







A	TE .	100	
	6		
	1		
A			16

HIS HIGHNENESS SHAIKH KHALIFA BIN SALMAN AL KHALIFA

The Prime Minister The Kingdom of Bahrain



HIS MAJESTY KING HAMAD BIN ISA AL KHALIFA

The King of The Kingdom of Bahrain



HIS HIGNESS SHAIKH SALMAN BIN HAMAD AL KHALIFA

The Crown Prince and Deputy Supreme Commander

Table of Contents

Introduction	10
Progress and How Bahrain Deals with the Millennium Goals	10
Previous Reports	10
Achievement of Global Goals	13
Brief Summary of the Required Achievement According to Global Indicators	13
New Goals and Indicators Added in 2008.	16
Are Goals Suitable to the Characteristics of the Kingdom of Bahrain and its Future Policies?	17
Review of Millennium Development Goals from a National Perspective	18
Goal 1	21
Goal 2	25
Goal 3	29
Goals 4, 5 & 6	32
Goals 7	3'
Goal 8	41
Impact of Global Crisis on the Development Goals in the Kingdom of Bahrain	4
First Shock of the Financial Crisis	4
Impact of the Crisis on Economic Growth and Trade	4
Impact of the Crisis on the Labor Market	4
Future Policies for the Millennium Development Goals After the Summit	48
Attitude Towards the New Global Trends for the Millennium Goals	48
Future Steps on a National Level	49





In fulfilment of our national and UN commitments towards the implementation of our aspirations for the Millennium Development Goals, it pleases me to present this report to you. This is the third report summarizing the development achieved in implementing the MDGs from a national perspective, as well as the document with which the Kingdom of Bahrain shall participate in the upcoming UN General Assembly meeting to be held in September 2010.

Since the United Nations announced the Millennium Goals in 2000, and out of our keenness to meet our international obligations, the Kingdom of Bahrain has adopted the MDGs challenge as a means to unifying global and national effort towards achieving the more pressing development priorities in the world, and to express the Kingdom's national commitment, which transcends its borders towards the scope of its active participation in international development efforts, in order to preserve its honorable image as a country that adopts economic and social development issues at various international and national levels.

Although the Kingdom has come a long way in the field of economic and social development in a short time, however, like other countries around the world, it faces global challenges amid globalization, climate changes, accelerating progress, and the global economic crises that threaten the global and national efforts towards achieving these goals.

The Kingdom of Bahrain's positive attitude toward the MDGs emanates, without doubt, from its belief that these goals constitute the most important and comprehensive framework for development efforts on the international level in the last decade, and whose targets and visions complement the basic principles of the Kingdom of Bahrain's economic and social strategy and vision 2030.

It is certainly possible to say that the Kingdom of Bahrain is on the right track with respect to the MDGs, as we have been able to achieve and even exceed most of these goals. However, the remaining national priorities that still present a challenge to us can be represented in three goals as follows: promote gender equality and women empowerment, ensure environmental sustainability, and global partnership for development.

The Kingdom of Bahrain shall continue to provide welfare and decent living for its citizens and elevate the living standards of its women and men through raising productivity levels, and providing work opportunities with good pay in a safe living environment through dealing effectively and efficiently with the challenges and the many opportunities in the world in light of the vast potential for growth and development.

Facing future challenges require concerted and collective efforts, and the Kingdom of Bahrain will endeavor in the near future to adapt the MDGs nationally, to adapt them as a component in national development process through exemplifying the economic and social vision of the Kingdom. It shall also work with other countries to shoulder its responsibility in leading the course towards achieving the MDGs in the entire world, which is the same partnership principle emphasized by Goal Eight of the MDGs.

Shaikh Ahmed bin Ateyatalla Al Khalifa Minister of Cabinet Affairs



A preamble by the UN Resident Coordinator in the Kingdom of Bahrain. On the threshold of the first 10-year review of the course of the Millennium Development Goals around the world, which will be the topic of discussion at the high level UN General Assembly meeting in September 2010, it is necessary to note the achievements by the Kingdom of Bahrain on more than one level. Bahrain succeeded in diversifying its economy, it reasonably reduced its dependence on oil, and managed to formulate a comprehensive and long-term strategy for the country's development – Vision 2030, in addition to other successes that advanced Bahrain's rankings both globally and regionally, according to the Human Development Index and other economic indices.

This success also extends to the MDGs on two levels; first, based on the internationally specified qualitative objectives and achievements, which are mostly realized in Bahrain, with the exception of some that still need more effort, particularly in relation to women empowerment and environmental sustainability. This perhaps comes as no surprise, since Bahrain is a country with a high level of development.

The second level of success is represented in that the leadership in the Kingdom was not satisfied with this level of achievement, instead regarded it as below national aspirations and goals as specified in its national and sectoral strategies. As such, the Kingdom proceeded to adapt and localize the MDGs, integrating them into its national planning. This is the highest success for the Government of Bahrain, and for the support extended by the United Nations system, when the MDGs framework evolves from set guidelines into a flexible and malleable tool that can be tailored and actually used in national planning and interventions.

The current report prepared for the upcoming UN General Assembly meeting is more than just a report on work progress. It is a review of the course of the MDGs in Bahrain from a national perspective. It indeed includes a presentation of the progress of work and global indicators, but it also includes an additional contribution discussing the level of achievements needed on the national level, a contribution to the new global trends in MDGs. Finally, the report presents a commitment to work on localizing the goals in a more advanced way following the summit. It is a commitment to work on achieving national goals.

With respect to the course, and despite the limited time available to prepare this report by virtue of its specific goal, yet the experience of cooperation between the parties working on it was successful and fruitful. The partnership between the United Nations Country Team in Bahrain and ESCWA was very successful, providing a good example on joint efforts and a true interpretation of the United Nation's approach to work, as One Team, providing support to member states.

The cooperation and partnership with the ministerial committee assigned to follow-up on MDGs in Bahrain and the Central Informatics Organization, which is the executive body responsible for preparing the report, was also very successful, promising more fruitful results in the future.

As a UN system in Bahrain, we are satisfied with the work in which we contributed, and which will assist the Bahraini delegation in activating its presence and raising the level of its participation in the MDG summit meetings in New York in a few days.

We are confident that preparing this report is but a step on a path that has already begun, and that will continue more effectively after the Summit, when we resume our work to achieve the MDGs and the national development goals.

Sayed Aqa UN Resident Coordinator Kingdom of Bahrain.

















Acknowledgments

The General Directorate of Statistics of the Central Informatics Organization and the UN Country Team in the Kingdom of Bahrain and specially the UNDP Office and UNESCWA would like to extend their sincere gratitude to everyone who contributed in the preparation and publication of this report.

The General Directorate of Statistics also wishes to express its appreciation for the valuable contributions by the group of national experts at the ministries and authorities concerned with the MDGs, which include:

From the Ministry of Social Development, Ms. Badreya Al-Jeeb, Ms. Jameela Al-Kohiji, and Ms. Maha Mandeel,

From the Ministry of Finance, Mr. Yousef Hammoud, and Mr. Khaled Al-Nasser,

From the Ministry of Health, Dr. Fawzi Amin, Dr. Faheema Al-Mutawa, Mr. Ibrahim Al-Nawakhda, and Ms. Amal Al-Areyadh,

From the Public Commission for the Protection of Marine Resources, Environment and Wildlife, Dr. Adel Al-Zayani, and Engineer Zahwa Al-Kowari,

From the Labour Market Regulatory Authority, Mr. Nedal Al-Banaa, Ms. Budour Al-Marzougi, and Ms. Rania Hebeishi,

From the Ministry of Education, Mr. Zaher Sa'eed, and Mr. Hassan Jassem.

Special thanks to those who prepared this report, Mr. Adib Nehmah, Expert, Economic and Social Commission for West Asia (ESCWA), Mr. Mohamed Al Sharif, UNDP Assistant Resident Representative and Ms. Dua'a Al-Harban, Head of Demographic and Social Statistics at the Central Informatics Organization, whom also was in charge of the overall supervised the report.

1. Introduction

This report includes a national review of the progress in achieving the Millennium Development Goals in the Kingdom of Bahrain during the past ten years. It has been prepared as part of the participation, by the Kingdom, in the upcoming meeting of the UN General Assembly, which will be held in September 2010 to review and assess the progress made on a global level in relation to the achievement of the goals previously approved in 2000/2001 with the adoption of the "Millennium Declaration" during the Millennium Summit held in September 2000.

This brief report is a review, from a national Bahraini perspective, of the progress achieved and the future challenges and trends in the Kingdom. It is also considered a national contribution to the global assessment of the course of the millennium goals in preparation for the Kingdom's more effective role, for the remaining five years until 2015, on the national, regional and global levels.

1.1 Progress and How Bahrain has Dealt with Millennium Goals

The Kingdom of Bahrain is a country known for its adherence and commitment to international agreements and standards in various fields, and its treatment of the millennium goals should be seen in this context. The Government of the Kingdom of Bahrain regards the MDGs as one of the methods of integrating and unifying international and national efforts to achieve the most pressing development priorities, and as one of the tools used to contribute to the national policies and strategies and their consistency with international priorities.

Bahrain considers that the MDGs, particularly the targets and the quantitative achievements included in them and their indicators, are the epitome of the more pressing global changes from the perspective of developing countries in particular. Although Bahrain is one of the countries with a high level of development, and most ceilings set for quantitative achievement for the MDGs have been achieved, or nearly so, many years ago, the Kingdom has dealt with them seriously, because some of the goals included therein have a universal nature, and are also suitable for Bahrain, particularly as regards Goal Three (promotion of gender equality and empowering women) and Goal Seven (ensuring environmental sustainability), as well as Goal Eight which is related to developing a global partnership to serve development. Bahrain's positive approach towards the MDGs also arises mainly from its approval of them during its participation in the Millennium Summit 2000 through a high level delegation, led by HE Sheikh Mohammed Bin Mubarak Al Khalifa, the then Deputy Prime Minister and Minister of Foreign Affairs. It also emanates from Bah-

rain's customs and traditions in adhering to all international labor programs and plans which it views as beneficial to the entire world, developing countries, and to Bahrain at the same time. This applies to the MDGs which have changed into the most important and inclusive framework for international and national development work during the past decade. On this basis, the Kingdom's pledge is a commitment that exceeds its national borders to reflect its active participation in international development efforts. This is what it is trying to develop and maintain over the remaining five years of the original period set for the achievement of the MDGs, i.e. 2015.

1.2 Previous Reports

Like most member states of the UN General Assembly, Bahrain has issued national reports on the progress of work in achieving the MDGs. The First Report was issued in 2003. The report used the general traditional layout which most countries adhered to in terms of size and design, and its primary content was mainly limited to a review of the progress achieved in terms of the global goals and their indicators. The report was completed in partnership between the Government of Bahrain and the UN team working in the Kingdom, and contained a limited contribution by civil society organizations and the private sector. That report was characterized by the fact that it was based on a special field survey, the National Millennium Survey, which enabled the team preparing the report to assess certain indicators, particularly those related to Goal One.

With the development of a national perspective towards the MDGs, development partners began to consider that the nature of the targets and the required achievement level globally were not commensurate with the development level in Bahrain. This weakened the feeling of their benefit as part of the national planning process and the feeling of national ownership of the MDGs Framework, particularly when the Kingdom was at that time busy preparing its general national strategy (Kingdom of Bahrain's Economic Vision 2030 which was announced on October 23, 2008) and a number of national strategies and initiatives covering the entire spectrum of the MDGs with more progressive and ambitious goals.

This prompted the Government of Bahrain and the UN team to develop a widened perspective and deal with the MDGs under the title "making a national adaptation of the goals" in order to make them suitable to Bahrain's situation and more usable as a tool for planning and development intervention. This process includes working on more than one front:

• First: Approving more ambitious specific targets than those con-

tained in the MDGs and corresponding suitable indicators;

- Second: Integrating the MDGs into the national strategies for development so that they will not appear as goals or a process independent of the course of national planning;
- Third: Giving more importance to the course of the National Millennium Goals (NDGs) (preparing reports and later development intervention) by developing the level of participation by all the concerned government parties, civil society organizations and the private sector in the compilation of reports and intervention and in using this track to build partnerships and establish alliances among different parties in the development process in order to achieve the MDGs that are unanimously approved by all parties.

