

# Transportation & Logistics

Last Updated: April 2023

Bahrain's Transportation and Logistics sector has a rich history due to the Kingdom's past as a trading hub. Through various government and private sector initiatives, the Kingdom is investing in major infrastructure projects which are expected to drive growth in the sector. With the Bahrain Metro Project currently underway, the transportation and logistics sector is expected to grow steadily on an annual basis.



## Sector Opportunities & Trends

### 01. Express Cargo Village

The launch of the advanced logistics hub at Bahrain Airport will reduce 40% of setup costs with only a 2-hour turnaround time for all containers so that products can reach customers in half the time.

### 02. Advanced supply chain technology

The supply chain management technology landscape is changing rapidly. For businesses to compete and build supply chain agility, processes require automation, and systems and data need to be integrated. Also, by using logistics management software, businesses can both plan for and forecast inventory and delivery concerns and manage any real-time issues that arise.

### 03. Crowdsourcing and multichannel logistics

Crowdsourcing and multichannel logistics is an emerging method of fulfillment that leverages networks of delivery channels. This model is an opportunity for businesses to cut costs and maximize supply chain efficiency. Using crowdsourced delivery and multiple logistics partners—resulting in efficient multi-fleet management—cuts operational costs, meets customer expectations and minimizes failed deliveries.

### 04. Specialized logistics

Businesses in Bahrain can also tap into new opportunities by expanding services to include specialized logistics such as dangerous goods handling and the transportation of valuable items.

### 05. Value-added services in logistics and warehousing

Companies can improve their competitiveness by creating higher value-added services and increasing their value proposition, such as introducing custom services (i.e. packaging and labeling), reverse logistics, shelf services and specialized storage solutions.

