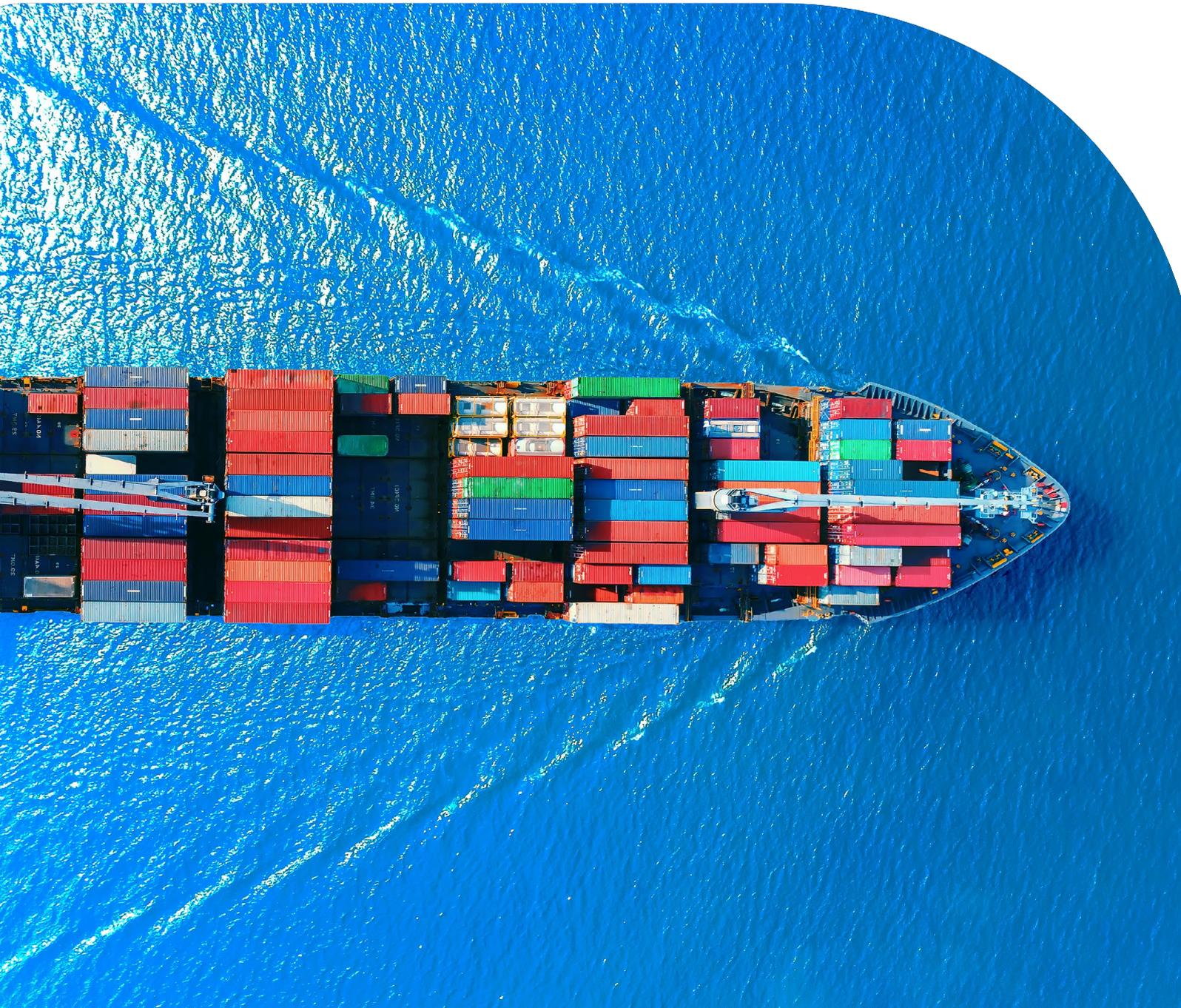


Bahrain Industry Report

Logistics & Freight Transport Sector

December 2025



Foreword



We are pleased to present our latest Logistics and Freight Transport Sector report, designed to provide valuable insights for our clients. Our team regularly publishes sector-focused reports, sharing our perspectives on the Logistics and Freight Transportation landscape, with a particular emphasis on Bahrain.