In this framework, the Second National Report on the MDGs was prepared, covering the period 2004-2007, and was issued in 2008. The second report was characterized by the fact that the preparations process featured high level government and non-government participation through membership of all parties on a technical committee and by forming a large working team that prepared the report. In terms of content, the Second Report adopted the methodology of adapting the MDGs to the national level. On this basis, the report contained a critical discussion of the targets and indicators as well as suggestions for more ambitious goals and suitable indicators. All the partners regarded it as a first draft and an advanced step towards the complete national adaptation of the MDGs and integrating them into national plans. This will constitute the following step of implementation in the near future.

It should be noted that in the period extending between the two reports, various participating partners took a number of steps on the regional and national levels to make the MDGs a working method more usable by all parties, including capacity building in this direction.

For example, all ministries prepared reports on their policies, programs and achievements in relation to the MDGs in the course of preparing for the Second Report, and this helped in spreading knowledge and awareness of these goals among staff and employees.

The Ministry of Social Development, in collaboration with the UNDP, also organized a national/regional non-government training course in 2008 to conduct training on the national adaptation of the MDGs at the Civil Society Organizations Support Centre affiliated with the Ministry of Social Development. Representatives of six countries participated in the training course, with delegations including representatives of ministries, UN organizations and non-government organizations. The course contributed significantly towards spreading awareness of the MDGs, and in view of which many parties proposed projects that fall under the "MDGs" title, including Bahraini private associations. At the same time, a network of Bahraini journalists was established for the sake of development and millennium goals. In addition, the Government of Bahrain and regional and international UN organizations are now seeking to establish a partnership in more than one project for



local and municipal development using the MDGs Framework to execute local and regional development projects.

On a regional level, representatives of Bahrain, both from the government and private organizations, took part in related regional activities on a GCC level and on an entire Arab level including a training course organized by the GCC in the Sultanate of Oman, in co-operation with the UNDP and ESCWA, for capacity building in order to prepare national reports and adapt the MDGs nationally. Moreover, Bahrain, represented by the e-government, is in the process of establishing a partnership with the Global Alliance for Information and Communications Technologies and Development (GAID) to host the Center for Information and Communications Technologies for MDGs in its capacity as an international center to help countries in using this technology to achieve these goals.

In summary, during the past few years, Bahrain has been able to develop its perspective of the MDGs by making them more suitable to the specifics of Bahrain as a country with a high level of development. It has also been able to make the MDGs Framework a main element of policies, interventions and activities on more than one national, regional and international level, with the Kingdom taking practical steps towards converting the MDGs from an international framework on paper to concrete practices. The kingdom is seeking to enhance this trend and make it more coherent, consistent and effective over the next five years.

10 11



2. Achievement of MDGs

2.1 Introduction

This Section briefly reviews the situation in Bahrain and the progress achieved in terms of the internationally set goals and their indicators for international comparisons, while the next paragraphs will be a more detailed analysis from a national perspective.

The MDGs, in their amended form approved in January 2008, consist of eight general goals, 21 specific targets and 60 indicators (the original form of 2001 consisted of 8 goals, 18 specific targets and 58 indicators). A specific target, dealing with employment, has been added to Goal One (elimination of extreme poverty and hunger) and another quantifiable target dealing with reproductive health to Goal Five (improving maternal health).

2.2 Brief Summary of the Required Achievement According to Global Indicators

In general, an overall assessment of the status of these goals in Bahrain can be presented as follows:

- Goals One, Two, Four, Five, and Six are fully achieved. Some of them were, in fact, achieved many years ago, or are on their way towards being achieved. Excluded from this is the goal regarding the Acquired Immunodeficiency Syndrome (AIDS) epidemic, which is limited but still remains a high priority for national policies, and requires constant follow-up and commitment by the appropriate government authorities in order to prevent any spread of this epidemic and to avoid complacency in control, monitoring, treatment and awareness.
- Goal Three is related to the promotion of gender equality and empowerment of women. This goal is partially achieved, particularly in relation to equality in education. At the same time, issues related to economic and political participation are partially achieved and are gradually improving.
- As regards Goal Seven, the environmental issues still constitute a major challenge to Bahrain, in view of a number of factors which we will deal with later. In general, the issues related to connection to the water and sewage network are achieved (nearly 100%). In addition there is no problem regarding slums according to Goal Seven, while other issues are outstanding and are of high priority.
- Finally, regarding Goal Eight, and specifically with respect to the indicators which apply to Bahrain in connection with integration in the world economy and the use of technology, the Kingdom's performance is good. It can be said that the set goals in this respect are achieved, although there are no quantitative achievements that can be accurately specified. However, issues like global partnership for development and its national and regional implications and requirements exceed the concerned country. They are regional and international issues and they remain issues hotly debated and constitute a priority, particularly with the proliferation of world crises and their continued impacts.











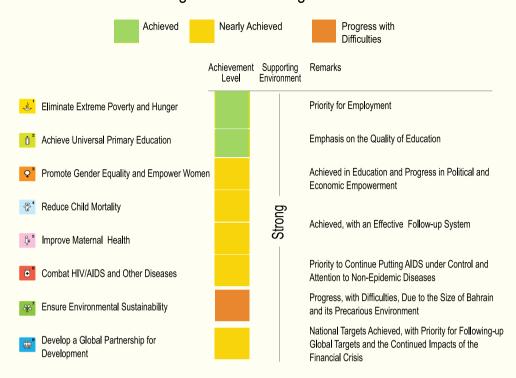








Table of Progress in Achieving General Goals



In view of the above, and with respect to the globally quantifiable targets, it can be said that national priorities are as follows: Goal Three related to the promotion of gender quality and empowerment of women, Goal Seven related to environment and sustainability, and Goal Eight related to developing a global partnership for environment.

The previous table summarizes the situation in Bahrain in terms of the level of achievement of the eight general goals. However, forming a more accurate idea requires delving into details of the extent of progress for the 21 quantifiable goals, whose rate of achievement varies. The following table graphically summarizes the extent of achievement according to the quantifiable goals:

Table of Progress in Achieving General Goals

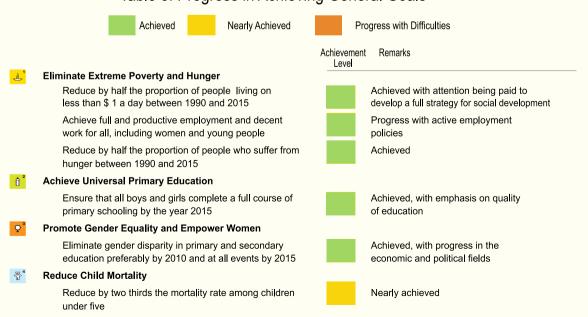


Table of Progress in Achieving General Goals











In the table above, it is clear that 17 quantifiable targets out of 21 apply to Bahrain. Out of this number, the percentage of achieved quantifiable targets is 59% (10 out of 17), and the nearly achieved is 35% (6 out of 17), while those that involve difficulties in achievement are 6% (1 out of

2.3 New Targets and Indicators Added in 2008

As indicated before, the UN General Assembly adopted the amendments proposed by the technical committees concerned adding quantifiable targets and new indicators and amending the positions of some others. These amendments took effect in January 2008. These indicators were not yet final when the second national report about the MDGs for the period 2004-2007 was being compiled, and so the report did not include

In the course of coping with this development, the concerned authorities followed-up and calculated the new indicators, which are summed up as follows. They are also included in the full detailed table of indicators in the Appendix.



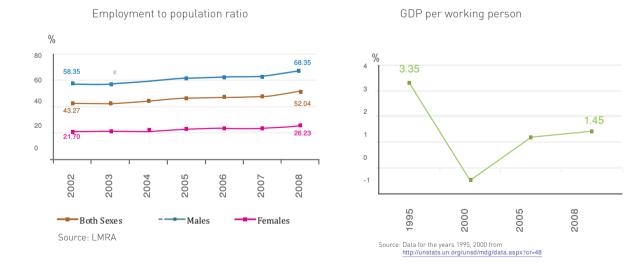
Goal One

Target: Achieve full and productive employment and decent work for all, including women and young people

The first amendment deals with adding a quantifiable target related to achieving full employment, including women and young people, while respecting the requirements of decent work. Four indicators have been identified to monitor progress in this quantifiable target, namely:

- 1. Growth rate of GDP per person employed
- 2. Employment-to-population ratio
- 3. Proportion of employed people living below \$1 per day
- 4. Proportion of own-account and contributing family-workers in total employment

The data have been made available in connected time frameworks for two of these four indicators (the first and the second), while the third indicator is not applicable to Bahrain and was not originally used in measuring Goal One dealing with the Eradication of Extreme Poverty. The Fourth Indicator is not available in the census years 1991 and 2001. The two graphs below show the progress of the two available indicators:



It is noted in this context that the GDP per working person, which is the approximate measure for productivity, demonstrated noticeable decrease between 1995 and 2000, when it was negative, rising to 1.45% in 2008 before the global financial crisis. As regards the rising workers to population ratio, it has been noticed that the workforce ratio to the population for the entire population of males and females rose during the period 2002-2008. However, the percentage of employed women, which is nearly 26%, remains significantly less than that of men, i.e. 68%, which is an indication of weak economic participation by women in the labor market.

It should be noted here that these percentages are for the entire 1.1 million people living in the Kingdom, 48.6% Bahrainis and 51.4% expatriates who are predominantly immigrant workers, among whom the percentage of males is 83.3%. This raises the employment to population ratio, particularly among males. But if we look at the Bahraini population alone, the percentage between employment and the population is 26% for both genders, while it is 35% for men and 17% for women, which is an indication of lower economic contribution rates for women.



Goal Five

Target: Achieve, by 2015, Universal Access to Reproductive Health

The second major amendment added a second quantifiable target to Goal Five relating to maternal health. It provides for achieving universal access to reproductive health. This quantifiable target includes 4 new indicators, namely:

- Contraceptive Prevalence rate
- 2. Adolescent birth rate (15-19 years)
- 3. Antenatal care coverage (at least one visit and at least four visits)
- Unmet needs of family planning

Adequate data have been provided regarding the first indicator and partial information for the second indicator. As seen from the table below, a remarkable decrease has been recorded in the adolescent birth between 1990 and 2007 from nearly 24 to 14 cases for every 1,000 births. As to the antenatal care coverage, it was 97% in the year 1995 and is almost 100% at present. We have to note that the average number of antenatal visits to the physician during pregnancy averages between 5 and 6 times, which is higher than the minimum required in the MDGs, i.e. 4 visits.

	1990	1995	2000	2005	
Adolescent birth rate (15-19 years)	23.5	18.5	14.6	17.6	12.7
Antenatal care coverage (at least one visit and at least four visit)		97.1	100.0	100.0	100.0

2.4. Suitability of Goals to the Kingdom of Bahrain and Future Policies

As noted above, the previous review of goals and indicators adheres to the global forms in terms of the nature of the quantifiable targets, achievement levels and indicators, regardless of whether they suit the levels of development in Bahrain and its national goals or not. The purpose behind them is to facilitate international comparisons and verify the required achievement level on an international basis.

However, this is not adequate from a national planning and national policy perspective which, in the case of Bahrain, exceeds the international levels. This requires that national authorities should adapt these goals to make them suitable as tools for assessing development levels and monitoring the achieved progress on a national level, in addition to development planning and intervention consistent with the Kingdom of Bahrain's Economic Vision 2030 and also with sectoral strategies. Moreover, adapting the MDGs nationally makes them a national tool to verify the consistency between general policies, national strategies and international treaties and conventions, on the one hand, and the actual requirements for achieving MDGs, namely reducing human poverty in an environment where higher gender equality and environmental sustainability are achieved, and under a long-term global, regional and national partnership that is characterized by transparency, equality and effectiveness.

