EXCLUSIVE: Bahrain eyes transport in PPP push

Bahrain is ramping up its PPP ambitions to offset its relatively small domestic market, an expert has said.

by Alicia Buller 31 March 2023









Ambitious: Bahrain's Metro PPP is expected to cost around \$2bn

The tiny GCC island, home to a population of around 1.5 million, is aiming to leverage access to larger markets by partnering with international companies, M.R. Raghu, chief executive of Marmore Mena Intelligence at Kuwait Financial Centre, told Partnerships Bulletin.

"PPPs can help Bahrain benefit from economies of scale. This can attract foreign investment and create new jobs, which are key priorities for the government," Raghu said.

Bahrain's Crown Prince and Prime Minister Prince Salman bin Hamad Al Khalifa told local media on Tuesday that he is "committed to implementing

plans that advance economic development" and noted the strength of PPPs in furthering investment projects.

The Bahraini government is looking to utilise technological advancements to bolster the kingdom's various development paths, the Crown Prince added.

As Bahrain looks to attract foreign investment as part of its Vision 2030 programme, PPPs offer a way to leverage private sector expertise and investment to achieve these goals.

"One of the main reasons Bahrain is focused on PPPs is to diversify the economy away from oil revenue towards sectors such as tourism, finance, and logistics," Raghu said.

Bahrain has already established several successful PPPs, such as the Bahrain International Airport expansion project, King Hamad Causeway Project, Alba Potline 6 Expansion Project and the Al Dur Independent Water and Power Project.

Major new transport PPPs are still in the offing in the island nation, including large-scale road schemes. The largest is the Northern Link Road, which is still in the planning stages. Initial estimates suggest it could cost \$1.3bn to deliver.

Bahrain is also mulling applications from 11 bidders to prequalify for the contract to build phase one of its 109km, fully-automated Bahrain metro.

The selected private partner will implement the project, said to be worth \$2bn, with a contract period of 35 years.

Also at pre-qualification stage is the King Hamad Causeway, which will link Bahrain and Saudi Arabia. The ambitious project will comprise a 75km rail and road crossing, including 25km covering the King Hamad Causeway over sea waters.