### 06. Bahrain Logistics Zone (BLZ)

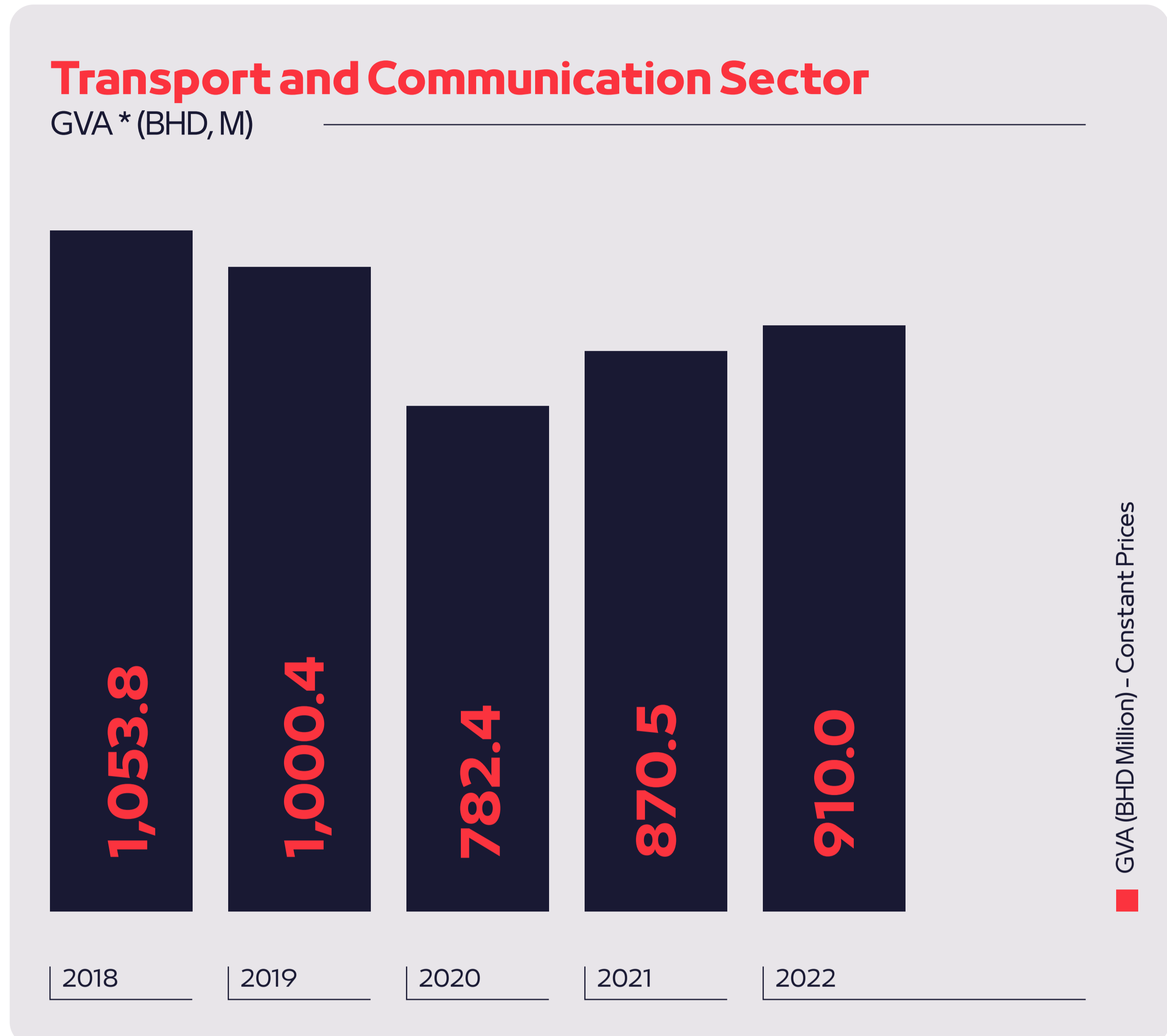
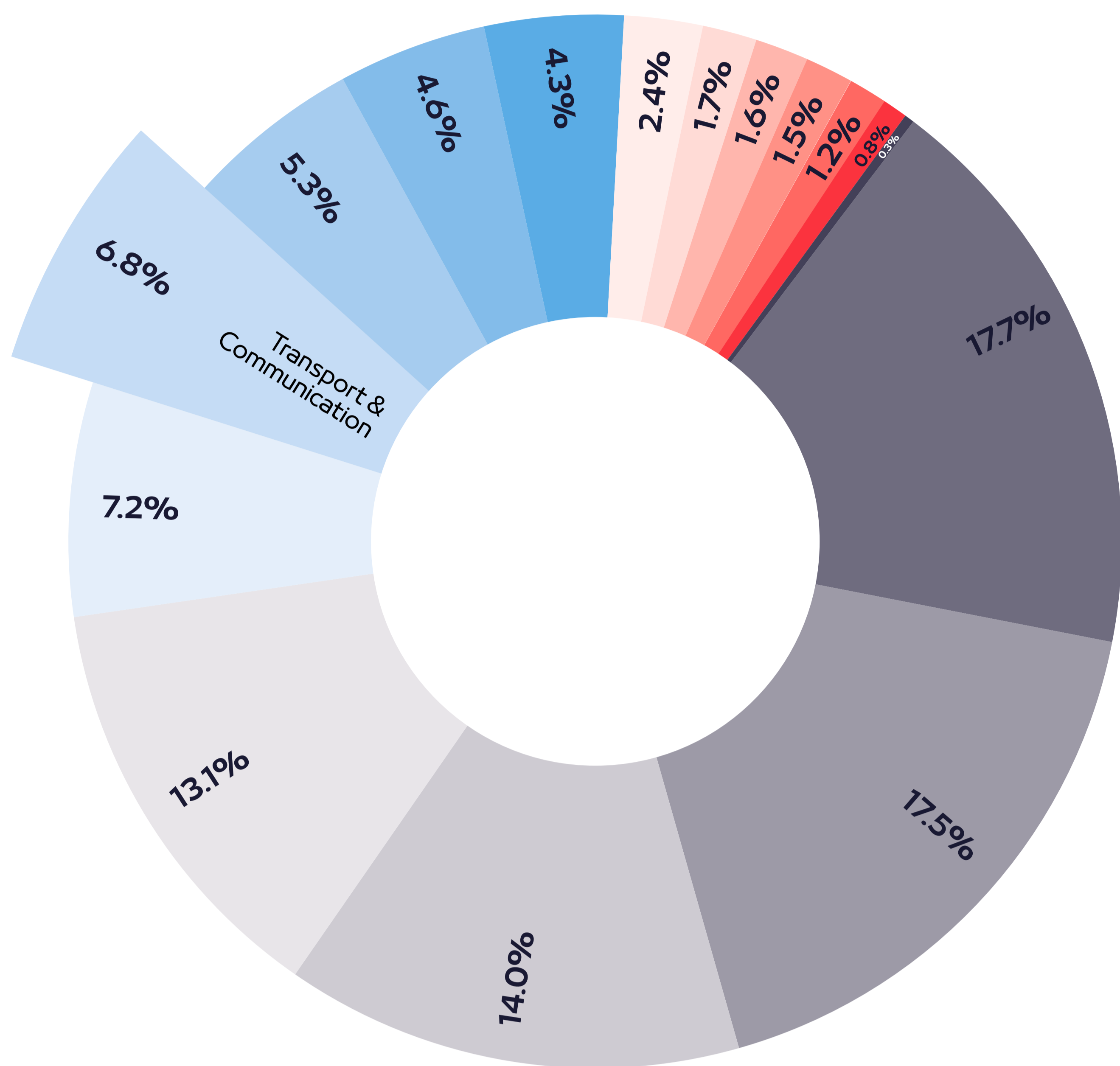
The region's first logistics park offers users an ultramodern gateway to the GCC market. Situated near the Kingdom's main sea, air and land transport hubs, the BLZ offers businesses a base to establish and operate freely in a customs-bonded area.