Within this framework, the Kingdom of Bahrain has started to adapt the MDGs nationally and issued its second report in 2008 as a step in this direction. The Kingdom will continue in the same direction, beginning with a more accurate and deeper assessment of the general and specific targets which are included under the MDGs. It is striving to revise and verify them in view of national specifics.



3. Revision of the Development Goals from a National Perspective

3.1 Note regarding the new global trends

The final draft of the document presented for discussion, as part of the preparations for the UN General Assembly in September 2010 which is dedicated to the assessment of ten years of work, emphasizes the following points:

- a) The MDGs are interconnected and they should be dealt with as such and not only as individual goals.
- b) Stressing national ownership and national leadership of the track of work to achieve the MDGs.
- c) Criticizing the ready-made and standard recipe for all countries (one size fits all) and stressing the need to adapt MDGs nationally by the parties concerned through a joint dialogue between them.
- d) Integrating the MDGs as part of national planning and national policies and not making the achievement of the MDGs an additional track independent and in parallel with national tracks.

The key principles in properly dealing with the MDGs are unity and correlation of goals, national ownership and leadership and national adaptation of goals. These principles, if adhered to, will lead to the integration of the MDGs into the national planning process in a natural way and will facilitate the mobilization of national resources in order to achieve these goals through the ordinary budgets of the Government and the concerned ministries, considering that nationally adapted MDGs are a basic element of the national development strategies as well as through the development of human, institutional and financial resources of all national development partners.

This comparison becomes a mandatory requirement for countries that have achieved average or high development levels, as in the case of Bahrain and where the globally quantifiable levels of achievement are below national goals. As such, Bahrain and other similar countries should formulate their own strategies to deal with the MDGs, which can include three elements:

- i. First Element: Ensuring that the basic services and rights provided for in the MDGs are for all, without exception. The reason is that some categories remain excluded due to special circumstances, even in the most advanced countries. In this case, these categories should be given priority for inclusion in the services of the system through complementary procedures and effective special interventions (an example on this is the social security networks and similar measures).
- ii. Second Element: Identifying some areas and targets in which there is no achievement of the same level as for other targets. In the case of Bahrain, for example, achieving Goal Seven requires making more efforts; this also applies to the full achievement of Goal Three.
- iii. Third Element: Making an adaptation that leads either to raising the quantitative achievement ceilings to higher levels than the globally required levels. or looking at quantitative dimensions in the issue presented in case the quantifiable indicators are achieved (quality of education, for example). or adding new quantifiable goals which suit the circumstances of the country and which are consistent with the national development plans.



On the other hand, adhering to the principle of integrity of the MDGs and the correlation between the MDGs also distinguishes them from sectoral policies, because each competent government agency has its own sectoral policies and plans (in education, health, energy, etc.) which are necessarily wider and more comprehensive than the MDGs. The same applies to the specific global programs for women, children, employment or human rights, etc. But the added value for the MDGs, particularly in their proper use on a national level, is in achieving connectivity between a set or priorities in the main areas of the lives of human beings and societies, so that as a result of the integration of efforts a noticeable improvement in the life of the underprivileged categories of the society is achieved. This background should be present when using the MDGs Framework in international intervention and in planning on a national or sub-national level in the course of reviewing the individual goals separately, without ignoring their connectivity with the other goals and with the final objective of the MDGs and the national development track.

In the following pages, we will review the realized achievements, some good practices, and the future challenges and trends in each of the areas and goals connected to that area from the perspective of national specifics and priorities.



Eradicate Extreme Poverty and Hunger

National adaptation to the First Goal and future policies will give priority to shifting the focus of attention from the existence of extreme poverty and hunger, which are limited, to the improvement of standards of living of the lower income groups, reducing social disparity, and improving employment policies and working conditions on a regular basis.

The First Goal of the MDGs is the eradication of extreme poverty and hunger. It includes three quantifiable targets: the reduction of the proportion of people living in extreme poverty by half, achieving full and productive employment, and reducing by half the proportion of people who suffer from hunger. With respect to poverty, the indicators related to the quantifiable target include absolute poverty and social disparity (the indicator for the share of the poorest quintile in national consumption). In other words, the international drafting of the First Goal includes four dimensions: extreme poverty, hunger, inequality, and improved employment conditions.

As far as the Kingdom of Bahrain is concerned, the situation can be summarized as follows:

The required achievement for the reduction of extreme poverty and hunger is either complete or not applicable to Bahrain. The international measure of the poverty line (proportion of people living on less than \$1 a day) is not applicable because the proportion is equal to zero (nil) in Reduce by half the case of Bahrain. On the other hand, the MDGs framework demands that the concerned countries use national poverty lines (and not the international measure) to monitor progress for this quantifiable target. Even in this case, there has been no officially adopted national poverty a day between line for Bahrain to date, and the attempts made in the past that are closest to identifying the low standard of living categorieswere estimated at 11% in the First MDGs Report in 2003. This is not an estimate of the proportion of the population living in extreme poverty, as intended in the Millennium Goals. In general, extreme poverty (according to the prevailing standards) is not an existing phenomenon in Bahrain for many reasons, the most important of which are as follows:

on less than \$1 a day between





• For the vulnerable categories, Bahrain adopts a multi-faceted social assistance scheme (advanced social security network) that includes direct financial assistance to families whose income is less than BD 337 (US\$ 894) for a family of five members. The system also Reduce by half includes granting assistances to several social categories, some of which are based on the proportion economic or social criteria. This, in turn, broadens the base of beneficiaries.

On this basis, we can safely say that in Bahrain there is no such problem as people living in extreme poverty, and the same applies to hunger, as such a problem does not actually exist. The globally adopted indicators are not applicable, neither for the proportion of the population who do not receive an adequate amount of calories, nor for underweight





















children (which the Bahraini national team believes should be transferred to the Sixth Goal related to health, because it is more directly related to health, dietary habits and health awareness than to poverty and social conditions).

Reduce by half the proportion of people who suffer from hunger (1990-2015) Achieve full and productive employment and decent work for all, including women and young people

As to the goal of achieving full and productive employment and decent work for all, including women and young people, employment remains important to Bahrain, with features related to the structure of the labor market in most Gulf states. In this respect, the unemployment rate in Bahrain (according to the Ministry of Labor's unemployment and seeking employment records) is less than 4%, which is low (officials in the Bahraini Government find this percentage to be more accurate than that provided by field surveys, due to the prevailing attitude to work, unemployment and the attraction to stable employment in the public sector). The Government of Bahrain has adopted an active employment policy that has designed and implemented a number of national projects for this purpose, the most prominent of which are the National Employment Scheme (2006) and the current Unemployment Insurance Scheme which is still underway (referred to later as a good practice).

Effective measures have been taken in this respect, with the number of people entitled to unemployment assistance reaching 1,930 by the end of October 2009, incluing

1.274 women.

However, employment issues remain among the major priorities for Bahrain. In general, a continuous and steady improvement was recorded in wages (as one of the components of decent work), with the average (monthly, quarterly?) wages for Bahrainis increasing gradually from BD 424 (US\$1,125) in the second quarter of 2002 to BD 643 (US\$ 1,705) in the second quarter of 2009, and then to BD 683 (US\$ 1,811) in the second quarter of 2010. At the same time, the number of Bahrainis receiving low salaries (less than BD 200) dropped from 47.1% in 1999 to 10.3% in the second quarter of 2010.

On the other hand, measures taken to reduce the wage gap between Bahrainis and expatriate workers have not been effective, which is one of the main objectives of the labor market reform strategy. This gap has gradually grown wider, reaching BD 235 in the second quarter of 2010, with no actual increase recorded in the average wages of expatriates for at least the past two years. A contributing factor was the drop in demand for expatriate workers following the global financial crisis, and as the Government maintained its policy of increasing the wages of Bahrainis, the gap between the two categories of workers in Bahrain widened even more (doesn't make sense; it seems that the gap should be getting narrower?).

In summary, the Government will shift its focus from issues like poverty and hunger to improving the tools for measuring social conditions, whether by calculating the relative poverty lines or by preparing a guide for living conditions or a welfare guide that would be more appropriate for implementing Government social policies This will always be in conjunction with improving the effectiveness of the social assistance scheme and security networks and verifying the criteria of selection of the beneficiaries. All the foregoing are to be considered within a comprehensive national strategy for social development in the Kingdom.



Unemployment Insurance Scheme

The Kingdom of Bahrain launched the Unemployment Insurance Scheme by Law No. 78 on 22 November 2006 as a new element of the social security safety net in the Kingdom. The scheme includes two types of assistance: the first is unemployment subsidies for first time job seekers, and is for Bahraini nationals, and the second scheme is unemployment compensation which includes Bahraini and non-Bahraini workers who are working under formal employment contracts in the Kingdom.

The scheme is funded by monthly contributions of 3% of the wages of the concerned worker, paid equally by the three parties: the employee (1%), the employer (1%) and the Government (1%). The amount is deposited in a special fund from which subsidies and compensations are paid to beneficiaries.

Regarding the unemployment subsidy for Bahraini first-time job seekers, which also benefits dismissed workers entitled to unemployment compensation but who have joined the scheme for less than 12 months, the subsidiary value has been fixed at BD 150 a month for university graduates and BD 120 a month for others, paid for a maximum of six months.

While in the case of the unemployment compensation, the condition for entitlement is that participation by the insured in the scheme should not be less than 12 months, and that he/she should not have left work voluntarily or been dismissed for disciplinary reasons. In this case, the beneficiary is paid 60% of the average monthly wage of the past year, provided that it is not less than BD 150 and not more than BD 500, for a maximum period of six months

One of the distinguishing features of this scheme, which is the first of its kind in the region, is that it covers non-Bahraini workers as part of a range of labor market reforms. These also include freedom of movement for expatriates, and other measures aiming at improving the working conditions of expatriate workers and reducing the gap between the cost of expatriate workers and that of national workers as part of the Bahrainization strategy.

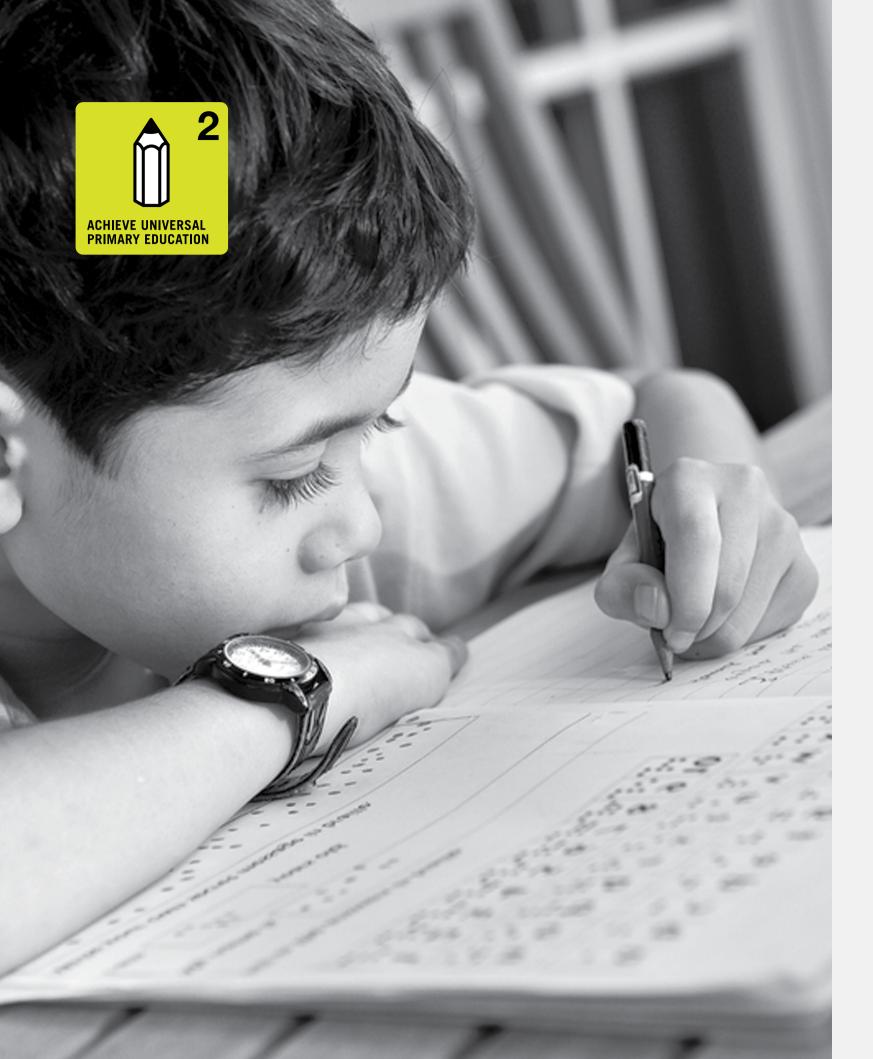
On the other hand, the scheme is designed in a way that limits the possibility of those unwilling to work to abuse the scheme and to benefit from it in ways other than what it was intended for. The insurance scheme is linked to a network of integrated institutions and procedures that ensure the training and qualification of those in need of them, a databank with information on job vacancies in the labor market, and a measure whereby specific job opportunities are offered to those registered in it. Unemployed workers forfeit their right to benefit from the subsidy or compensation if they refuse to participate in training, or if they turn down job opportunities they are offered two successive times, the scheme also employs a strong and effective follow-upsystem..