Logistics and freight transport form a vital backbone of Bahrain's economic growth and regional connectivity. Leveraging its strategic location at the heart of the Gulf, Bahrain serves as a key logistics gateway to the GCC markets and beyond.

The Kingdom offers world-class logistics infrastructure, including an efficient seaport, a well-connected international airport, and extensive road networks that facilitate seamless transport. Supported by a business-friendly regulatory environment, Bahrain ensures swift and cost-effective movement of goods.

We look forward to staying engaged with industry leaders and clients in the region and keeping you informed with relevant insights and sector developments.

20 YEARS IN BAHRAIN
AND BEYOND

Grant Thornton Bahrain



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Logistics & Freight Transport Sector in Bahrain

Sector Overview

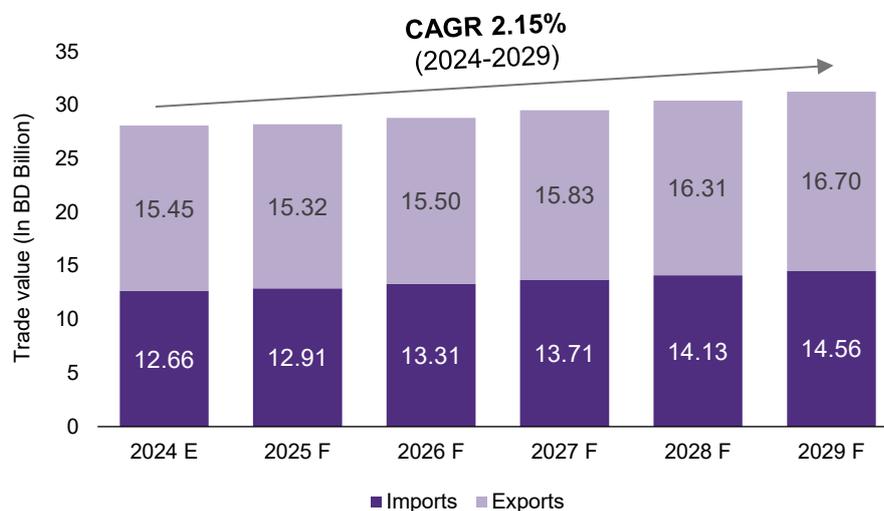
BD 31.26 billion

Total trade (comprising of imports and exports) is expected to rise from BD 28.11 billion in 2024 to BD 31.26 billion by 2029, reflecting a CAGR of 2.15%.

Bahrain's logistics and freight sector in the projected period 2025–2029 is expected to be impacted by infrastructure investments, domestic demand, oil sector activity and investments into services sector expansion as part of the Bahrain 2050 economic diversification vision.

In 2022, Bahrain's key import partners; China, Brazil, Australia, the UAE, and the US, together represented ~49% of total imports, while its leading export destinations were Saudi Arabia, the UAE, the US, Oman, and Egypt, which collectively accounted for ~61% of exports during the same year.