# Transportation & Logistics Economic Indicators

## iGA-National Accounts, Q4-2022

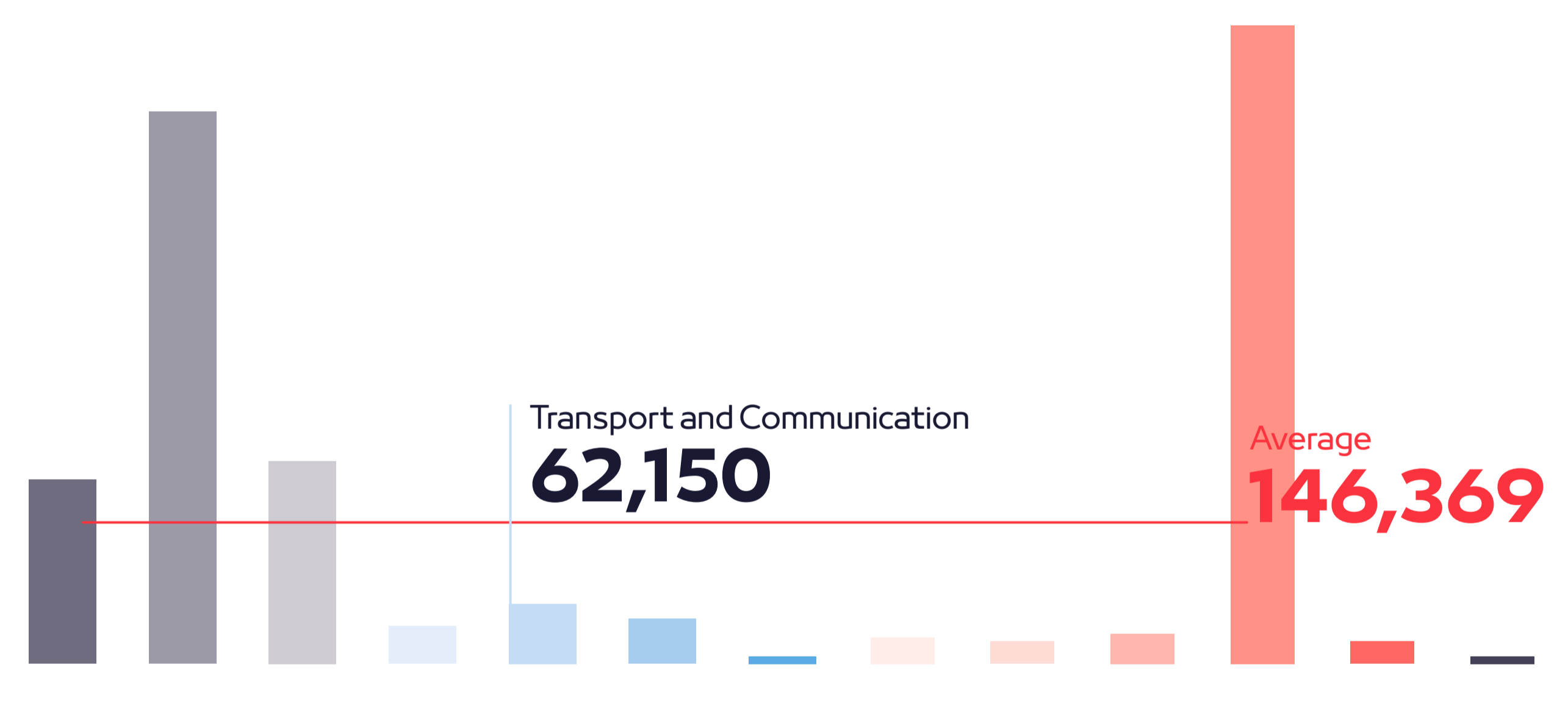
### Transport and Communication Sector Contribution to Real GDP