After a modest start in August 2008, the total number of beneficiaries from the Unemployment Insurance Scheme was 281 in October 2009 (197 males and 84 females). The subsidy beneficiaries began with a high number which reached a peak figure in March 2008, when the number of those registered was 9,566, falling to 1,930 beneficiaries in October 2009 (656 males and 1,274 females). The reason for this drop is improvement in the control and verification measures of the conditions of entitlement, in addition to the successful measures of employment in the public and private sectors accommodating those registered under the scheme.

The Government of Bahrain believes that the scheme is an additional method to ensure the stability of the labor market and to deal with some of the repercussions of the global financial and economic crisis, limiting its adverse consequences for Bahraini and expatriate workers, thus contributing to the realization of the First Goal of the MDGs with respect to achieving full and productive employment and nearing the requirements of decent work

This scheme was designed in conjunction with the International Labor Organization and was praised by the ILO and other UN Organizations as a best practice in the region that was serious and effective in its application. It is currently under review for improvement.





Achieve universal primary education

The level of achievement according to the set global targets for the Second Goal were accomplished years ago. Adapting the Second Goal of the MDGs to Bahrain's specific needs and according to its strategic development and educational strategies has been achieved through maintaining the high standard of indicators and focusing on the qualitative dimensions of the educational process.

The Second Goal provides for ensuring that all children are enrolled in schools and complete primary schooling is the aim of the Second Goal. It also includes an indicator for the literacy rate among young people.

Education in the Kingdom of Bahrain is compulsory. Children enroll at either public or private schools when they reach school age. The Ministry of Education provides free education for all Bahraini and non-Bahraini students (males and females) studying at public schools for the three stages of education (primary, intermediate and secondary), providing them with the necessary textbooks at the beginning of each academic year free of charge. There are special institutions to educate people with special needs, equipped with all the necessary amenities and facilities.

The Second Goal of the MDGs in Bahrain has been achieved since 2000 thus, further measurement of the level of progress in the field of education is not applicable.

99.7	Literacy rate of 15-24 yer old
99.0	Population of pupil starting grade 1 who reach last grade of primary education
99.0	Net enrolment ratio in primary education

By 2015, ensure the enrolment of all the children in the world, both males and females, in primary education and completing a full course of primary schooling

For higher education, the net enrolment in the intermediate stage is 88.3% and is 89% in the secondary stage.

On this basis, adapting the Second Goal of the MDGs according to the specifics of Bahrain and its development and educational strategies includes the following:

- Maintaining high standard indicators to tackle school drop-outs and complete primary and basic education according to national goals.
- Focusing on the qualitative dimensions of the educational process which become a priority in the countries that have achieved the quantitative goals (i.e. full enrollment) related to education.

In this context, Bahrain has launched a comprehensive reform of the educational system, the ultimate objectives of which are to improve the quality of education through raising the internal and external level of efficiency of the educational system to global standards, ensuring higher compatibility between the educational outputs and the requirements of a competitive national, regional and global labor markets, upgrading and modernizing curricula particularly in the fields of science and technology, increasing the use of information and communication technologies in the educational process itself, focusing on high skills, and developing technical education and vocational training through relevant institutions whose aims are organically linked to the requirements of the public and private sectors. The reform process includes the comprehensive development of the intermediate stage (being the third and last link in the basic education) to improve its outputs. An integrated









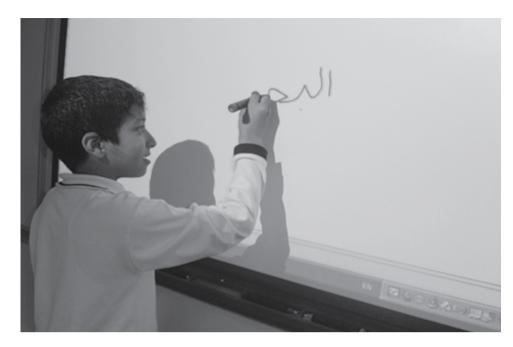












plan was designed to improve the performance of students enrolled in the intermediate stage as part of the Ministry of Education's efforts to achieve its objectives.

Although the level of achievement for the literacy rate among young people has been reached, the Kingdom of Bahrain endeavors to maintain this level for all sectors of society. The Ninth Article of Education Law No. 27 for 2005 stipulates that the eradication of illiteracy and adult education is a national responsibility which aims at improving the cultural, social, and occupational levels of all citizens. The Kingdom of Bahrain continues its qualitative achievements at this level by implementing the plans necessary to eradicate illiteracy, as

confirmed by competent international organizations and institutions. The Ministry of Education adopted the slogan "Lifelong Education and Learning" which is the same as that adopted by UNESCO.

With the change in the concept of illiteracy or the criteria by which an illiterate person is identified, the Ministry of Education was quick to develop and change its educational programmes and projects according to the developments that have taken place over the past years in this field. As the vast majority of the public achieved alphabetical literacy, the Ministry began to intensify its efforts to eradicate cultural illiteracy, defined as being isolated from modern development and technological progress, and lacking in knowledge of the issues and requirements of modern life.

As a result, the Kingdom of Bahrain has witnessed a remarkable fall in the rate of adult illiteracy (15-44 years) which, according to the last Education for All 2010 Report issued by UNESCO, stood at 2.46%, which is lower than what it was in the 2001 census, 2.7%.

The Kingdom seeks to further reduce the percentage of illiteracy by 50% by 2015, through the implementation of continuous education programs which include:

- The project for a new methodology to build literacy for females.
- The computer literacy project.
- The eradication of alphabetical illiteracy project for the mothers of school pupils.
- The project to develop teaching methods for the eradication of illiteracy.
- The proper reading of the Holy Koran project for the eradication of illiteracy.
- Arabic language programme for non-Arabic speakers.

The intention to improve the quality of education according to global standards correlates with the need for emphasis on certain basic aspects that are in line with the MDGs. Fundamentally, this ensures that everyone, without exception, gets his or her right to knowledge and a basic education (as a legally binding minimum). Accordingly, emphasis is now being put on certain groups that are more susceptible to dropping out of or not enrolling in school. There is no gender discrimination in education, yet there are special policies and measures taken by the Government to ensure that education is provided to all persons with disabilities who are often more susceptible to dropping out of the educational system. In this regard, the Directorate of Special Education of the Ministry of Education undertakes the task of identifying persons with disabilities at schools and supervises the students with special needs at public schools and those studying at private institutions abroad. The Ministry has also implemented at pilot schools an experiment to integrate students with disabilities into mainstream classes, so that they are not isolated from their environment and community. On the other hand, Bahrain is using a system of close follow-up of cases of non-enrolment in or drop-outs from basic education in order to ensure an actual coverage of 100%, including individual follow-up of certain cases, and taking legal measures against violating parents. This is a unique initiative that is worthy of mention.



Individual Follow-up of Students Dropping out of Basic Education

Despite the advances in education coverage in the Kingdom of Bahrain and the focus on improving the quality of education at all levels, this does not preclude the need for the serious follow-up of the basic indicators to ensure that everyone is actually and fully enrolled in basic education and to reduce the cases of drop outs to the minimum.

The Constitution of the Kingdom of Bahrain stipulates under Article 7 that the "State guarantees educational and cultural services to its citizens, and that education is compulsory and free in the early stages as specified and provided by law." The Education Law stipulates under Article 6 that basic education is the right of children who are six years of age at the beginning of the academic year. The right is guaranteed by the Kingdom, and parents are obligated to adhere to it for a minimum of nine academic years.

In implementation of this Law, the Kingdom provides free education for all until the secondary stage (6-18 years). The Ministry of Education also set up an organizational unit at the Ministry in 2005 to follow-up the implementation of this commitment. The Unit monitors and records cases of non-enrolment of pupils in primary education at the compulsory age (6-16 year old) and takes the necessary measures to ensure enrolment of those who drop out from schools from this age group, including filing lawsuits against those who deprive children of this right.

The services provided by the Education Compulsion Section at the Ministry has benefited a total of 42 students in the primary stage and 7 students in the intermediate stage, as shown in the table below:

		mber of C e Primary		Number of Cases in the Intermediate Stage				
Measures taken by the Section		Girl	Both sex s and Girls	Boy s	Girls	Both sex s and Girls		
	24	18	42			7		
Students returned to their schools Students transferred to the Directorate		17 cases		_				
of Continuous Education Students transferred to the Child Protection		4 cases		3 cases				
Center Students followed-up for the current		5 cases		_				
academic year Students verified to have actually enrolled at		12 cases			4 cases			
schools outside Bahrain		4 cases			_			

This indicates the level of Bahrain's commitment to achieving basic education through comprehensive policies and legal measures, as well as through the close follow-up of individual cases to make basic primary education a reality for all without exception. It also shows that the emphasis on the quality of education and on quantitative issues (i.e. full enrollment) should not lead to overlooking basics and axioms.



26



Goal: 3 Promote Gender Equality And Empower Women

Bahrain has succeeded in reducing the human development gap between men and women, for the value of the human development index is equal to the value of the gender-sensitive human development index. Since 2000 the Kingdom has achieved gender equality in all stages of education. In fact, women are more than twice the number of men at the university level. At the same time, there is recorded progress in economic and political participation by women amid a strong and supporting environment to achieve the remaining targets in this goal.

This Goal is related to the promotion of gender equality and women empowerment. Although the only quantifiable target it contains provides for equality in educational opportunities between women and men at all educational levels, yet the three indicators selected to measure progress cover the area of equality in education, job opportunities, and political (i.e. parliamentary) representation.

As for Bahrain, equality in education is the only indicator in this goal that has been achieved since 1996, as the female-male ratio is 1.00% in basic education, 1.04% in secondary education, and 0.50% in technical education. However, the level of progress in the indicators related to economic and political participation for women stand at 17% and 25% respectively, and are still below the required levels.

The achievement of gender equality in education came as a result of strategies to provide opportunities for continuous learning in all female age groups and in all social and economic situations. These plans were launched as part of the national strategy for the empowerment and development of Bahraini women. This was in addition to the launch in 2009 of the economic vision for the Kingdom of Bahrain till 2030 and includes the development of education for both genders as part of the national scheme for developing education and training.

Of course there are some qualitative issues related to education. For example, there are certain cultural and social factors which prevent a natural equality between women and men in certain educational specializations, as well as with respect to scholarships and studying abroad. These issues are part of the framework for educational development and women development policies in the Kingdom.

On the other hand, there are no goals quantitatively specified and time-bound in the area of women participation in economic activities. However, although the National Strategy for the Development of Bahraini Women includes a strong economic element, there are still some difficulties frustrating the achievement of this goal, some of which are concerned with the nature of the labor market in Bahrain, where the real estate sector and expatriate labor constitute the major share of actual job opportunities. However, the Government is following an active employment policy, particularly for university graduates.

