

King Fahd causeway reopening to give Bahrain a \$2.9 bn boost

Saudi Arabia to reopen land, sea and air border crossings on May 17

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TDT | Manama

The reopening of the King Fahd causeway, the only terrestrial link connecting Bahrain and Saudi Arabia, after months-long closure owing to the deadly pandemic, is predicted to give the economy of Bahrain a 2.9 billion dollar boost from an expected spending surge.

Bahrain is bracing for a large influx of travellers after reopening, said Khalid Najibi, the first vice-chairman of the Bahrain Chamber, board member of King Fahd Causeway Authority, citing spending habits from 2019.

He said that Bahrain received around 75 thousand tourists per day through the King Fahd Causeway in 2019.

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FIRST VICE-CHAIRMAN OF THE BAHRAIN CHAMBER, BOARD MEMBER OF KING FAHAD CAUSEWAY AUTHORITY



many sectors of the national economy, key among which is tourism and hospitality, recreation, and retail."

Saudi Arabia has said it will reopen land, sea and air border crossings on May 17.

The 25 km (16 miles) causeway opened in 1986 had average daily traffic of 45,000 passengers, which increases to about

60,000 vehicles during week-ends before closure.

Bahrain, reportedly, attracted nearly 11 million visitors in 2019, of which 9 million were tourists. The majority of the visitors, 88% of them, were Saudis.

Najibi called all tourism, recreation, and commercial facilities to strictly adhere to preventative protocols and procedures, as

directed by the National Taskforce, to curb the spread of the Coronavirus and support the efforts to combat it.

Ali Al-Mudaifa, executive director at the Bahrain Economic Development Board, had said that the Bahrain Economic Development Board is looking forward to welcoming Saudi visitors.

Bahrain, he said, provides a multidimensional tourist marketplace including properties and other investment opportunities that can leverage the Kingdom's proximity to Saudi Arabia.

He added that the market of Bahrain caters not only to Saudi Arabia but the wider GCC.

Bahrain has also made significant investments to improve the traffic on the King Fahd causeway. The most prominent of it being a pilot scheme to process truck traffic 12-times faster by reducing waiting time to just 20 minutes, from up to four hours.

Plans are also progressing to build a new road and rail causeway between the two countries to ease congestion on the existing link.

Dubbed King Hamad Causeway, the project, reportedly, is expected to cost \$4 billion to \$5 billion.

Experts say the new causeway is the answer to the expected doubling of traffic on the existing causeway by 2030.

Besides a new four-lane road causeway running parallel to the existing one, there will be a 70 km railway connecting a passenger terminal in Salmabad and freight facilities at Khalifa bin Salman port in Bahrain to the Saudi railway system.

Eight million passengers per

year are forecast to use the rail link by 2050. "Some 600,000 containers and 13 million tonnes of bulk freight are also expected to be transported by the railway, aimed to be developed under a design, build transfer, or design, build, maintain and transfer basis," according to Reuters.

The project, reportedly, will be owned by the private sector through a new company with a 25-30-year PPP arrangement.



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US hiring takes big step back

Reuters

US job growth unexpectedly slowed in April, likely restrained by shortages of workers and raw materials as an economic recovery bolstered by rapidly improving public health and massive government aid fueled a boom in demand.

The Labour Department's closely watched employment report yesterday, which showed a plunge in temporary help jobs - a harbinger for future hiring - as well as decreases in manufacturing, retail and courier services employment, could heat up the debate on generous unemployment benefits.

The enhanced jobless benefits, including a government-funded \$300 weekly supplement, pay more than most minimum wage jobs. The unemployment benefits were extended as part of a \$1.9 trillion COVID-19 pandemic relief package approved in March. Montana and South Carolina are ending government-funded pandemic unemployment benefits for residents next month.

Nonfarm payrolls increased by only 266,000 jobs last month. Data for March was revised down to show 770,000 jobs added instead of 916,000 as previously reported. Economists polled by Reuters had forecast payrolls would advance by 978,000 jobs. That left employment 8.2 million

jobs below its peak in February 2020.

Twelve months ago, the economy purged a record 20.679 million jobs as it reeled from mandatory closures of nonessential businesses to slow the first wave of COVID-19 infections. That plunge could have thrown off the model that the government uses to adjust the data for seasonal fluctuations, resulting in the April payrolls number being below forecasts.

Unadjusted payrolls increased by 1.089 million jobs after rising by 1.176 million in March.

Leisure and hospitality gained 331,000 jobs in April, with hiring at restaurants and bars accounting for more than half of the increase. Government employment picked up as school districts hired more teachers following the resumption of in-person learning in many states.

But temporary help services employment dropped by 111,400 jobs. Manufacturing employment fell by 18,000 jobs, with payrolls at motor vehicle manufacturers dropping 27,000. A global semiconductor chip shortage has forced production cuts.

In the transportation and warehousing industry, employment for couriers and messengers fell by 77,000. Retail employment dropped by 15,300 jobs.

General assembly of Reef Island association: RERA, LuLu Tourism company finalise procedures

TDT | Manama

The Central Owners' Association of Reef Island announced plans to hold its general assembly on the fifth of next month.

"All real estate owners of Reef Island are to take part in the general assembly, for which they will receive invitations today," Sheikh Mohammed bin Khalifa Al Khalifa, the CEO of the Real Estate Regulatory Authority, said.

Savills, the administrative manager of the Association, is working on the invitation as per Resolution No. 1 of 2020 regulating the management of the Joint Properties.

RERA, in cooperation with the LuLu Tourism Company - the chief developer of Reef Island - has completed the procedures for the General Assembly.

Terminating the formation of the Reef Island Central Owners' Association as a "milestone", Sheikh Mohammed thanked LuLu Tourism Company "for the great cooperation and speed of response in meeting all requirements, which contributed to facilitating the work of the administrative manager Savills to form this Owners' Association."

RERA had been actively encouraging owners of real estate



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SHEIKH MOHAMMED BIN KHALIFA AL KHALIFA, THE CEO OF THE REAL ESTATE REGULATORY AUTHORITY

units in projects with common area to establish associations, which RERA said, "will assist in protecting their investment."

Members, RERA said, should create Owners' Associations by electing a board of directors. "The board should determine service fees and take care of

how the properties are managed and preserved."

The Reef Island project, one of the most prominent waterfront projects in Bahrain, contains a group of luxury residential buildings, resorts, and restaurants, in addition to several multi-use buildings.

Oil prices set for weekly gain despite India virus surge

Reuters

Oil prices eased yesterday but were set for a weekly gain against the backdrop of optimism over a global economic recovery, though the COVID-19 crisis in India weighed.

Brent crude futures were down 12 cents, or 0.2%, at \$67.97 a barrel by 1343 GMT and US West Texas Intermediate (WTI) crude fell by 10 cents, or 0.2%, to \$64.61.

Both Brent and WTI are on track for second consecutive weekly gains as easing restrictions on movement in the United States and Europe, recovering factory operations and coronavirus vaccinations pave the way for a revival in fuel demand.

In China, data showed export growth accelerated unexpectedly in April while a private survey pointed to strong expansion in service sector activity.

However, crude imports by the world's biggest buyer fell 0.2% in April from a year earlier to 40.36 million tonnes, or 9.82 million barrels per day (bpd), the lowest since December.

The recovery in oil demand, however, has been uneven as surging COVID-19 cases in India reduce fuel consumption in the world's third-largest oil importer.