(%, Q4 2022)



### GVA per company

(BHD, Q4 2022)



Mining & Quarrying	17.7%	Trade	4.3%
Financial Corporations	17.5%	Private Education Services	2.4%
Manufacturing	14.0%	Hotels & Restaurants	1.7%
Government Services	13.1%	Other Social & Personal Services	1.6%
Construction	7.2%	Electricity & Water	1.5%
Transport & Communication**	6.8%	Private Health Services	1.2%
Real Estate & Business Activities	5.3%	Others***	0.8%
Net tax on Products	4.6%	Agriculture & Fishing	0.3%

\*Gross Value added (GVA) measures the value of goods and services produced in an area, industry or sector of an economy  
 \*\*Data extracted from National Accounts are categorized according to ISIC 3 – hence Transport & Communication are combined as a sector  
 \*\*\*Others includes (Private Non-Profit Institutions, Households with Employed Persons)

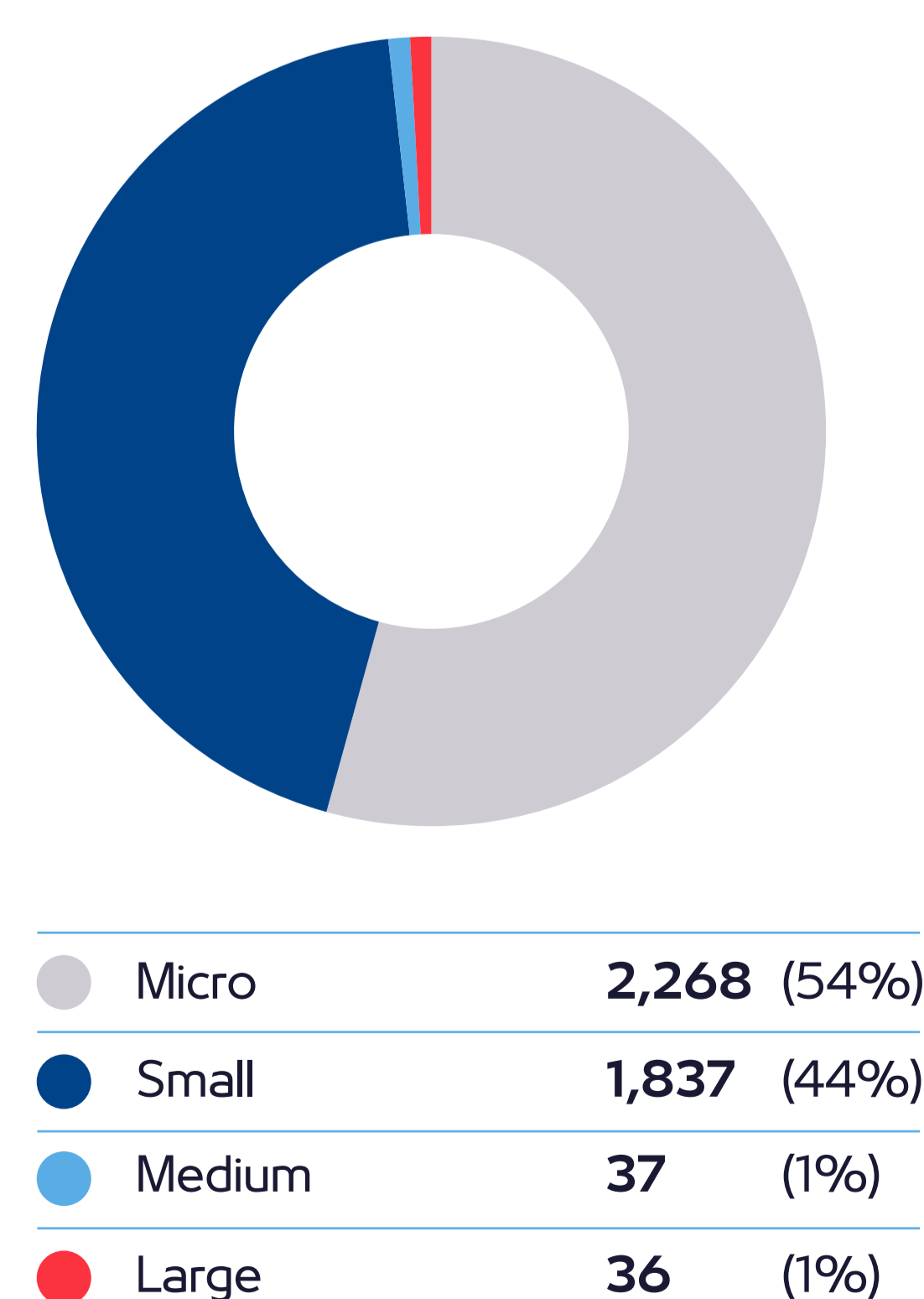
### Transportation & Logistics Sector Enterprises