On the other hand, the ratio of women in senior management positions is remarkably less than men, and this is reflected in the average wages for women in Bahrain, which are 60.5% (2008) of those for men, despite the



















absence of any statutory provision that discriminates in wages.

Finally, in the area of political participation, parliamentary representation in the House of Representatives is still low at 2.5%, while females in the appointed Shura (Consultative) Council fare better, standing at 25% in 2008, as well as in some administrative positions and high public offices.

These facts show that the problem does not lie in the political will, which supports, champions and advocates women participation, but in social relations and in the prevailing culture. This indicates that there are other areas more sensitive to and complex regarding the status of women, those related to society and culture, which are not included in the MDGs.

Nevertheless, these issues are the subject of attention by the Supreme Council for Women and the National Strategy for the Development of Bahraini Women. It is also the concern of the Government and the civil society at the same time. In this context, the position of women in the actual and legal system of family relations is given special importance. The issue of family violence is considered one aspect in the strategy for the development of Bahraini women. In addition, the issue of amending the Personal Status Law is still a subject of controversy between different parties. These issues, as well as others, are areas with which the national adaptation of the Third Goal of the MDGs can deal in the future.

The aspects of the National Strategy for the Development of Women are suitable indicators so that the national adaptation of the MDGs can be consistent with their content. These aspects are the following seven:

- 1. Decision making
- 2. Economic empowerment
- 3. Family
- 4. Civil society
- 5. Education and training
- 6. Health
- 7. Environment

These issues will influence the subsequent design of a national program to achieve the MDGs over the next five years and to prepare the adapted national report.

Making progress in the area of gender equality and women empowerment in Bahrain is of high importance and demonstrates that the Kingdom has exceeded itself in the region, particularly in the GCC. In view of the common cultural and social characteristics of the GCC countries, and in particular the similar customs and traditions in various areas, especially family relations and the status of women, any progress achieved in Bahrain gains more importance in the area of empowering women economically and politically and expanding their participation in public life, now that all GCC countries have succeeded in achieving equality in education in which the balance is now tipped in favor of women at the university level. Bahrain's accomplishments are a real example to neighboring countries.



Tangible Progress in the Empowerment of Women

The success in the empowerment of women differs from other development goals in view of the sensitive qualitative nature of the status of women and their position in society and in the development process. This is because the obstacles facing the achievement of the Third Goal of the MDGs do not arise from one dimension of the development process, or from one party in it, but from the entire fabric of social and economic relations and institutional mechanisms which make the achievement of the goals of equality, elimination of discrimination, and empowerment more complex.

The aspects of success in the Bahraini experiment in this context arises from a set of interrelated elements, the most important of which are as follows:

- The clear political will on the highest levels to empower women and reduce the gap between the two genders at different levels. This is manifested in institutional and legislative measures, the most important of which is the establishment of the Supreme Council for Women and the role assigned to it, as well as the influence it has within government and private organizations equally.
- The continuity and progression of the steps and interventions to achieve the goals, where there is no disruption or retreat in the policies and programs in this field, producing positive results beyond individual and isolated interventions.
- The National Plan for the Development of Women, and the work programs, and projects arising from it cover various areas and levels, as is evident from the seven pillars of the plan and from the national commitment to follow-up all the seven axes of the Beijing Platform of Action without exception, including critical issues such as violence against women, political participation, etc.

These continued efforts have yielded positive results on more than one level, influencing the status of Bahrain in the global measures of Human Development Indexes. The Human Development Report issued by the UNDP for 2009 shows that the value of the HDI and the GDI are equal (0.895%), which means that there is no development gap between women and men with respect to the elements of the HDI. Bahrain is one of the very few countries in the world where the two indexes are equal.

On a national level, Bahrain has succeeded in eliminating the gap between men and women in the health and educational fields, and has made significant progress in reducing it in the economic field. However, elements of success are represented also in not neglecting or overlooking other more critical issues, particularly in the legislative and family areas.

Over the past few years, a number of laws and legislative decrees have been issued to deal with legal loopholes that discriminate against women, like amending the Shari'a procedures to facilitate litigation in family issues, setting up an alimony fund, and amending the Immigration Law to allow married women to obtain passports for their children without their husbands' prior consent (2005). This is in addition to paying a social allowance to women working in the government sector, extending the maternity leave, granting citizenship to the children of Bahraini women married to foreigners, and guaranteeing the right of divorced women who have custody of children to benefit from housing services (2007).

As regards violence against women, the wall of silence over this issue has been broken, and this has become one of the aspects of work for the Supreme Council for Women and a number of Government (Ministry of Social Development) and non-government agencies. Also, centers have been set up to receive complains and to provide shelter for abused women in more than one area of Bahrain. These centers have adjudicated dozens of cases of family violence against women and children. It should also be noted that there are special centers for considering cases of violence and human trafficking among non-Bahraini domestic workers employed in the Kingdom.





Reduce Child Mortality

Goal: 5

Improve Maternal Health

Goal: 6

Combat HIV/AIDS, Malaria,

and other Diseases

The required levels of achievement for MDGs indicators in the health sector are on track in terms of child mortality and immunization, maternal mortality and providing health care for mothers, as well as in terms of malaria and tuberculosis, while the AIDS issue remains the focus of attention and follow-up despite the limited number of cases in Bahrain.

The framework of the MDGs includes three general goals related to health, which includes children health, material health and combating AIDS, malaria and other diseases. In most cases, each goal is dealt with separately and independently from the other two goals. However, the final draft of the document to be issued by the September 2010 Summit took notice of the deficiency of this comparison, and presented the progress achieved in the Fourth, Fifth and Sixth goals as part of a joint section on health and presented the individual goals with a set of recommendations related to the public health system and then presented the indicators for each goal separately. This comparison is suitable for Bahrain, and is the one adopted in this brief report.

Primary health care in the Kingdom of Bahrain is considered the cornerstone of health care. The Ministry provides these services through 22 health centers which provide a set of preventive services that include all services available to mothers and children during pregnancy and post-natal. This is in addition to the regular examination of children and providing the necessary immunizations to them. Health centers also provide family planning services, like pre-marital tests and ultrasound examinations for pregnant women.

The wise policy of His Majesty the King meets the health care needs of the citizens, which is clearly manifested in His Majesty's directives to build King Hamad General Teaching Hospital in the Muharraq Governorate. The hospital will provide all basic medical specialties, like gynecology and obstetrics, pediatrics, neonatal intensive care, high intensive care, ophthalmology, ear, nose and throat, internal medicine and surgery supported by therapeutic services like physiotherapy, occupational therapy and rehabilitation, and outpatient clinics services, in addition to accidents and emergency services. The Hospital will be equipped with 312 beds, and will serve as a scientific monument for training medical students equipped with a classroom that can seat 200 people. This will become an important landmark for Bahrain built with high and distinguished global specifications, from which generations of Bahraini doctors will graduate with the highest standards of training.

The data available about the health situation in Bahrain shows that the level of required achievements for the MDGs in the health sector are on track, whether in relation to child mortality and immunization, maternal mortality and providing maternal health care, or with respect to malaria and tuberculosis.

Regarding AIDS, statistics provided by the National AIDS Committee formed by Council of Ministers Edict No. 8 of February 2005, show that the total number of HIV carriers among Bahrainis since 1986, when the first case was discovered, until the year 2008, totaled 343 cases (as shown in the following table). Despite the limited number of cases in Bahrain, yet AIDS remains the focus of attention and follow-up by the Government of Bahrain.







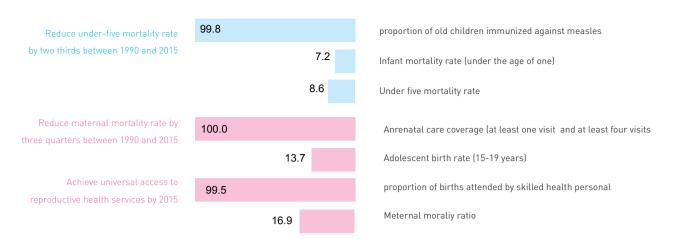












Number of HIV

	1990		1995		2000		2006		2007		2008	
	Alive	Dead										
HIV Carries	32	23	45	35	61	43	112	50	111	54	129	54
AIDS patients	2	51	4	76	13	96	29	105	47	107	43	117
Total	34	74	49	111	74	139	141	155	158	161	172	171
Grand Total	10	08	16	60	21	13	29	96	3	19	34	43

As for malaria, not a single death has been recorded in Bahrain since 1995. All recorded cases were among expatriates, are discovered during the medical examination conducted immediately on arrival to the country, and the adopted policy in this case is to deport them. There has been no risk of malaria transmission locally since 1980, and the Government is regularly and vigilantly watching possible mosquito breeding places.

Regarding tuberculosis, the death rate due to this disease has dropped by more than two thirds between 1996 and 2006, from 1.5 cases per 100,000 of the population to 0.3 cases. All cases discovered were given proper treatment at 100% as of 1999.

It should be noted in this respect there is a common reason for the progress made in terms of the three goals, which lies in the characteristics and effectiveness of the public health system in Bahrain. The Government of Bahrain provides health care, including convalescence, for all residents at no cost, regarding it as one of the rights guaranteed by the Constitution of Bahrain. In addition, expatriate workers have health care coverage under their contracts of employment.

The government health sector receives a high degre of satisfaction of citizens, and this is reflected in the high percentage of public health services use by 80% of the population for maternal and child health care. It is also reflected in the bed occupancy tare at government hospitals compared to the private sector. It is an indicator of the good quality of government health services.

The health system in Bahrain is characterized by the extensive use of technology, whether in monitoring or in follow-up (which will be cited as a successful experiment in health) or in terms of equipment at hospitals and health centers. Even though, there are some weak points that require attention, the first being that the success of the health system is a success in its preventive dimension in the first place, before moving to the remedial dimension. In this respect, the preventive and behavioral side related to lifestyle, nutrition, practice of sports, smoking, etc. still need tangible improvement in the Kingdom. These issues are more consistent with the nature of the health condition, where the importance of communicable diseases has retreated in favor of non-communicable diseases related to lifestyle. This is manifested in the increasing rates of cardiac diseases, coronary diseases, and diabetes (13.5%), obesity and overweight (69% in the 20-64 age group), and cancer, etc. Also, special attention should be paid to certain hereditary diseases which are relatively spread in the Kingdom, such as the sickle cell disease (which primarily responsible for some cases of maternal mortality among the few that have occurred in recent years).

Bahrain succeeded in developing an effective monitoring and follow-up system through the network of health centers around the country,

as wel as through a series of legislations, programs and procedures that help improve the health condition, such as the mandatory testing before marriage, health care problems for people with disabilities, antenatal care programs, immunization programs, early diagnosis of pediatric diseases, etc.

The level of development in Bahrain, the high education rate of the population, the relative abundance of resources and the limited size of the country and the population, as well as the Government's commitment to giving priority to health have all contributed to increasing the efficiency of the health system and to reaching advanced levels in the basic health indicators which are on par with other advanced nations, if not indeed ahead of them sometimes. However, this does not rule out the need for a timely and effective monitoring, followup and intervention mechanism to fill any loopholes or to deal with any external (such as the global financial crisis), internal financial (pressures on the general budget) or behavioral shocks, which would cause a slight drop in health indicators. Bahrain efficiently uses the Information and Communication Technology (ITC) to follow-up health indicators and intervene, even on the individual level, to ensure full coverage of certain basic services, as we will see in the experiment below.



Automation in the Service of Health

The Ministry of Health has paid due attention to employing Information Technology to suit its strategies, particularly in the field of prevention and primary health care. The main idea is based on building an interconnected system of information to serve health services and provide electronic health services by linking all hospitals, health centers and clinics of the Ministry of Health through an integrated central health system and provide programs that care for patients and citizens' affairs.

