuring efficient and high-standard care.

**17. What are the best schooling options for expat children?**

Bahrain offers excellent international schools following various curricula, including the British Curriculum (IGCSE/A-Level), the American Curriculum, and the International Baccalaureate (IB).

**18. Are my household goods exempt from Customs Duty?**

Yes. Used personal and household items are generally exempt from customs duties, provided the items are for personal use and arrive within six months of your initial entry.