

**Brief on the Outcomes and Recommendations of
Bab Al-Bahrain Economic Forum 2025 "BBEF"
“Sustainable Future for Trade and Employment”**



Manama, April 29, Four Seasons, Bahrain Bay

○ **Overview:**

Under the patronage of His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Prime Minister of the Kingdom of Bahrain, the First Bab Al-Bahrain Economic Forum (BBEF1) was held in the Capital, Manama, on April 29, 2025, under the theme “Shaping a Sustainable Future for Trade and Employment.” The BBEF brought together international leaders, policymakers, and economic experts from various countries.

Key Vital Recommendations and Outcomes:

1. Global Transformations and Economic Resilience:

- Ensure economic stability amid global transformations by diversifying economies, enhancing competitiveness, and supporting infrastructure development.
- Expand fair trade agreements and strategic alliances, while facilitating technology transfer, financing, and investment in innovation-driven sectors such as renewable energy and semiconductors.

2. Gulf Economic Integration:

- Strengthen unified economic policies to deepen cooperation among GCC countries, particularly in trade, food security, and entrepreneurship.
- Integrate marginalized labor forces to ensure more equitable economic environments and more resilient global supply chains.

3. Digital and Green Transformation:

- Embrace digital transformation and artificial intelligence (AI) to maintain economic competitiveness.
- Focus on green technologies and circular economies to ensure long-term sustainability.

4. Global Trade and Supply Chains:

- Develop strategies to restructure supply chains by localizing high-value flows and enhancing logistics hubs through predictive analytics and blockchain technology.
- Explore nearshoring and industrial alliances to reduce dependency on traditional trade routes and mitigate disruptions.

5. Private Sector Empowerment:

- Foster a collaborative ecosystem between the public and private sectors to stimulate investment and innovation within SMEs.
- Emphasize private sector leadership in service delivery and economic development.

6. Emerging Market Strategies:

- Draw lessons from successful emerging economies (e.g., Rwanda, Uruguay, Vietnam) in attracting foreign direct investment (FDI), strengthening logistics, and leveraging renewable energy.
- Develop agreements that enhance resilience to geopolitical shocks and strengthen food security.

7. Innovation and Intellectual Property Policies:

- Enhance intellectual property laws and provide research and development incentives to attract foreign investment.
- Promote transparent economic data exchange and international cooperation to build market confidence.

8. Sustainable Growth and ESG Standards:

- Advance inclusive economic models supported by trade agreements aligned with ESG standards and regional alliances.
- Utilize green investments and resource recycling to boost long-term economic viability.

9. Future Challenges and Climate Adaptation:

- Restructure economic programs to support private-sector-led sustainability.
- Establish regional investment blocs to align clean energy strategies and address climate vulnerabilities.

o Summary

Under the esteemed patronage of His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Prime Minister, the BBEF1, organized by the Bahrain Chamber of Commerce and Industry (CCI), was held in the capital city of Manama under the theme: “Trade and Employment for Shaping a Sustainable Future.” The BBEF witnessed distinguished participation from international officials, leading economists from across the globe and the Arab region, and the majority of Bahrain’s cabinet ministers, led by His Excellency Sheikh Khalid bin Abdullah Al Khalifa, Deputy Prime Minister, representing the Forum’s Royal Patron.

Amid a historic phase of unprecedented shifts in global power dynamics, posing significant security and economic challenges that require deliberate and strategic responses, the BBEF emphasized the urgent need to reinforce multilateralism and sustainability to address the repercussions of trade wars that have disrupted global trade flows and hampered economic growth. It also highlighted the importance of Gulf economic integration and the adoption of unified policies in trade and food security to alleviate fiscal burdens and ensure market stability.

Building on Bahrain’s historic role as a global trade hub, the CCI was keen to launch this Forum as a vital platform that brings together experts and decision-makers to explore innovative solutions to current and future economic challenges, through in-depth analysis of trade policy impacts and enhancement of international cooperation mechanisms.