Import and Export Market – Bahrain

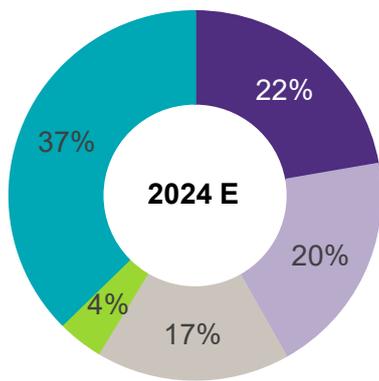


Sources: BMI

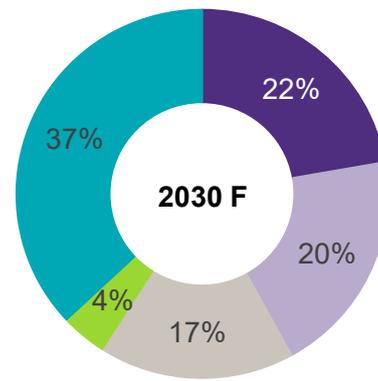
E = Estimated | F = Forecasted



Export Market trend – Bahrain

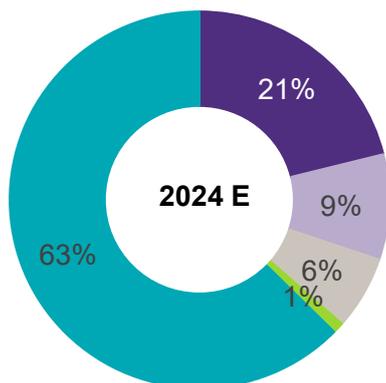


- Ores and metal exports
- Fuel exports
- Manufactured good exports
- Iron and steel exports
- Other exports

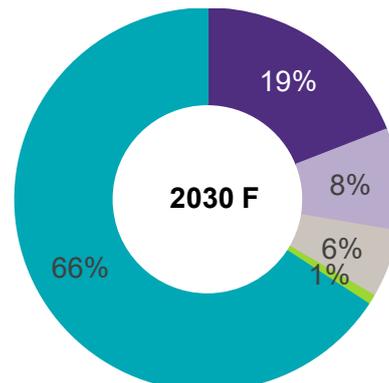


- Fuel exports
- Iron and steel exports

Import Market trend – Bahrain



- Manufactured good imports
- Fuel imports
- Ores and metal imports
- Iron and steel imports
- Other imports



- Fuel imports
- Iron and steel imports

Sources: BMI

Logistics & Freight Transport Sector in Bahrain

Transport and Logistics Sub-sectors



Road Freight:

Road freight is expected to grow at a CAGR of 1.7% from an estimated 3.95 million tonnes in 2024 to 4.29 million tonnes by 2029, supported by GDP growth, domestic demand and oil activity.



Air Freight:

Air freight is set to grow at a CAGR of 4.8% from 368,700 tonnes in 2024 to reach 465,800 tonnes by 2029. Key drivers include economic expansion, and demand for high-value imports like ICT equipment, leisure goods, perishables and pharmaceuticals.



Maritime Shipping:

Tonnage throughput at Khalifa Bin Salman Port is expected to grow at a CAGR of 12.9% from 434,000 tonnes in 2024 to 796,000 tonnes by 2029. Growth is supported by infrastructure and energy strategies, though risks remain from regional tensions and Red Sea disruptions.

Transport and Logistics Sub-sectors

In '000 Tonnes

Indicator	2024 E	2025 F	2026 F	2027 F	2028 F	2029 F
Road Freight	3,949	4,039	4,093	4,150	4,221	4,287
Air Freight	369	387	405	424	445	466
Khalifa bin Salman Port tonnage throughput	434	508	580	652	724	796

E = Estimated | F = Forecasted

Sources: BMI



Key Logistics & Freight Transport Stakeholders in Bahrain



Logistics Infrastructure in Bahrain



Bahrain International Investment Park

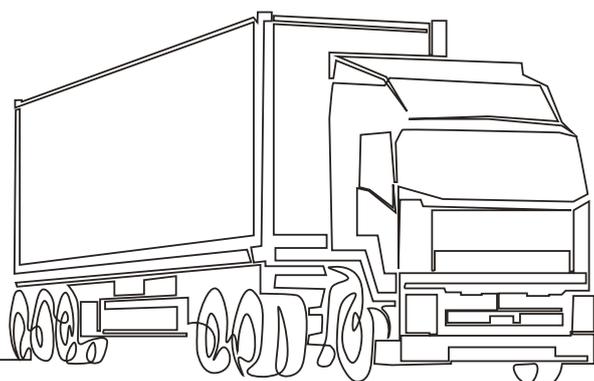
Situated next to Khalifa Bin Salman Port, Bahrain International Investment Park (“BIIP”) is ideal for manufacturing and industrial services. More than 75 companies already operate here, with around 85% of investments coming from international businesses.

