

# BUSINESS

## 522 cos register for VAT

● Firms have until 20 December 2018 to register

● The VAT implementation date will be 1 January 2019.

● VAT at a 5pc was part of GCC agreement

● The Law exempts 94 listed basic food stuffs, other goods and services

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The first phase of VAT implementation in Bahrain is progressing fast with 522 firms already registering

with the National Bureau of Taxation (NBT), said a top official.

Rana Ibrahim Faqihi, the Assistant Undersecretary for the Development and Policy of Public Revenues at the Ministry of Finance and National Economy, said the first phase of VAT implementation concerns firms with annual revenues of BD5 million or more

“Such firms have until 20 December 2018 to register with the NBT,” said Faqihi. The VAT implementation date will be 1 January 2019.

The VAT Law executive regulations, Faqihi said, include the exemption of 94 listed basic foodstuffs and other goods and services.

The executive regulations also include an explanation of the operational aspects of the VAT Law. Bahrain’s VAT regulation



is in line with the unified VAT agreement approved by the Gulf Cooperation Council.

The move follows the approval of the draft law by both the Upper and Lower houses after a Royal decree issued in this regard.

When comes into effect, Bahrain will become the third country in the GCC after the UAE and Saudi Arabia to implement the

framework as per the Unified VAT Agreement for the GCC states.

Introducing VAT at a 5 per cent rate was part of a Gulf Cooperation Council (GCC) agreement in 2018.

Bahrain released the VAT Law on 9 October 2018 via the Official Gazette website. In accordance with the GCC VAT Agreement, Article 2 of the Law

provides that the supply of all goods and services made in Bahrain, as well as imports, shall be subject to VAT.

Article 3 of the Law provides for a standard rate of 5pc, while certain goods and services may be subject to a zero-rate or exempt from VAT, according to EY.

Article 53 of the Law sets out provisions where certain supplies and sectors are subject to the zero-rate of VAT.

Article 51 provides that import VAT should be paid to the customs authority, where Bahrain is the first point of entry.

Oman has announced that VAT would be introduced in 2019. The Kuwaiti parliament, however, is yet to vote on the VAT.

According to EY, 5pc VAT is expected to produce revenues of over \$25 billion per annum for the six GCC countries.

### ‘Yellow vest’ protests to cut Q4 growth

Paris, France

The Bank of France yesterday slashed its fourth quarter growth forecast in half, to 0.2 per cent from 0.4pc, citing the impact of the “yellow vest” protests which have rocked the country.

“Services activity has slowed under the impact of the movement. Transport, the restaurant and auto repair sectors have gone backwards,” the French central bank said in its latest company survey.

Finance Minister Bruno Le Maire had warned that the protests sweeping France were a “catastrophe” for the economy.

“It’s a catastrophe for commerce, it’s a catastrophe for our economy,” Le Maire said as he visited shops in Paris hit by looting during anti-govt riots a day earlier.

### Japan economy shrinks

Tokyo, Japan

Japan’s economy shrank twice as much as initially thought in the three months to September, with natural disasters weighing on investment, official data showed Monday.

Gross domestic product for the July-September period contracted 0.6 percent from

the previous quarter, Cabinet Office data showed, revising down the figure from the preliminary estimate of a 0.3-percent contraction.

The reading comes after growth of 0.7 percent in the April-June period, and was slightly weaker than market expectations of a 0.5-percent contraction.



Bahrain Clear, a wholly-owned subsidiary of Bahrain Bourse, held its first awareness session at Bourse’s premises yesterday. The session was attended by more than 40 representatives from listed companies and included a detailed presentation conducted by Abdulla Abdin, Bahrain Clear’s Senior Director of Operations.



Participants of a workshop titled “Extreme Learning” organised for the Executives, Directors and Managers by Aluminium Bahrain from December 4 - 5, 2018 at Alba Club. Presented by the communication consultant and speaker Mark Magnacca, the workshop focused on providing innovative tools and methods to address and overcome the obstacles that might prevent Alba from achieving Extreme Ownership as the company progress towards Line 6 Safe Start-up

## Mastering the secrets of Bahrain’s traditional Silversmithing

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Eight women in the Kingdom will be now using their new found skills to create stunning silverware and jewellery to enhance their lives and professional portfolios.

Helping them master the tricks of the silversmithing trade was Sharifa Al Doseri as part of the ‘Silversmithing - Level 1’ workshop.

The initiative was part of Bahrain Tourism and Exhibitions

Authority’s (BTEA), represented by the Handicrafts Directorate, effort to preserve Bahrain’s handicrafts and traditional industries.

“It gives us great pleasure to host the ‘Silversmithing - Lev-

el 1’ workshop once again. We would like to extend our thanks and appreciation to all trainers and participants who took part,” said the President of Al Jasrah Handicrafts Centre, Yasser Al Sayed. The workshop, which

was hosted for the second time this year, focused on the basic skills and techniques used in silversmithing to help them become professional trainers.

Certificates were distributed to the participants on the 4th of

December 2018.

“We also look forward to hosting more training courses in the coming year that will contribute significantly to the development of the handicrafts sector in the Kingdom,” said Al Sayed.



Participants during a photocall after receiving their certificates with officials



In pictures, scenes from the workshop conducted by BTEA represented by the Handicrafts Directorate