The BBEF focused on two main themes:

1. The first addressed the impact of global transformations on stability and growth by promoting policies that support innovation and empower emerging markets to create sustainable economic opportunities.
2. The second highlighted the crucial role of non-governmental private sector organizations in supporting governments, contributing to the development of an integrated economy built on strategic partnerships that drive sustainable development.

The BBEF featured unprecedented participation from leading international institutions such as the International Labour Organization (ILO), the World Trade Organization (WTO), the International Chamber of Commerce (ICC), as well as the General Secretariat of the GCC, trade ministers, and leaders of Arab and Gulf chambers of commerce. All of this took place under the auspices of Bahrain's Prime Minister, in a significant step toward fostering joint efforts for a more stable and prosperous global economy.

○ **BBEF Significance and Outcomes**

The BBEF 2025 held at a highly critical juncture, as the world witnesses shifts in global power balances and rapid transformations that have led to the emergence of complex security threats. These threats have left their mark across political, security, economic, and social domains, reshaping traditional definitions and concepts that governed previous global conflicts. These ongoing transformations, though varying in time and form, have repeatedly reshaped the future. With tools evolving beyond the limits of human borders, it is imperative that we remain aware and adapt our understanding and approaches to prepare for such challenges. While we cannot foresee what history will write about us, we can work collectively today to shape better outcomes. We may endure heightened tension and anxiety, but we are equally capable of confronting these challenges together.

History has shown that trade wars between nations present both challenges and opportunities for the realization of the United Nations Sustainable Development Goals (SDGs). While such conflicts hinder immediate development efforts, they simultaneously underscore the urgent need to strengthen multilateralism and sustainability in global trade policies. This calls for a renewed commitment to international cooperation, aiming to ensure a more balanced and inclusive global economy.

Historically, the Kingdom of Bahrain has played an active role in global trade due to its strategic location and collaborative approach with regional and international partners. In line with this legacy, the Bahrain Chamber initiated this Forum as a dynamic platform that brings together top experts from various sectors to collaborate, exchange ideas, and share experiences. The aim is to identify key drivers of ongoing trade wars between major industrial and economic blocs and to explore innovative solutions to current and future economic security challenges.

The currently declared trade wars are already leaving widespread repercussions. The International Monetary Fund (IMF) has downgraded global growth forecasts, while major disruptions in trade flows have occurred. Tariff measures have led to an estimated 23% decline in global imports, adversely affecting key sectors such as agriculture, manufacturing, and technology. Prices have surged, and the consequences have cascaded across supply chains, consumer prices, and investor confidence,

signaling potential long-term effects on the global economy. These escalating challenges underscore the urgent need for stronger international cooperation to develop effective solutions to ongoing trade tensions.

The BBEF was structured around two primary Platforms:

The First Platform examined the shifting balance of power among global blocs and its implications for stability and economic growth. Achieving a balance between resilience, inclusiveness, and sustainability was deemed essential by addressing barriers to innovation, focusing on critical sectors, and implementing supportive policies. Emerging markets are achieving rapid technological advancements that not only stimulate economic growth but also generate high-value employment opportunities. These transformations are shaping a roadmap for policymakers, corporations, and international organizations to coordinate efforts toward a sustainable and inclusive economy.

The Forum's recommendations emphasized the urgent need to restructure global trade networks to enhance their capacity to withstand modern challenges. This entails striking a delicate balance between resilience, inclusiveness, and sustainability, empowering stakeholders to build supply chains that not only resist geopolitical and economic shifts but also contribute to equitable global growth. Such efforts require ongoing strategic cooperation, technological integration, and policy harmonization to ensure the sustainability of these initiatives amid global change. Governments were urged to focus on economic diversification and enhancing regional competitiveness by supporting infrastructure development and expanding trade opportunities through fair agreements and strategic alliances. In addition, enabling emerging markets to innovate through technology transfer, facilitating access to finance, and investing in high-value sectors such as renewable energy and semiconductors would further drive sustainable growth. Achieving Gulf economic integration through unified trade and food security policies, along with enhanced international cooperation, is crucial to easing financial burdens and ensuring market stability. The discussions underscored the importance of eliminating barriers to innovation, targeting key sectors, and implementing enabling policies to help emerging markets rapidly advance technologically, fostering economic growth and quality job creation. These strategies aim to position Gulf Countries as leading centers for innovation and sustainability.