One of the most prominent applications in this respect is the project to test expatriate workers to prevent the spread of imported diseases and the use of the information system in generalizing the immunization of children and following-up on their vaccination in a timely manner. Both schemes are strongly connected to the Fourth, Fifth and Sixth MDGs related to health.

The scheme of testing expatriate workers is implemented by subjecting all immigrant workers to a compulsory health check before they arrive in the country and at all entry points. It aims at monitoring the cases of communicable disease in particular, in addition to determining the fitness and suitability of workers to the duties for which they have been recruited. The system was implemented in mid 2006 in cooperation with the Ministry of Health and the Economic Development Board and the LMRA. Through this co-operation the databases of the three authorities have been linked together to implement the scheme.

Towards this end, a list of medical tests have been drawn up for each category of immigrant workers to suit their type of work and the potential risks of such diseases that they may contract or transmit. The medical testing system has been linked with the system used by the LMRA, in order to expedite and facilitate the setting appointments for medical test for the worker upon arrival at Bahrain International Airport. In addition, electronic applications have been made to ensure confidentiality, security and the timely recording and retrieval of the information pertaining to the medical tests as needed.

As to the immunization of children, it is based on the effective and simple use of data from different sources in order to ensure the full immunization of children from the age of two months until they are one year old and ensure that they are given all the immunizations they need.

This is all carried out by linking the data of health centers, maternity centers, hospitals and the Central Informatics Organization (CIO) by following-up all the steps right from the birth of the child until he gets all immunizations. Simply put, this is done as follows:

- A pregnant woman receives health care at her local health center, where a health file is kept for her and all ordinary health services available at the centre are provided to her with the likely transfer to specialized centers or hospitals, if needed.
- When the time comes, birth takes place at the hospital or at the maternity center. The birth details related to the newborn and his family are recorded, including the date of birth, the health condition of the infant, and the family residential address. This information is communicated to the CIO, which in turn adds it to its database.
- Shortly after the birth, the family visits the CIO to register the infant and obtain registration certificates.
- The CIO notifies the local health center at the family's residential area of the birth, its date, and the appointment for the first health visit by the infant two months after birth.
- In case the family does not visit its local health center, and based on the information available to them, the concerned officials at the local health center contact the family to inquire about the delay and to remind it of the need to make the visit.
- In case of repeated absence, the health center sends a health worker to the family house to verify the situation and provide the immunization needed to the infant at home.
- In case the family changes its address, the concerned parties notify the new local health center of the information it needs to follow up the condition of the child at the new location.

All this process is automated, and it is done automatically. It means ensuring that health follow-up covers children and provides 100% immunization against fatal diseases.

4



Ensure Environmental Sustainability

The environmental challenges facing Bahrain are enormous, making them a priority for both the government and civil society. Bahrain's experiment in this field involves successful practices in specific areas, but there are also major challenges and difficulties in other areas, in view of Bahrain's limited size and the fragility of the natural environmental in the face of climate changes. Ensuring environmental sustainability is, without doubt, one of the most pressing priorities for the Kingdom.

Environmental sustainability and good governance of natural resources, as well as revisiting people's dealing with these issues, constitute a universal challenge for the entire peoples of the world and their governments, both developed and less developed, and those living in extreme conditions at the same time. This applies to Bahrain, where the achievement of this goal faces substantive difficulties that may make its full achievement by the fixed target date of 2015 uncertain.

The Seventh Goal includes four quantifiable targets, two of which have a direct environmental nature, namely the first quantifiable target related to the integration of the principles of sustainable development into regional policies and programmes and reversing loss of environmental resources, the second related to the reduction of biodiversity loss, which is a new quantifiable target added to the MDG Framework in the 2008 amendment. The third and fourth quantifiable targets have an environmentally and socially complex nature, and they are related to providing access to safe drinking water and basic sanitation, as well as improving the living conditions of slum dwellers.

As far as Bahrain is concerned, the third and fourth goals were achieved many years ago. The proportion of the people living in houses connected to safe drinking water and basic sanitation networks is 100% of the population, while there is no actual problem defined as "slums" with its entailed environmental and national dimensions. Rather, there is a housing problem, whether in terms of the highly congested areas for lower income categories, or with respect to the constant demand for housing, which far exceeds supply. These are not problems that are included within the scope of the Seventh Goal in the literal sense.

As to the first and second quantifiable targets, the overall assessment indicates points of improvement that are manifested in the progress achieved in certain indicators. But the environmental problem, as expressed in the proposed indicators, or by being a structural problem in Bahrain, requires enormous efforts to find proper solutions for, including adaptation and acclimatization, particularly in view of the aggravating problem of climate change and its impact.

As regards the essence of the problem, Bahrain is facing both internal and external pressures on its environment from different sources, the most important of which are the following:

• Bahrain is a small island, with an area of around 758 square kilometers (2008), in which around 1.1 mil-



















lion people live (2008). This means that the population density in Bahrain is about 1,500 persons per square kilometer, one of the highest in the world. Moreover, this population density constitutes a pressure on the limited natural resources and on the various utilities and services. Bahrain's limited size and being an island state make it unable to accommodate any increase in population as easily as a big country with a large land mass.

- Bahrain's topography is flat and low, and it is therefore vulnerable to the danger of large areas being submerged if the sea level rises due to climatic change. Studies have shown that a rise in sea level by one meter (which is highly probable during the next 100 years) will flood a large portion of Bahrain, leading to a rise in the salinity levels of underground water. That is why climatic change and its impact represent a major challenge for Bahrain.
- The economic growth pattern over the past few decades, represented in real estate expansion at the expense of all types of arable and non-arable land, at the expense of the sea (reclamation) and fisheries, all contribute to the main pressures on natural resources, which are made more acute by the limited size of the Kingdom as previously mentioned.
- The other economic sectors (industry in particular) and the increasing number of motor vehicles owned by residents and expatriates, which crowd the limited areas of the country, also contribute to air pollution.

For all these reasons, the environmental challenges facing Bahrain are colossal, and this makes them one of the priorities for the Government, as well as for civil society. However, Bahrain's experience in this field includes some successful practices in specific fields as well as other less successful ones. The national strategies and government policies have not succeeded in controlling economic activities, particularly real estate activities, major construction projects and sea reclamation within a manageable and sustainable level consistent with Bahrain's environmental capacity.

There are also other problems involving water management, for although connectivity to sanitation networks covers the whole country, there is a problem involving the quality of water and salinity levels, as well as treatment of sewage water and recycling it for local uses.

On the other hand, there are successful experiments particularly in taking various precautions against the potential rise in sea level in the future, by imposing more stringent conditions on reclamation and on projects overlooking the sea. Certain heights have been assigned to each zone, which are in line with the projections. Furthermore, there are other successful experiments in the treatment of chemical waste and hospital waste (which will follow as a successful experiment)



Safe disposal of medical waste

Medical waste is considered hazardous waste, because it contains a mixture of wastes contaminated with communicable diseases, chemical and laboratory waste, or clinical materials. The implementation of safe management for this type of waste is considered a dire necessity, beginning with the segregation of medical waste inside medical facilities, which will lead to the decrease in the volume of waste that requires special treatment with the eventual reduction in the cost of treatment or disposal.

The Environmental Control Directorate has conducted a survey that included 5 hospitals, 15 health centers and a number of private clinics for the purpose of assessing the system used in managing medical waste and estimating the volume of such waste for the Kingdom. The study showed that most medical incinerators do not meet the environmental standards and conditions, and this has prompted quick intervention and treatment.

Statistics show that health care waste (medical waste) is increasing at an alarming rate of 5% per year. The quantities resulting from hospitals, health centers and medical clinics are estimated at 3.1 tons a day, or around 1,132 tons annually of solid clinical waste, according to a survey study conducted by the General Directorate of Environmental Protection.

Accordingly, the General Directorate of Environmental Protection issued Order No. (1) for 2001 on the management of toxic medical waste. The purpose of this order was to establish a control and monitoring system suitable for the production, storage, transportation, treatment and disposal of these types of wastes. It also aimed at encouraging and developing safe techniques for the treatment of this type of waste.

Co-operation with the Ministry of Health was evident in conducting assessment studies for the project to establish a unit for the treatment of toxic medical waste (medical incinerator) to replace the Salmaniya Central Incinerator by laying down technical and environmental specifications and standards. The new unit is a unit for an environmentally safe disposal and treatment of waste in accordance with global health and environmental specifications and standards. The incinerator was set up in Al Mazarra' (Southern Governorate) area with a capacity of 500 kilogrammes per hour. The unit is equipped with an advanced catalytic filter system for toxic gases emanating from incineration (Dioxins and Furans). The future capacity of the incinerator was taken into consideration when the project was carried out, in order to meet Bahrain's needs and requirements for disposing of this type of waste for at least the next 10 years. The new incinerator began operating officially on 4/22/2002.





Develop a global partnership for

The Kingdom of Bahrain is one of the leading countries in responding to the requirements of global economy, and this has reflected positively in its advanced ranking among Arab and other countries of the world in terms of the number of the economic indices used in the international classification. It has also achieved outstanding success in using Information and Communication Technology (ICT) in managing development and activating the e-Government.

The Eighth Goal concerning partnership for development deals primarily with global partnership and the mutual duties and obligations between countries, particularly the group of advanced industrial countries - donor countries and the developing countries. It also includes co-operation among developing countries themselves through different forms of co-operation and through south-south co-operation.

In addition to this dimension, the Eighth Goal also deals with the issue of pharmaceuticals within the framework of international relations, and the use of new technologies, particularly ICT.

This goal includes 6 quantifiable targets which comprise the general goal, four of which do not apply to Bahrain. They are the second quantifiable target which addresses the special needs of the least developed countries, the third, which addresses the special needs of landlocked developing countries and small island developing states, the fourth dealing comprehensively with the debt problems of developing countries by using national and international measures to make their debts sustainable in the long term, as well as the fifth target concerning co-operation with pharmaceutical companies to provide access to affordable drugs in developing countries. None of the preceeding apply to Bahrain.

This leaves two targets, namely to further develop an open, rule-based, predictable, non-discriminatory trading and financial system, and the second which is to co-operate with the private sector to make available the benefits of new technologies, especially information and communications.

As to the quantifiable targets, they are those which are specified globally concerning the use of IT, while other targets are of a qualitative nature in the first place.

Relationship with the Global Trade System

The Kingdom of Bahrain is keen to establish joint co-operation with sister and friendly countries in the financial and economic fields, by signing a number of bilateral and collective agreements which would provide the legal framework for these relations. These agreements include, but are not limited to, the agreements to encourage and protect investment, avoidance of double taxation, free trade agreements and memoranda of understanding (MOUs) for financial and economic co-operation.

In a national report about the MDGs, we can deal with this quantifiable target on three levels:



















- The obligations of the concerned country for interactive integration into the global economy;
- The regional obligations, which in the case of Bahrain, deal primarily with joining the Arab group and more specifically the GCC bloc;
- The global obligations towards Bahrain or the regional group it belongs to.

The current report, which is a brief report on the MDGs, will not deal with all these points, instead it will focus primarily on the national obligations, and will give indicators for the second level, provided that expansion will be part of the subsequent track for the preparation of the full national report on the nationally adapted MDGs.

In general, we can say that Bahrain is one of the most active countries in following the standards of integration into the global and regional economies and markets equally. In fact, most of the obligations expected from it on this level have already been achieved or nearly so..

As indicated above, Bahrain follows an ambitious open policy towards global markets. It has in this context signed a number of trade agreements, such as the Free Trade Agreement (FTA) with the United States, in addition to other trade and investment agreements with Malaysia, Singapore and the GCC countries. As a result of these agreements, the Kingdom's exports rose from BD 6,510 million in 2007 to BD 7,983 in 2008. However, due to the fluctuations in the world oil markets, the Kingdom's exports fell to BD 5,905 million in the year 2009.

As for imports, they rose from BD 4,747 million in 2007 to BD 6,119 million in 2008, only to fall to around BD 4,269 in 2009.

Saudi Arabia, other GCC countries, the USA, China, Germany and Japan are considered the main trading partners of the Kingdom of Bahrain.