LMRA, 2022 - BLMI

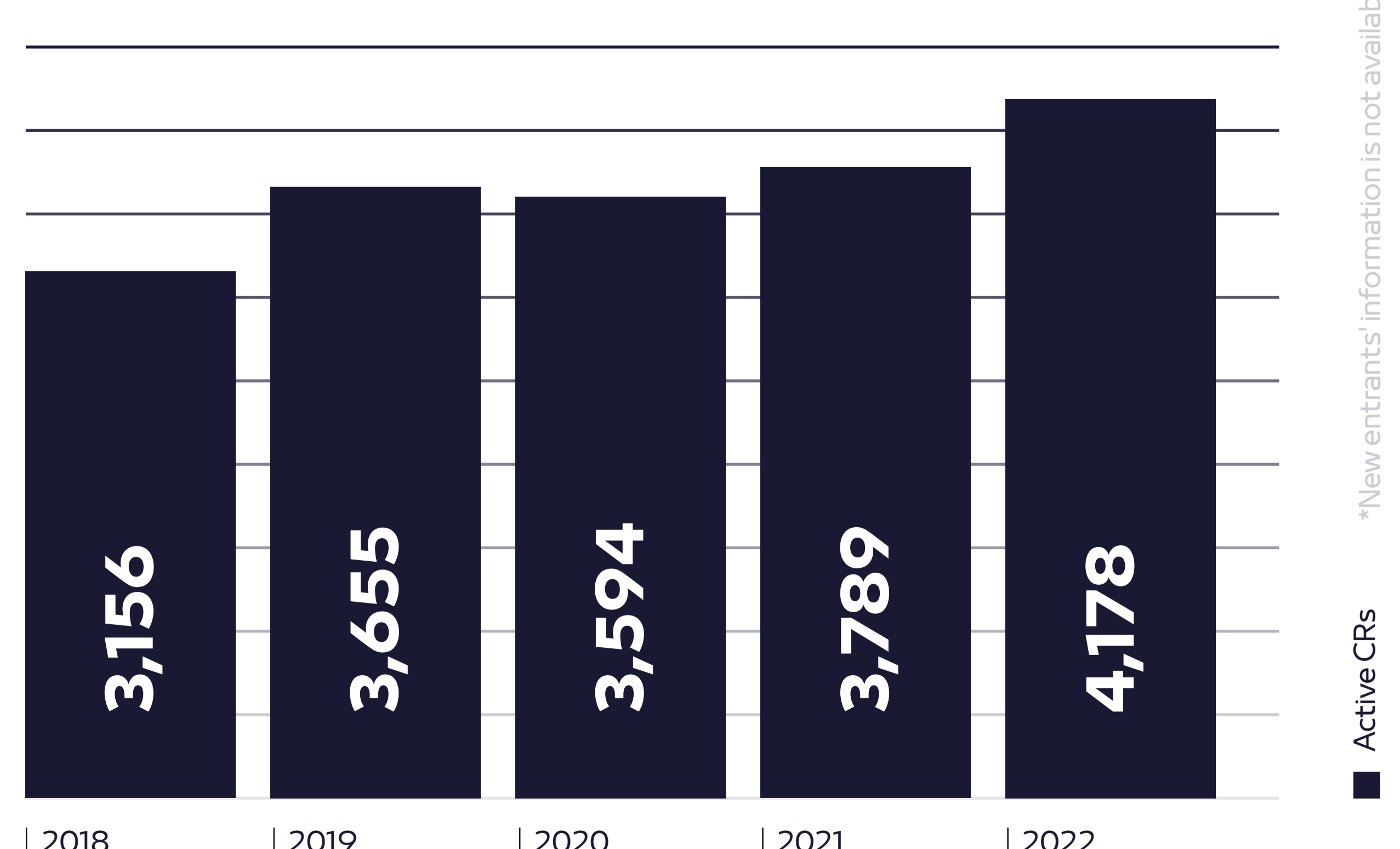
**4,178**  
Active CRs

**5.8%**  
of total Active CRs in Bahrain

### Transportation & Logistics Sector by Enterprise Size (%, Q4 2022)



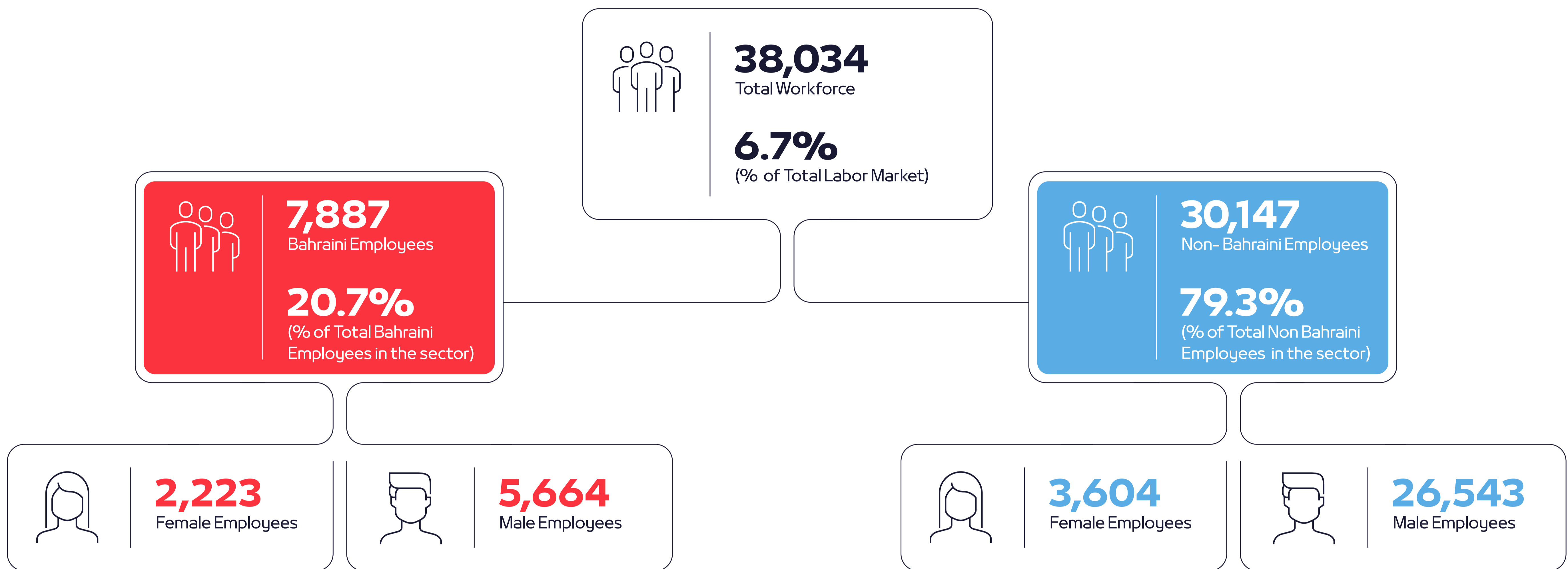
### Transportation & Logistics Sector Active Commercial Registrations (2018 – 2022)