Such perspectives form a clear roadmap for policymakers, businesses, and international organizations to unite their efforts and collaborate in transitioning toward a sustainable and inclusive economic model that enhances global stability and lays the foundation for long-term development.

The Second Platform explored the critical role of non-governmental private sector organizations in supporting governments and driving economic growth, particularly in a region increasingly viewed as a global hub for opportunity. The platform reviewed

collaborative frameworks for inclusive growth that have the potential to unleash unprecedented economic expansion. It also emphasized the vitality of integrating the private sector's dynamism with the public sector's aspirations to achieve sustainable development. In developing and emerging markets, transformative change begins with sustainable, inclusive partnerships capable of enduring external shocks.

Key recommendations included expanding public-private cooperation through infrastructure development, regulatory frameworks, and investment policies that enable shared responsibilities and roles. Enhancing innovation and entrepreneurship through integrated facilitation, financing, and support programs was also deemed essential. Additionally, leveraging the Gulf bloc's collective strength as a unified negotiating entity can help broaden trade opportunities and penetrate new markets, with a focus on economic diversification and reducing dependence on traditional markets. In light of ongoing global transformations, the adoption of trade and investment policies that support carbon neutrality and promote sustainability strategies, through technological investment and circular economies, is vital to ensuring long-term economic stability.

All participants in the Forum agreed that the world is undergoing the most significant transformation in the past eight decades. This Forum represented a unique opportunity to bring together global institutions such as the International Labour Organization (ILO), the World Trade Organization (WTO), and the International Chamber of Commerce (ICC), in addition to the General Secretariat of the GCC, ministers of trade, and leaders of Arab and Gulf chambers of commerce, all convening for the first time in modern history under the patronage and leadership of His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Prime Minister, and his esteemed government.

○ **Participants**

- **H.E. Mr. Jassim Mohammed Al-Budaiwi** – Secretary-General of the GCC Countries
- **H.E. Mr. Gilbert F. Hounbo** – Director-General of the ILO
- **H.E. Dr. Ngozi Okonjo-Iweala** – Director-General of the WTO
- **H.E. Dr. Sheikh Abdullah bin Ahmed Al Khalifa** – Minister of Transportation and Telecommunications
- **H.E. Mr. Abdulla bin Adel Fakhro** – Minister of Industry and Commerce
- **H.E. Mr. Samir Majoul** – President of the Union of Arab Chambers
- **H.E. Sheikh Faisal bin Abdullah Al Rawas** – President of the Federation of GCC Chambers
- **H.E. Ms. Jacqueline Mugo** – President of the International Organization of Employers
- **H.E. Ms. Whitney Baird** – President and CEO of the United States Council for International Business

- **H.E. Ambassador Saqr Al-Moqbel** – Saudi Arabia’s Permanent Representative to the WTO
- **H.E. Ms. Valérie Picard** – Head of Trade, International Chamber of Commerce

- **Detailed Presentation of Themes and Recommendations**

First Platform: The Impact of Changing Global Blocs on Stability and Growth

Theme 1: The Evolution of Economic Blocs

1. The Future of Multilateral Trade Agreements and Proper Work Opportunities

Summary of Recommendations

Governments and production stakeholders must collaborate to guarantee workers' rights by implementing a shared minimum standard of labor protection, promoting a safe and equitable work environment, and incorporating robust provisions in trade agreements. Additionally, financial agreements should be renegotiated to ease debt burdens and strengthen partnerships with the private sector.

2. Balancing Regional Stability, Global Growth, and Economic Equilibrium

Summary of Recommendations

Regional governments should prioritize economic diversification to enhance competitiveness and mitigate the impact of trade wars. Infrastructure development must be supported, alongside the global promotion of aluminum exports by empowering national and regional companies such as "Alba" to ensure a strong position in international markets. It is also vital to maintain trade relations with the United States and leverage free trade agreements to diversify export sources, while simultaneously exploring new markets and strengthening existing partnerships. Furthermore, economic success demands aligning national visions with accelerated execution and revisiting European financial policies through cooperation with China and other Asian countries to reduce reliance on Western institutions and foster a more sustainable economic balance.