In addition, the Common Gulf Market will mean faster and easier flow of Gulf commodities and labor, freedom of investment and ownership by the nationals and companies of the GCC countries. In fact, the Kingdom of Bahrain is adopting a leading role in implementing the GCC resolutions in this respect. It has amended the property ownership law to allow citizens and companies from the GCC countries to own property in Bahrain, and it has also allowed ownership of flats by foreigners.

Continuing in the same direction, in 2009, the Government of Bahrain alone signed 13 bilateral agreements and MOUs which became effective and are of an economic, financial and investment nature dealing with avoidance of double taxation and financial evasion, protection of investment, and economic and technical co-operation. These agreements were signed with 8 countries (Ireland, Uzbekistan, Austria, Bulgaria, France, Luxembourg, Belgium and the Czech Republic).

This shows the broadening base and diversity of the Kingdom's economic relations. Also in the same year, the Kingdom issued 28 laws and three decrees, all dealing with economic and investment fields.

In general, it can be said that Bahrain is considered one of the leading countries in responding to the requirements of the global economy, as we stated above, and this is reflected in its advanced ranking among Arab countries and on a global level, according to a number of economic performance indices directly related to trade and business. This ranking is a reflection of the positive efforts made by the Government of the Kingdom of Bahrain, which aim at encouraging the private sector to push growth further ahead and continue with the policy of economic diversification by adopting an economic strategy (2009-2014) which aims at activating targets included in the Economic Vision 2030 for the Kingdom of Bahrain. Bahrain's economic performance indices can be summed up as follows:

1) The Economic Freedom Index

Bahrain ranked first among Arab countries and the Middle East on the Economic Freedom Index issued by the Heritage Foundation and the Wall Street Journal. At the same time, it occupied the 13th rank globally in 2009 among 183 countries, compared to the 19th rank it occupied in 2008. It has maintained its leading position on the Economic Freedom Index as the first among Arab and Middle Eastern countries since it was issued in 1995.

2) Enabling Trade Index

The Kingdom of Bahrain occupied the 24th position among 121 countries in 2009, compared to the 37th position in 2008, while it came second among Arab and Middle Eastern countries.

3) E-Government Development Index

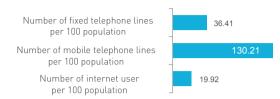
The data included in the UN report on the E-Government Index (2009-2010) shows that the Kingdom of Bahrain ranked 13 among 192 countries, compared to 42 in 2008, jumping 29 slots and exceeding many European and Asian countries in this respect. Bahrain also occupies first position among Gulf, Middle Eastern and Arab countries.

The presentation of the last index prepares the ground to move to the presentation of Bahrain's position and its success in using the ICT, which is an outstanding success story.

Technology Issues

The last quantifiable target on the list of the quantifiable targets contained in the MDG Framework provides for co-operation with the private sector to make available the benefits of new technologies, particularly information and communication, which will serve the progress of development and achieve all the MDGs. The selected indicators to measure this are of a limited and partial nature, and they deal with basics only (the density of fixed and mobile telephone lines

and internet users). They are considered preliminary, and were selected, like other MDGs indicators, because their measurement is available to most countries, and because they apply to the largest number of countries, particularly developing and least developed countries. This would not be possible if more advanced indicators were selected.



As shown in the graph above, the use of these telecommunications in Bahrain is 20% for fixed lines, 130% for mobile telephones, and 36% for internet. These statistics have witnessed a large increase over the past few years, but despite the fact that they are on par with other advanced countries, they do not measure the actual technological performance in the Kingdom. The indicators referred to are consumer indices more than productive ones, and so their affect on development is limited.

For the Kingdom, the matter exceeds this, because the focus at present in the national strategies is on the use of ITC in serving all dimensions of development—economic, human and institutional—and this constitutes the essence of the Government policy in the Kingdom. The use of technologies in a productive way and for the purpose of serving development is evident in more than one sector and at more than one level.

In brief, Bahrain has made tangible progress in the use of technology in management, production and human development. There are more opportunities for progress and areas for work and development, which should be given attention in the future, including the following as examples:

- i. Developing Bahrain's role in the production of ITC, including software development;
- ii. Exploring the technological progress in areas other than IT, like medical technology, other industrial technology as well as construction and contracting technology, etc., because it is not enough for progress to be limited only to communications and information.
- iii. Exploring the use of environmentally-friendly technologies in a more effective way; this is highly important for Bahrain, as sustainable development may rely on it in general.



Use of IT in Improving the Effectiveness of Development Management

The use of technologies in a productive and developmental way is evident in more than one sector and on more than one level:

- We have mentioned above the leading global position occupied by Bahrain in the E-Government Development Index (first on an Arab level and 13th globally). This reflects actual success in the use of modern technologies in managing public affairs. The E-government Authority was established in Bahrain by virtue of the Royal Decree No. (69) in August 2007, and in a relatively short period of time it has been able to make significant achievements in generalizing the use of ITC in managing development. Accordingly, Bahrain is tipped to host the regional IT Headquarters in serving the achievement of MDGs for the purpose of benefiting from the progress this sector has achieved in Bahrain. This will give logical and technical support to the effectiveness of intervention and monitoring of achieving the MDGs in other countries in the Arab region and Africa.
- Bahrain has achieved remarkable success in relation to the statistical system and the information monitoring and collection system, particularly in building an integrated database covering different areas. During the second half of 2010, Bahrain also conducted the first comprehensive census of people, houses, buildings, installations and agricultural plots through administrative records by using the integrated and automated networks in an effective way. This is the first experiment of its kind in the region, and there are only a few countries in the world which are able to do it, because it requires almost full coverage of administrative registration systems in different sectors. This proves, through practical experience, the advanced level Bahrain has reached in using IT in monitoring and follow-up.
- In education, IT is used on a large scale, and this is part of the strategy for developing the quality of education and enhancing the competitive skills of Bahraini graduates. The percentage of schools and universities provided with computers is 100%, and this applies to schools equipped with various scientific labs. This is in addition to the accreditation of the Bahrain Training Institute as a regional center by CISCO. Finally, we have to mention His Majesty King Hamad's project for Schools of the Future, which is an advanced example of the use and employment of modern ITC in education. The project was implemented as part of the first phase at 11 secondary schools spread over the five governorates of the Kingdom, bringing the number of schools implementing the project during its fifth and final phase to 194 schools.
- Finally, all ministries and administrative and productive sectors use IT on a large scale in their daily business activities. Direct examples of that are the Ministry of Labor and its programmes, the Ministry of Health (we have already referred to the successful experiments of the two ministries in previous paragraphs in this report), the Ministry of Social Development, the Ministry of Finance and all ministries and government organizations, as well as the private sector, which believes that keeping up with technological advances is one of the prerequisites forsuccess and competitiveness.



4. Impact of Global Crises on the Development Goals of the Kingdom of Bahrain

4-1 General Context

The crisis that swept through the global financial markets recently and its repercussions was a major challenge that prompted different economic institutions all over the world to tackle and adapt to its developments and limit its adverse ramifications as much as possible.

For its part, the Kingdom of Bahrain adopted a set of policies and measures in this direction for the purpose of maintaining the Kingdom's premier position as a leading centre of financial, banking and business services in the region, maintaining rates of economic growth and ensuring the integrity and stability of the financial sector which is considered one of the mainstays of the national economy, contributing to the Gross Domestic Product (GDP) by around 25%. These measures directly reflected on the high efficiency with which the Kingdom tackled the global financial crisis and set what is known as "Bahrain's Model" in this respect.

The main factor which was taken into consideration was to cover all public spending programmes and at the same time optimize utilization of the available financial resources amid the crisis and the resultant drastic drop in oil prices on the global markets. The main funding requirements of the government and the actual contracting obligations of ministries and government parties were provided for, while giving priority to development initiatives and projects of maximum importance and drawing up programmes to implement the remaining initiatives and projects in the medium and long term and re-organize cash flows for the projects in a way commensurate with the available financial resources, contracting obligations and the ability to deliver.

At the same time, a number of urgent measures were taken, including the reduction of interest rates, providing new facilities on the foreign money market, expanding the scope of accepted guarantees, reducing the mandatory reserve required to provide the necessary liquidity, revising the systems and practices used in managing risks, enhancing the deposit protection scheme in addition to stress testing to assess the hypothetical impact of the rise in the losses in investment portfolios and the rise of doubtful and bad debts on the integrity of commercial banks and financial institutions.

These emergency measures were taken, while maintaining the strategic policies which are considered a general framework for the financial and economic policies used in the Kingdom, mainly the Kingdom of Bahrain's Economic Vision 2030.

However, there is no country in the world that is insulated from the effects of the crisis, particularly indirect effects. Bahrain has succeeded in dealing with the indirect effects and the absorption of the

impact of the first shock of the crisis. However, this does not mean that the Kingdom, or at lest some of its sectors, have not been affected by it or that they will not be affected in the future, since the effects of the crisis are still felt since the end of 2008 and they are expected to continue in the future. In the following paragraphs, we will shed some light on the impact of the global financial crisis on the national economy and on the labour market in particular.

4.2 First Shock of the Global Financial Crisis

The financial crisis spread a climate of concern and caution when it erupted in the last quarter of 2008, leading to an economic and financial slowdown. In Bahrain, the crisis affected, to a little extent, three banks, but these effects were soon absorbed in an effective and timely manner within a short period of time. Slowdown also took place in major construction projects, particularly those executed by regional real estate companies which were affected by the crisis. This led to the delay and postponement of the execution timetables of the projects, reflecting in the fall in the growth of labour in this sector (we will discuss this later on). One of the results of this is that there was a diversion from investment property projects to housing property projects due to the lack of effect on demand in this sector by the financial crisis. Another effect is that there was a drop in property prices, and this is a positive development, particularly when the property boom that preceded the crisis led to an artificial ballooning in prices.

On the other hand, the climate of caution that ensued after the financial crisis, coupled with falling oil prices, led to a drop in the treasury revenues and to a shrink in the available liquidity in general on the financial and investment markets. The prompt response of the Government after the crisis was represented in a cautious policy that included three elements:

- No compromise on public spending for essential social and economic issues.
- ii. Reducing non-essential administrative expenses and postponing the execution of some non-essential projects of high cost (renovation of buildings and administrative buildings, for example).
- iii. Drawing up an active work plan to deal with the effects of the crisis after the shock, and this is explained in a paragraph earlier.



4.3 Impact of the Crisis on Economic Growth and Trade

Beyond the direct shock of the financial crisis by the end of 2008, there are factors or connected crises, which constituted the economic climate influencing economies of the countries. For Bahrain, there are two interconnected economic influences, which are more far reaching, namely the economic impact of the financial crisis (including impact on trade) and the fall in oil prices and the effects of this fall the treasury resources and the availability of liquidity for investment.

It is noticed, in this respect, that there was a sharp fall in the GDP which dropped from 8.4% in 2007 to 6.3% in 2008 and then 3.1% in 2009. On the other hand, the global economic downturn led to a fall in global trade, which in turn affected Bahrain due to its commercial open trade policy, exposing it to these developments. At the same time, there was a drop in Bahrain's exports in real terms from BD 5.4 million in 2008 to nearly BD 4.4 million in 200. As for imports, they dropped from BD 4.9 million to BD 3.6 million, and this is another indicator of the compound impact of the crisis on Bahrain's economy.



4.4 Impact of the Crisis on the Labour Market

The labour market in Bahrain has seen a major boom in the number of expatriate workers since 2004, when the number of the national and foreign workforce rose nearly two times to 575,798 by the end of 2008 according to LMRA's database. This is the period when the global markets saw major rises in the prices of crude oil. This big rise during the boom period led to a booming real estate sector in particular, i.e. the construction and building sector in particular and the contracting sector in general. This led to a rise in the number of foreign workforce during this period, which the market relied primarily on in this sector.