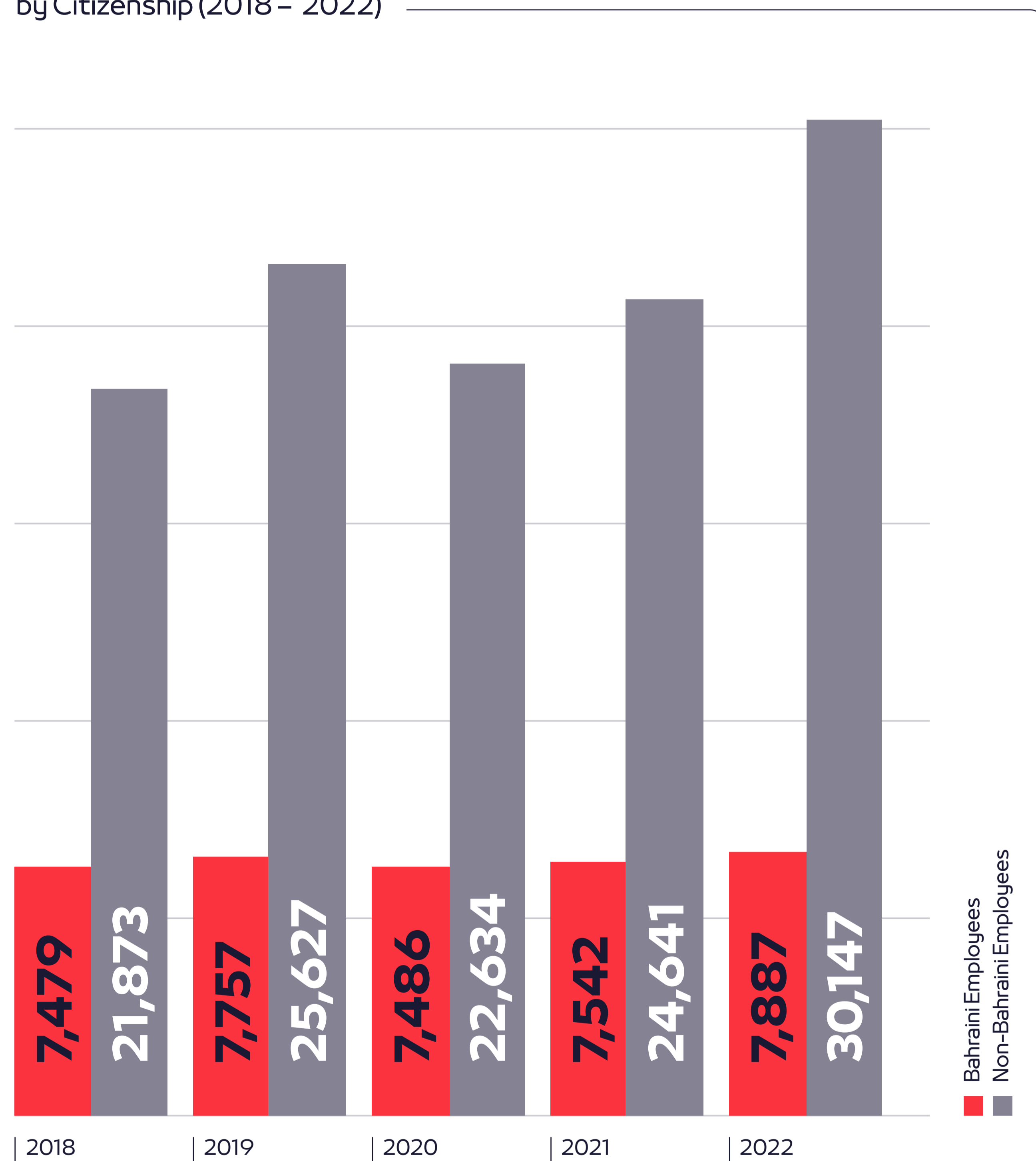
As per ISIC4 classification, the sector includes land transport and transport via pipelines, water transport, air transport, warehousing and support activities for transportation postal and courier activities.