3. Promoting Inclusive Globalization from the Perspective of the WTO, ILO, and ICC

Summary of Recommendations

The WTO, the ILO, and the GCC aim to promote inclusive globalization by addressing labor disparities, improving market access, and establishing fair trade practices. In this context, the development of a Global Inclusion Index is widely supported by stakeholders to assess and enhance equitable trade practices. Additionally, targeted labor policies are advocated to integrate marginalized workers into global supply chains, thereby contributing to a more equitable and sustainable economic environment.

Theme 2: Emerging Economies amid Global Disruptions

1. Emerging Economies in a Troubled World: How Have Some Countries Succeeded?

Summary of Recommendations

GCC Countries are focused on reinforcing their regional and global roles by sharing their success stories and leveraging their entrepreneurial, humanitarian, and social experiences to support crisis response efforts. Policymakers and business leaders agreed on the importance of documenting and sharing these experiences as replicable models for other emerging markets. Notable examples include Rwanda, which has become a hub for technology and logistics through strategic public partnerships; Vietnam, which successfully attracted foreign investments through an integrated manufacturing environment and effective trade agreements; and Uruguay, which strengthened its standing in sustainable development through its commitment to renewable energy, garnering international recognition and strategic investments.

2. Strategies for Resilience amid Geopolitical and Economic Disruptions

Summary of Recommendations

The Gulf economic strategy emphasizes food security through strategic partnerships and sustainable agreements, while avoiding economic confrontations and focusing on multilateral dialogue to resolve disputes. Efforts also include accelerating free trade agreements by signing new deals and resuming suspended negotiations, as well as monitoring trade changes affecting local markets and industries to prepare for major economic shifts. To ensure global economic stability, emphasis is placed on avoiding economic escalation with China and adopting a pragmatic trade agenda that addresses challenges and capitalizes on opportunities. Gulf economic integration through a common market and enhanced dialogue among GCC countries is seen as essential for maximizing opportunities and leveraging trade crises effectively.

3. The Role of Digital and Green Technologies in Enhancing Resilience

Summary of Recommendations

A unified Gulf economic strategy is needed to support multilateral programs that involve the public and private sectors as well as trade unions, ensuring fair competition. Emphasis is placed on achieving economic resilience through a forward-looking approach despite ongoing challenges. Stakeholders agree on the importance of investing in digital infrastructure and green technologies, leveraging international financing mechanisms and technology transfer to support sustainability and economic growth.

Theme 3: Globalization and Shifting Supply Chains

1. Assessing the Long-Term Impacts of Supply Chain Restructuring Summary of Recommendations

The global strategy focuses on restructuring supply chains through collaboration among governments, international organizations, and the private sector, aiming to enhance economic integration and re-shore supply chains within high-value trade flows. Efforts include developing logistics hubs and diversifying trade routes using digital technologies such as blockchain and predictive analytics to ensure efficiency, flexibility, and transparency. Developing countries are encouraged to diversify their investments and strategic partnerships with China and the United States according to national priorities, while Gulf states are working to strengthen their partnership with India in energy, trade, and supply chains, contributing to a new global economic balance.

2. The Impact of “Nearshoring” and “Industrial Alliances” on Global Trade: Their Role in Reducing South-to-North Migration

Summary of Recommendations

The economic stability of Gulf countries relies on leveraging their strategic location and enhancing logistics zone projects to become regional hubs for global companies. To sustain this success, the focus should be on economic security by prioritizing geopolitical stability and strategic alignment over immediate cost concerns. This approach fosters trust-based international relations and reduces vulnerability to global disruptions. These challenges present opportunities for emerging markets near major economic centers, where Gulf countries can benefit from industrial alliances to integrate into high-value sectors such as semiconductors, pharmaceuticals, and renewable energy, reinforcing their position in the global economy.