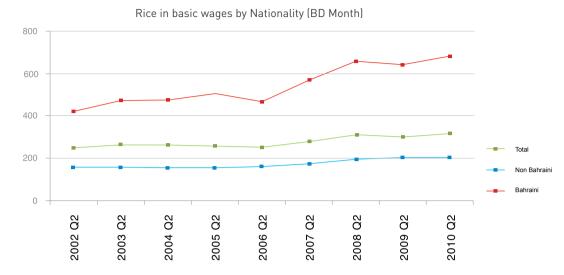
The effects of the financial crisis began during the second quarter of 2009, when the employment growth index began to fall remarkably, both for national workers and expatriate workers. The fall continued until it reached its lowest point by the end of the second quarter of 2010, leading to the fall in the absolute number of expatriate workforce on the labour market for the first time since the 1970's.

The impact of the economic crisis began to be felt in the contracting sector in particular, as a result of the downturn in real estate activities and financing by banks following the economic crisis, leading to the fall in the number of projects available to contractors, and this prompted them to shed the surplus foreign workforce. Expatriate workforce fell by 21% in the contracting sector at the beginning of 2010, compared to what it was in the second quarter of 2008, when the total was 99,931, and dropped to 79,208 by the begging of 2010. At the same time, the manufacturing sector was affected by the economic crisis in a marginal way, while the retail, hotel and restaurant sector was not affected in terms of workforce, although this workforce did not grow as before the economic crisis. The national workforce grew in the financial sector during this period, although the absolute size of this national workforce in this sector is relatively small.

Another fall in employment rates for national workforce was registered during the same period, but the main reason for this was the measures taken by the Ministry of Labour and the LMRA at the beginning of the second quarter of 2009 to stem the artificial employment trend (which was used to obtain work permits, because obtaining these permits is linked to the firm's commitment to Bahrainization rates). What supports this analysis is the rise in the employment rate by the end of the second quarter of 2010, while we notice that the foreign workforce is still falling. On the other hand, the banks and financial institutions and insurance companies, which are licensed by the Central Bank of Bahrain (CBB), registered a

quarter of 2010. On the other hand, the monthly report issued by the Ministry If Labour shows that the number of job vacancies was not affected during this period, but we find that vacancies totalled nearly 13,000 by the end of the second quarter of 2010.

By examining the average wages in the public and public sectors, we rind that they were not affected during the economic crisis. The data of the LMRA shows that wages did not fall, but rose, particularly for the national workforce. The index of monitoring the cost gap shows an expansion

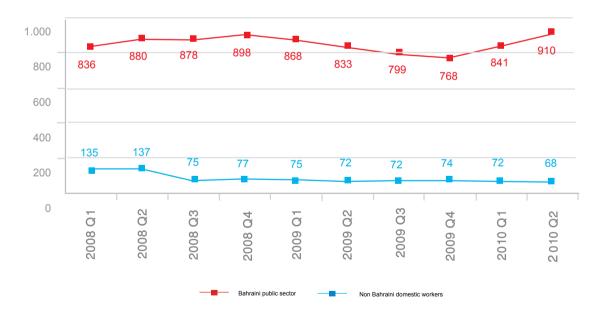


of the cost resulting mainly from the rise in the wages of the national workforce higher than those of the non-Bahraini workforce.

There are two exemptions which we should refer to, the first is that there was a fall in the average basic wages of Bahraini workers in the public sector beginning with the fourth quarter of 2008 (immediately after the crisis) and also the fourth quarter of 2009, but only to rise to higher levels than before the crisis. This shows that the shock impacted the government revenues and that the Government took measures to deal with the impact, as we have mentioned earlier.

The second exemption is that there was a very actuate drop in the average wages of the immigrant workforce employed as domestic workers.

Seasonal change in the average basic wage (BD/month)



These average wages dropped by the third quarter of 2008 to nearly half their levels in the second quarter, and continued to drop to below BD 70 until the second quarter of 2010, while the average wages of expatriates in the other sector maintained their level, with a slight rise during this period.

In general, it can be safely said that Bahrain was affected in a mild way by the direct repercussions (shock) of the financial crisis which began in the autumn of 2008, and that the banking and property sectors were particularly and partially affected. The crisis affected government spending for a short period, but the Bahraini Government soon overcame this by adopting an interactive policy in absorbing the impacts of the first shock. However, the medium and indirect impact of the financial crisis and the fall in the oil prices are more important, and they affected

46



growth, trade and employment, which are also being treated and followed up by the Government. The Government was keen not to allow any adverse effects on social development and on the standards of living of middle and low income people, and staving off major impacts on the achievement of the MDG's in their global or national form. This is what the Government of the Kingdom of Bahrain has succeeded in to a large extent.

On the other hand, we should not overlook the effects of other factors, including the climatic change on Bahrain and on the MDG's, which are important effects that were discussed in the previous paragraphs. We should not also overlook the fact that Bahrain is located in a highly sensitive Gulf and Arab region, which is a convergence point of conflicts that adversely affect stability and peace in the region and the world. Needless to say, this has long term strategic effects on the development options and on its sustainability. The Millennium Declaration and other documents issued by the United Nations have emphasized that peace and stability are the prerequisite elements and conditions for any actual development.

5. Future Approach to the MDG's After the Summit

The current report shows a near achievement of the MDG's in Bahrain from a special perspective. It combined the presentation of the method whereby the Government of Bahrain dealt with the MDG Framework since they were announced in 2000, with the presentation of the progress made in the achievement of the globally quantifiable targets and discussion of the quantifiable targets and their indicators from a national perspective. It also presented certain successful experiments as well as the impact of the global economic crisis and the climatic change on the MDG's in the Kingdom.

The report was prepared in a manner serving the purposes of the intensive and frank presentation of the achievements and future challenges, to address a wide audience, whether international, regional or national, because it contains different elements that are interesting to those of different interests and locations.

However, the report is also forward-looking and it aims at dealing with the global approach towards the MDG's in the near future, i.e. the five years before the set date for achievement of the MDG's in the year 20105, as well as in the post 2015 period, or the far future beyond 2015, because the development march does not come to a halt. On the other hand, this report also deals with the future steps on a national level for the preparation of the national report of the nationally adapted MDG's integrated into national strategies. This will be dealt in the two following paragraphs.

5.1 Position Towards the New Global Approach to the MDG's

The Kingdom supports the main part of the policies which were accessed through the preparatory documents for the General Assembly meeting in September 2010, particularly the draft report which is expected to be issued by the General Assembly. The Kingdom of Bahrain lays an emphasis on the following points:

- The MDG's are an integrated package which should be dealt with on this basis. Therefore, they should apply to national parties, particularly the governments concerned with the use of the MDG's in national planning. The UN organizations should also develop their tools and the content of the technical support it extends to countries to commit themselves to this principle. The reason is that the previous experiments have shown that both national and international parties used to pay attention to the sectoral interventions in one quantifiable target of the Millennium Goals than to dealing with the Goals in an integrated way. However, the new approach assumes higher levels of co-ordination and integration between the UN specialized UN organizations themselves and different national ministries and parties, as well as between the national and international parties.
- The strong emphasis on the important of national ownership and national leadership of

the planning and intervention to realize the MDG's. Linked to this is the need to adapt the quantifiable targets and indexes to the national specifics, including setting more ambitious targets for the countries of medium or ?modest development levels. The second thing is to integrate the MDG's with the comprehensive and sectoral national development strategies, in order not to be an independent track from the national track. This would enhance the feeling among all countries of the viability and suitability of the MDG Framework for them, and in this way they will not feel that they are targeted at the least developing nations.

- The emphasis on the need to improve the level of participation of all developing countries in general and Arab countries in particular in the global committees and frameworks related to the review of the MDG's and review of the policies which lead to their achievement, including the review which will be conducted after the summit during the UN General Assembly meetings in 2010 and in preparation for the year 2015 and beyond. The developing nations and the countries of the world at large should be an active partner and a main participant in the know-how and practical production related to the MDG's, and not only an inactive convergence point for global policies. We call for using open, and adequately flexible, work practices in order to make this participation possible, actual and effective at the same time.
- The emphasis on building national, regional and international capacities through interactive and participatory methods to ensure that commitment to these policies is secured from national and international parties at the same time, with the required actual review of the previous tools, training guides and work practices in a serious and objective manner. This is instead of throwing the blame for deficient implementation on the national party and its abilities, when the shortcomings have in fact not been dealt with properly, whether for the obligations by the donor countries of the Eighth Goal related to partnership of development, or in terms of the inadequate technical support extended by international organizations to realize the MDG's which was mostly not innovative and inconsistent with the specifics of all the concerned countries.

5-2 Future Steps on a National Level

The general goal on a national level is to initiate a number of direct steps after the return from the UN General Assembly meeting in September 2010 in order to prepare for launching a track for drawing up of a five-year plan 2011-2015 for the nationally adapted MDG's, which forms an integral part of the national strategies.

The main factor and the connecting line for this track is to begin to adapt the MDG's nationally and propose suitable work practices and interventions and issue an advanced national report reflecting all this. What is meant by this is a comprehensive national report containing all the required elements, as follows:

- Selecting the more ambitious national goals from the global goals and determining the achievement levels and indicators. Selecting these indicators can be done by investigating the consistency and integration of the MDG's with the national strategy (2030 Vision) and with the sector plans of the concerned ministries and other parties. In this context, the Kingdom of Bahrain's Economic Vision 2030 will be the comprehensive framework for the entire development in Bahrain and for the MDG's which can be defined as a plan of priorities integrated with the national strategy (2030 Vision).
- The report should contain a more thorough analysis of the challenges facing the national MDG's in Bahrain and a more thorough analysis of the compound impact of the crisis globally and regionally on achieving these goals.
- Expanding the scope of the MDG's to include the entire items of the Millennium Declaration, including good governance, to be consistent with the priorities assigned by the Government of Bahrain to the institutional reform process being also one of the main elements of development and one of the main ingredients of Bahrain's innovative and renewable approach.



- The report should include the policies, programmes and interventions which would help in achieving the MDG's in addition to the statistical side and the analytical presentation, including the mechanism of link between them and the available resources from the general budget, as a confirmation of listing the MDG's as part of the national planning process. In this framework, the next national report will be a tool for planning and intervention for different parties, including the private sector and the civil society.
- An interactive and participatory track should be laid out for preparing a national work plan to achieve the MDG's under the umbrella of the 2030 vision under EDB's sponsorship to ensure participation by all parties in the concerned ministries and the UN agencies as well as the private sector, civil society, media men and researchers, etc. The preparation for the millennium programme (including the report) should lay the ground for a track of joint work action to implement its content, whereby every party undertakes its development responsibilities.

These are the main approaches of the subsequent track. In this context, the Government of Bahrain, in conjunction with the regional and national UN organizations, will take appropriate steps and measures to make the track and the preparation of the report in line with the highest international and national standards. Towards this end, the Government, in co-operation with the UN, will immediately after the summit, assign a national team the task of preparing the Millennium Programme adapted nationally and following up its implementations, including the national strategic committee responsible for preparing the report of the MDG's and submitting reports on the progress of implementation.

6. Conclusion

This review is considered an important point in the progress of the national MDG's in Bahrain. It is like a statement of account for the last decade, with all its strong and weak points, with its achievements and deficiencies, opportunities and challenges. However, its importance is not limited to the review of the previous stage, in as much as it is an overview of the future. It is a comparison that takes into consideration the principle of national ownership and leadership and the principle of adapting the MDG's nationally and making them integrated into the national development.

Over the next five years, the Kingdom of Bahrain will seek to follow these policies in its national action and in its regional and international relations. In this respect, it will seek to make Bahrain, GCC and other Arab and developing countries play a more important role on the international level. In this, the Kingdom starts from the same partnership principle which the Eighth Goal of the MDG's laid an emphasis on. It strongly believes that partnership should not be limited to one side alone, but should be pushed forward to become a comprehensive and full partnership in shouldering responsibilities in leading the track of the achievement of the MDG's in the entire world, by all member states of the UN General Assembly according to the abilities, which should be recognized and an opportunity provided for using them by all without any discrimination.

With this determination to undertake its national, regional and global respon-