# Transportation & Logistics Sector Employment

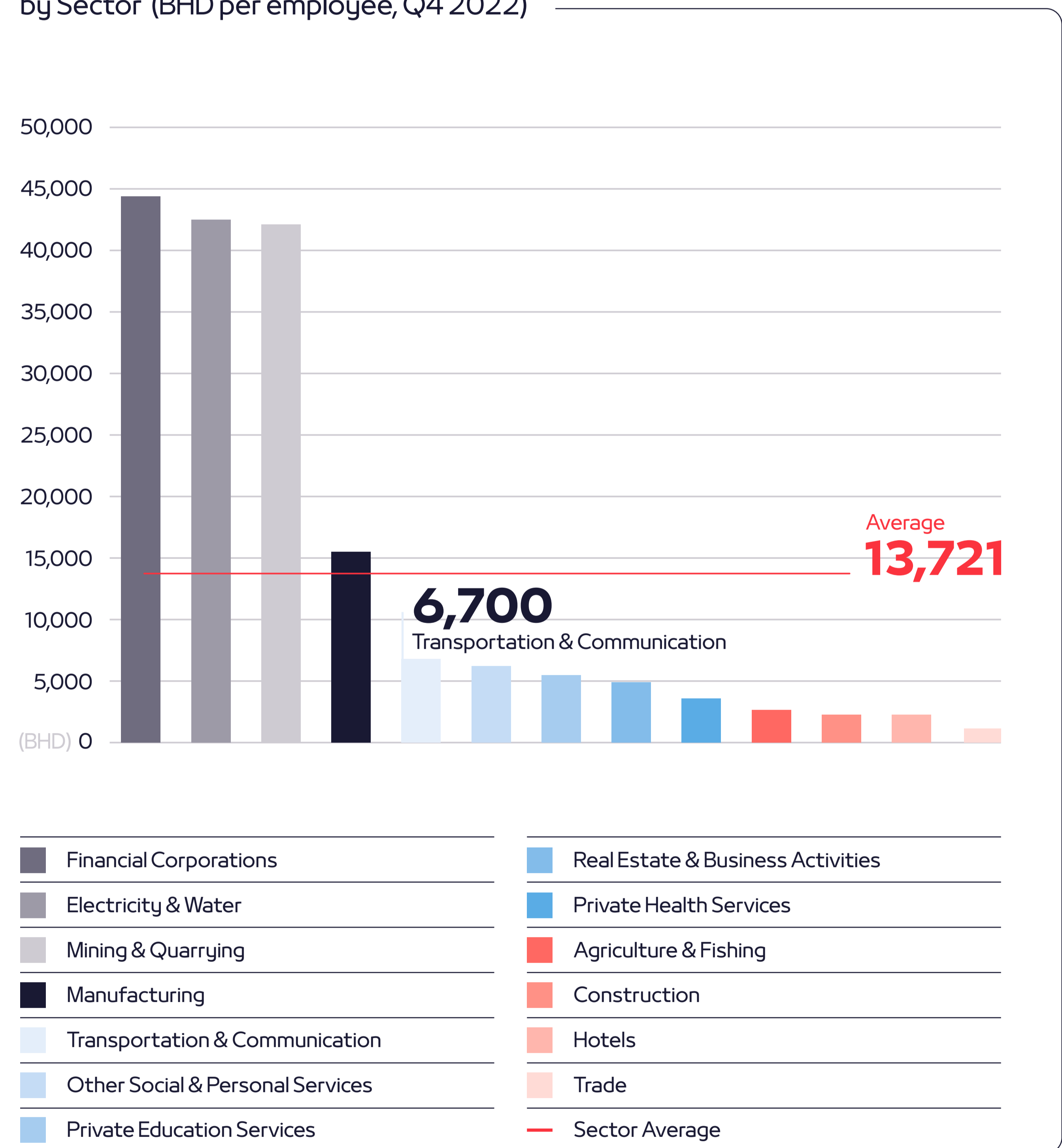
LMRA, Q4 2022- BLMI / iGA-National Accounts



## Transportation & Logistic Sector Growth In Employees by Citizenship (2018 - 2022)



## Transportation & Communication Productivity by Sector (BHD per employee, Q4 2022)



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