

# Bahrain

## Transcending global boundaries

**Global Banking Corporation** is at the forefront of a new era in Islamic investment banking

ONE OF THE MOST significant aspects of Bahrain's economy is that the kingdom's wealth is not solely based on its large oil processing and refining revenues. Even though Bahrain was the first country in the Gulf region to discover and commercially produce oil, it was also the first country in the GCC to become acutely aware of the need for diversification. Such a pragmatic policy is continued today and is an important part of the government's economic Vision 2030.

"The initial focus was on the banking and finance industry and thus Bahrain was able to establish itself as the banking and finance hub of the Middle East, and it continues to be so, despite the current challenges facing the industry," says Abdul Rahman Mohammed Al Jasmi, vice chairman and managing director of Global Banking Corporation (GBCORP). "The diversification programme also saw Bahrain move into the manufacturing sectors, focusing on the petroleum, aluminium and ancillary industries."

Historically a centre for trade, Bahrain has a rich seafaring culture and was known as the 'Pearl of the Gulf' after gaining a reputation for producing the best pearls in the world. "All these elements together provided the right platform for an emerging tourism industry and Bahrain has been able to market itself as a global destination," states Mr Al Jasmi. "Along with tourism, the other industry to emerge was the IT and telecoms industry and Bahrain has taken great strides in both sectors. The telecoms sector especially has achieved remarkable success with new players entering the market and established players going global. As these sectors grew dramatically it also helped the hospi-



**ABDUL RAHMAN MOHAMMED AL JASMI, Vice Chairman and Managing Director of Global Banking Corporation**

tal industry, and today Bahrain's hospitality sector is among the best in the region. The services sector has become a catalyst for growth. The signing of the free trade agreement with the US has given a strong impetus to trade. All these factors combined together are strong indicators of Bahrain's robust economic policies and practices."

Aiming to take the country 'from regional pioneer to global contender', Vision 2030 outlines the nation's shift from an economy built up by oil wealth to one that is productive, sustainable and globally compet-

itive; a diverse economy shaped by the government and driven by an innovative private sector to raise living standards and boost productivity.

The Islamic banking and finance industry is a significant aspect of Bahrain's economy. It is widely regarded as the home of Islamic finance in the region and boasts the largest number of Islamic financial institutions in the world, hosting both exclusively Islamic investment banks, like GBCORP, as well as conventional banks that offer Sharia-compliant products. According to figures issued by the Central Bank of

Bahrain, the total value of Bahraini banks' Islamic banking assets increased by 50 per cent in 2008 to \$24.6 billion (£16 billion). "It is important to note that these figures were achieved at a time when the entire industry was facing its most challenging times," comments Mr Al Jasmi.

"Globally, Islamic banking and finance is one of the fastest growing areas of banking in terms of both the availability of new products and establishing a global footprint," he says. "In Europe, the UK has been in the forefront of developing the Islamic banking and

finance industry and has thus positioned itself as the gateway to Europe for Islamic financial institutions seeking to operate in these markets."

Launched in 2007 and last year receiving the CPI Financial 'Best New Bank' award, GBCORP has had the advantage of being a late entrant into the arena and has been least affected by the global crisis. Mr Al Jasmi points out that the surge in Islamic banking and finance has its basis in one word: transparency. "Ethical financing is a fundamental aspect of Islamic banking and one of the main reasons that Islamic banks have had a relatively safe passage through the current crisis," he explains.

The company has two subsidiaries that specialise in the energy and real estate sectors. Global Energy Financial Services Company (GEFSCO) was established in June 2008 in a strategic partnership with the Washington-based energy specialist Taylor-DeJongh. It aims to originate and structure direct investments in companies and projects in hydrocarbons and energy infrastructure worldwide.

Global Real Estate Development Company (GREDCO) offers a complete portfolio of investment and management services in real estate. It is currently engaged in the development of Marsa Al Seef, one of the most exclusive and innovative waterfront projects on Bahrain's elegant north coast.

"GBCORP strongly believes that Vision 2030 is positively contributing to the country's growth and we are actively engaged in adding to the national development agenda by facilitating investment opportunities in Bahrain, as well as positioning the kingdom outside the GCC as one of the most investor friendly countries in the region," says Mr Al Jasmi. ●

**Interview with** Abdul Rahman Mohammed Al Jasmi, Vice Chairman and Managing Director of Global Banking Corp

# ‘Identifying the right investment opportunities, ensuring better returns’

**Q. What are some of the main factors behind GBCORP’s success?**

**A.** GBCORP was established in 2007 at the height of the economic boom in the region. Our objective was very clear: we did not want to be just another Islamic investment bank. We wanted to be a bank that is based on strong values, has a global approach and is able to transcend investment boundaries with the right expertise and portfolio of products.