Bahrain Investment Wharf

Bahrain Investment Wharf (“BIW”), situated in the Hidd Industrial Area of Salman Industrial City offers a more self-contained mixed-use setting. It offers pre-serviced industrial and logistics plots with direct connectivity to Khalifa Bin Salman Port, Bahrain International Airport, and the King Fahd Causeway.

Bahrain Logistics Zone

Bahrain Logistics Zone (“BLZ”) is a customs-free logistics park strategically situated next to the Khalifa bin Salman Port, offering 24/7 customized solutions for tenants. BLZ is the Middle East’s first such multi-modal hub, focusing on value-added logistics and re-export.



Sources: EDB Bahrain, Corporate websites



King Fahd Causeway

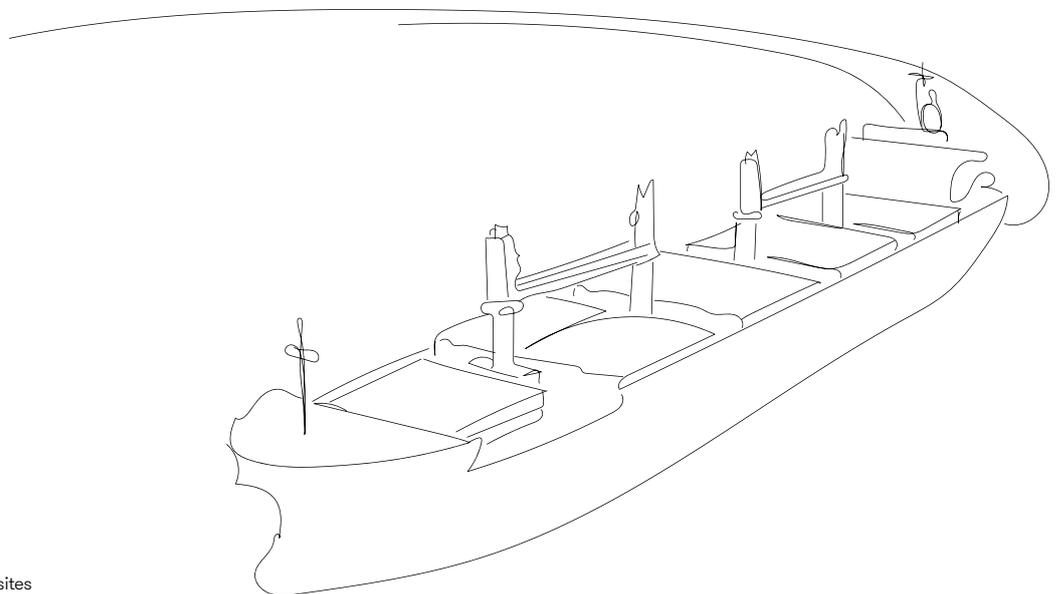
The King Fahd Causeway is considered to be the fastest way to Saudi Arabia compared to any other entry point into Bahrain. It also serves as a critical freight corridor, handling a significant share of Bahrain's overland trade flows with the Kingdom of Saudi Arabia.

Khalifa Bin Salman Port

Efficient port for freight management with less than 60 hours truck turn around time and less than 3 hours container clearance time. Located 13 km from the airport and linked to KSA by road, the Port services to shipping lines, freight forwarders and beneficial cargo owners.

Bahrain International Airport

Bahrain's airport offers outstanding access to the wider region. It is the regional hub for Lufthansa and Air India and is the distribution centre for the MENA region. The airport also features dedicated cargo facilities and an expanding Express Cargo Village to support growing logistics and e-commerce demand.



Sources: EDB Bahrain, Corporate websites

Growth Drivers and Challenges of the Healthcare Sector in Bahrain

Growth drivers



Strategic Location:

Bahrain's prime location in the Gulf with a gateway to Saudi Arabia and the wider MENA region, enhances its role as a regional logistics and trade hub.



Economic Diversification:

The government's Vision 2030 and Bahrain 2050 strategies are steadily driving growth in non-oil sectors such as logistics, ICT, healthcare, and tourism, reducing reliance on hydrocarbons.