3. Building Partnerships between Advanced Economies and Emerging Markets Summary of Recommendations

Fair cooperation between advanced and emerging economies is fundamental to achieving sustainable trade. This requires mutual growth support through technology transfer, capacity-building programs, and favorable trade agreements that contribute to a more inclusive global economy. In this context, alignment with Environmental, Social, and Governance (ESG) standards emerges as a key pillar, with investments in green technology and innovation hubs identified as main drivers of shared prosperity and long-term economic sustainability.

Theme 4: Innovation and Technological Leaps

1. Overcoming Barriers to Innovation in Emerging Markets

Summary of Recommendations

To address innovation challenges in emerging markets, focus should be placed on infrastructure development, bridging financing gaps, and providing training opportunities to build a skilled workforce capable of leveraging modern technologies. This requires the establishment of innovation centers and incubators to support startups and entrepreneurs, as well as enhancing public-private partnerships (PPPs) to finance and develop local innovation systems. Increasing access to resources and infrastructure further contributes to innovation growth, particularly in the technology sectors, while ensuring broader inclusivity that enables small, medium, and emerging enterprises to benefit from technological advancements. In addition, public trade policy priorities should be realigned to facilitate access for microenterprises to markets and to promote a competitive environment that supports their growth and sustainability.

2. How Emerging Economies can gain a Technological Advantage in Key Sectors

Summary of Recommendations

Emerging economies should be encouraged to enhance their global competitiveness, thereby reducing their dependence on advanced technological imports, while improving access to innovative and affordable solutions that boost productivity and quality of life in key sectors such as energy, healthcare, and finance. These economies should be empowered to transition from consumption and importation toward supporting local production by employing independent technologies and AI tools, thereby strengthening their innovation capabilities and sustainable growth.

3. Policy Frameworks supporting Research and Development and Intellectual Property Rights

Summary of Recommendations

To stimulate economic growth and foster innovation, focus should be placed on offering tax incentives and grants to support private sector investments in research and development, while strengthening intellectual property laws to protect innovators and attract foreign investment. This also requires promoting cross-border collaboration through regional alliances and international agreements, as well as ensuring stable and forward-looking environments to enhance predictability and investment appeal. For greater economic transparency, countries should increase economic analytics and data sharing, thereby improving understanding of economic impact and enabling more accurate decision-making. Additionally, commitment to the implementation of

relevant international labor and private sector agreements should be enhanced to ensure market regulation and build trust among stakeholders.

Second Platform: The Role of Private Sector Organizations in Economic Growth and Supporting Gulf Governments

Theme 1: The Role of the Private Sector in Economic Development

1. The Interdependent Relationship between Private Initiatives and Public Policies

Summary of Recommendations

To ensure sustainable economic growth and enhance the investment climate, joint task forces should be established between the public and private sectors to address challenges in infrastructure, healthcare, and education, and to develop joint financing programs for technology adoption and workforce training to support the sustainability of future industries. A clear legislative vision should also be adopted to bolster the confidence of local and foreign investors, alongside reexamining the distribution of roles between governments and the private sector, encouraging governments to rely on market trends and reduce financial interventions to increase investment efficiency. By leveraging the diplomatic and commercial entanglements of the Gulf Countries as a unified political and economic bloc, international negotiating power can be improved. Furthermore, regional and international trade opportunities should be exploited through partner diversification, strategic partnerships, and coordination with the GCC General Secretariat to unify trade policies. To create a more attractive business environment, relevant legislation and policies supporting the private sector should be updated, with emphasis on business facilitation, innovation stimulation, and investment promotion, particularly for small, medium, and micro-enterprises. The public sector's role should also be strengthened as an investment catalyst and guarantor through economic and diplomatic policies that safeguard Gulf interests in global blocs.