Global in thought. Global in approach. Global in banking. The emphasis has always been on the global aspect. We positioned ourselves as an investment bridge linking the region to global markets, facilitating partnerships for mutual benefit. The fact that we have been successful can directly be attributed to the vision and determination of the GBCORP management team.

GBCORP has diligently focused on identifying the right investment opportunities, providing investors better investment avenues, ensuring better returns on investments and most importantly making a

perceptible difference in all areas of our operations.

**Q. At the moment, what are some of the most interesting sectors and investment opportunities here?**

**A.** Bahrain is the acknowledged home of Islamic finance in the region, hosting the largest number of Islamic financial institutions in the world. This includes exclusive Islamic investment banks, like GBCORP, as well as conventional banks with an Islamic window.

Also, Bahrain is one of the first countries in the region to implement the Basel II protocols and also develop regulatory standards that are among the best in the world.

The kingdom’s economy has diversified to such an extent that exigencies in any one sector do not necessarily adversely affect the overall economy.

Some of the most promising sectors here are energy, infrastructure and logistics. This of course necessitates having the fundamentals right in terms of banking and finance. So, as the nation continues to have a



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very strong banking sector with the right regulatory framework and investment-friendly policies, Bahrain is certainly poised to come out of the challenging financial scenario presently affecting the world as a stronger and more vibrant economy.

**Q. What importance does GBCORP place on its human resources?**

**A.** I sincerely believe that human capital is the most important aspect of any organisation. Companies today have recognised the importance of investing in their employees. Getting the right people for the right jobs in not just a human resource function but is an integral aspect of an organisation’s value system that should be built into its business strategy.

At GBCORP, human capital has always been a fundamental aspect of our growth strategy. We focused on building the right management team and then empowered the team to develop their own skill set. The key focus has always been on qualitative professional skills and better human resource management at all levels.

Today I can very proudly say

**GBCORP focuses on standing out in all areas of its operations, from its CSR initiatives to returns on investments**

that GBCORP’s success is in every measure a reflection of the depth of our professional human capital, our strategic business initiatives and an acknowledgment of the guidance and support from our shareholders, clients and strategic partners.

**Q. How has GBCORP encouraged corporate social responsibility?**

**A.** We have been advocating and adopting a pragmatic CSR policy that encourages innovation, motivates, inspires and provides the right work environment for employees with a strong emphasis on developing and sustaining a positive work culture. As part of our CSR initiatives we have identified key areas that we can be involved in and the Bahrain Society for Children with Behavioural & Communication Difficulties is one such activity among others. ●

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## Consistency and efficiency keeps Aluminium Bahrain future-ready



**MAHMOOD HISHAM AL KOOHEJI,**  
Chairman of Alba

Aluminium Bahrain (Alba) has been consistently ranked as one of the largest aluminium smelters in the world. Known for its technological strength and innovative policies, the company has made major contributions to the social and economic development of Bahrain, including the training of Bahrainis in state-of-the-art smelting technology, and has helped raise the profile of the kingdom’s economic diversity.

“Alba is not only in one region; we go across the globe. Our downstream industries sell products in many areas; they are well diversified,” says Mahmood Hisham Al Kooheji, chairman of Alba. With regard to the global economy, he says, “We can see signs of recovery. In Alba we have taken this as an opportunity to really look at our situation and look where we are going. Someone once said ‘never waste a good crisis,’ and we said this is an economic downturn and we should come out of it much stronger.”

He adds that Alba has remained pro-active and maintained a future-ready approach by ensuring that efficiency remains a priority at all times, adding that its commitment to the Vision 2030 goals was unwavering.

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IF YOU LIVE THE  
MARITIME LIFESTYLE



*Navigate into the heart of  
luxurious living.....*



Marsa Al Seef is a celebration of maritime lifestyle – an amazing waterfront destination in the Kingdom of Bahrain, enriched with world-class amenities and lifestyle character. Drawing inspiration from Bahrain's rich traditions in design and culture, and engaging state-of-the-art approaches to planning, technology and respect for environmental sustainability, Marsa Al Seef is a distinct collection of thoughtfully crafted environments that come together to create a unique, exquisite metropolis.

BOARDWALK AND PLAZAS  
CANAL RESIDENTIAL TOWERS  
MARINA AND MIXED-USE RESIDENTIAL  
LEISURE AND RETAIL  
COMMERCIAL OFFICES  
TOWN HOUSES  
HOTELS



GLOBAL  
MARITIME DESTINATION



WORLD'S  
LEADING DEVELOPERS



26  
26 MILLION SQ.FT.  
DEVELOPMENT



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