Supportive Trade Agreements:

Bahrain benefits from trade agreements with the GCC markets, the US, and Asian economies, providing a favorable climate for international trade.



Trade & Freight Growth:

Trade and freight activities are experiencing notable growth, driven by increasing demand for air freight (especially pharmaceuticals, ICT equipment, perishables, and luxury goods) and expansion of the shipping sector, with Khalifa bin Salman Port's tonnage projected to rise by 17% in 2025.

Challenges



Geopolitical Risks:

Regional instability stemming from the political conflicts and Red Sea shipping disruptions continues to threaten supply chain security and reliability.



Shortage in Skilled Workforce:

Skilled workforce shortage particularly in digital supply chain hinders modernization efforts, limiting the adoption of advanced technologies, automation, and data-driven decision-making across the sector.



Transport Bottlenecks:

With majority of freight tonnage moved by road due to no operational rail network in Bahrain, congestion on the King Fahd Causeway, which handles around 28,000 vehicles daily, remains a persistent challenge.



Competitive Pressure:

While Bahrain benefits from its strategic location, the country faces ongoing competitive challenge from larger regional hubs such as Dubai, Qatar, and Saudi Arabia which benefit from comparatively deeper global connectivity and greater capacity, making it difficult for Bahrain to compete at international scale.



Glossary

General terms

~	Approximately
&	And
%	Percentage
BD	Bahraini Dinars
BIIP	Bahrain International Investment Park
BIW	Bahrain Investment Wharf
BLZ	Bahrain Logistics Zone
BMI	Business Monitor International
CAGR	Compounded Annual Growth Rate
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
ICT	Information and Communications Technology
KSA	Kingdom of Saudi Arabia
MENA	Middle East and North Africa
UAE	United Arab Emirates
US	United States



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Global Quick Facts



\$8.5 billion
in global revenue



80,000+
professionals



150
markets worldwide

Our Global Clients Include

91% of **Forbes 100**
71% of **FORTUNE** Global 500

75% of **S&P** Europe 350
78% of **FTSE 100**

Who We Are - Grant Thornton Bahrain



160+
Employees



7
Directors and Senior Managers



12
Partners



8
Nationalities



50%
Expert Bahraini Workforce



40%
Professional positions held by women

2,000+ Clients Across the Following Industries



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Education



Energy



Finance



FMCG



Healthcare



Hospitality & Tourism



Manufacturing



Real Estate



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- Financial statement audits
- Financial statement compilations
- Financial statement reviews
- Agreed-upon-procedures
- Statutory certification for government levy and import duty exemptions
- Implementation and reporting on controls
- Readiness assessment for SoX
- IFRS Advisory

Technology Advisory

- Technology advisory and strategy
- Technology adoption
- Technology effectiveness review
- Information protection and Cyber security
- Asset management
- Policies and procedures
- ISO 27001, ISO 22301 and PCI
- DSS Certification Program
- Knowledge development
- IT Governance and management
- Project management

Corporate Compliance and Regulatory Services

- Company formation with MOICT and obtaining CBB Licenses
- Legal document preparation and services thereafter
- Secretarial services for board meetings
- Trademark and Intellectual property registration
- Liquidation of MOICT and CBB licensees
- Regulatory advisory for CBB licensing, IPO and rights issue

Risk Advisory

- Internal audit
- Governance
- Business process improvement
- Forensic investigations
- Data analytics
- Quality assurance review
- Regulatory compliance
- Policies and procedures

Business Process Solutions

- Business process outsourcing (BPO)
- Global compliance and reporting solutions (GCRS)
- Shared services
- Bookkeeping and Financial Accounting
- Payroll and personnel administration
- Human Resources Solutions

Transaction Advisory

- M&A Advisory
- Capital markets
- Valuations
- Debt advisory
- Due diligence
- Business planning
- Feasibility studies

Tax Advisory

- Impact assessment
- VAT compliance
- Preparation and submission of returns
- VAT Technology advisory
- Country by Country Reporting
- Base Erosion Profit Shifting
- Economic Substance Requirement
- Transfer Pricing
- Proposed Taxes



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