2. The Role of Chambers of Commerce and their Contribution to Sustainable Development

Summary of Recommendations

To achieve a stable and sustainable economy, Gulf chambers of commerce and specialized civil institutions should be empowered to lead strategic developmental initiatives, such as renewable energy projects and local economic zones, thereby boosting economic independence and stimulating sustainable growth. Improving the business environment also requires opening effective dialogue channels with international partners and increasing Gulf participation in international organizations to ensure broader economic integration and improved exchange of global best

practices. To stimulate small, medium, and micro-enterprises, comprehensive support programs should be introduced to enable expansion, job creation, and increased contribution to GDP. Strategic economic incentives should also be adopted to encourage private sector investment, particularly in infrastructure, beyond short-term cost considerations. In leveraging crises as opportunities for reform, the global trade system should be reassessed, including addressing its structural gaps such as decision-making mechanisms within the WTO. Furthermore, economic support and security policies should be aligned through long-term reform strategies. To ensure fair competition in international trade, cooperation between global organizations and regional chambers of commerce should be strengthened, with elevated coordination between multilateral institutions, such as the ICC and the WTO, to ensure an economic environment based on equal opportunities and flexibility in responding to global developments.

3. Successful Public-Private Partnerships – Case Study

Summary of Recommendations

To enhance economic integration and sustainability, public-private partnerships must be expanded by harmonizing risk and responsibility-sharing mechanisms and establishing transparent frameworks to ensure community support and equitable distribution of benefits. This also requires restructuring the legislative and regulatory frameworks within the GCC countries to ensure legal stability and the provision of sustainable incentives that encourage investment. To achieve an economic transformation that increasingly relies on innovation and private investment, a proactive governmental approach should be adopted in sharing risks with the private sector, while enhancing direct dialogue between governments and private sector representatives to formulate policies that support the business environment and ensure effective representation of business stakeholders in economic decision-making. Additionally, increasing reliance on automation and technology in service delivery will reinforce sustainability and enhance the efficiency and transparency of economic systems.

Theme 2: Cooperation Tracks for Growth

1. Defining Common Objectives between Advanced and Emerging Markets

Summary of Recommendations

To ensure sustainable and competitive economic growth for the GCC Countries, national and regional initiatives should be launched to support entrepreneurship and innovation by providing incentives, financing facilities, and training. Integration should be reinforced between government entities, as regulators and guarantors, and the private sector, as investors and service providers, to foster an enabling business environment. Efforts should also focus on bridging the gap between educational

outcomes and labor market needs through strategic cooperation among Gulf governments and the private sector to align required skills with economic developments. In the context of digital transformation and AI, rapid adaptation requires the enactment of legislation and policies that support the investment in technological opportunities, accelerate the adoption and protection of innovations, and contribute to enhancing productivity and achieving sustainable social development.

2. Building Fair Trade and Economic Policies to achieve Mutual Benefit

Summary of Recommendations

To strengthen the global economic presence of the Gulf region, the integrated infrastructure and unified policies must be leveraged to enhance stability and resilience. Economic integration should be accelerated by expanding trade and investment opportunities among GCC Countries, enabling the Gulf bloc to access new markets within a comprehensive economic and trade policy framework that achieves mutual benefit. This includes adopting a holistic approach to market access and reducing both tariff and non-tariff barriers, as well as enhancing Gulf financing mechanisms to balance small economies and enable them to benefit from global value chains. Furthermore, collaborative trade agreements should be promoted to address systemic challenges related to labor rights and economic sustainability, ultimately leading to balanced and sustainable economic growth.

3. Future Challenges – Preparedness for Climate Change and Sustainability Goals

Summary of Recommendations

To ensure a sustainable and business-friendly environment, economic programs must be restructured by providing integrated legislative and infrastructural frameworks that support private sector growth and enhance the sustainability of its contribution to GDP. This also necessitates the establishment of a global sustainability alliance aimed at unifying investments in renewable energy and strengthening climate-resilient infrastructure, while mobilizing joint financing and technological expertise to address climate vulnerability and water scarcity. For long-term economic and environmental stability, advanced strategies for carbon neutrality and the promotion of circular economies should be adopted, by reducing waste and maximizing resource utilization through recycling, reuse, repair, and refurbishment, thereby laying the foundations for sustainable development and enhancing the economy's capacity to adapt to global transformations.

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