

BAHRAIN

TRADE SUMMARY

The U.S. goods trade surplus with Bahrain was \$695 million in 2011, down \$135 million from 2010. U.S. exports in 2011 were \$1.2 billion, down 2.9 percent from the previous year. Corresponding U.S. imports from Bahrain were \$518 million, up 23.4 percent. Bahrain is currently the 75th largest export market for U.S. goods.

IMPORT POLICIES

Upon entry into force of the United States-Bahrain Free Trade Agreement (FTA) in August 2006, 100 percent of bilateral trade in consumer and industrial products became duty free immediately. Bahrain will phase out tariffs on the remaining handful of agricultural product lines by 2015. Textiles and apparel trade is duty free, providing opportunities for U.S. and Bahraini fiber, yarn, fabric, and apparel manufacturing. Generally, to qualify under the rules of origin and thus benefit from preferential tariffs under the FTA, textiles and apparel must be made from either U.S. or Bahraini yarn and fabric. The FTA provides a temporary transitional allowance for textiles and apparel that do not meet these requirements in order to assist U.S. and Bahraini producers in developing and expanding business contacts.

GOVERNMENT PROCUREMENT

Bahrain's 2002 government procurement law specifies procurements on which international suppliers are allowed to bid. The Tender Board is chaired by a Minister of State who oversees all tenders and purchases with a value of BD10,000 (\$26,525) or more. The Tender Board plays an important role in ensuring a transparent procurement process and awarded contracts worth \$1.25 billion in 2010, an increase of 37.8 percent over 2009. The FTA requires procuring entities in Bahrain to conduct procurements covered by the FTA in a fair, transparent, and nondiscriminatory manner.

Bahrain is an observer to the WTO Committee on Government Procurement, but it is not a signatory to the WTO Agreement on Government Procurement.

INTELLECTUAL PROPERTY RIGHTS PROTECTION

Bahrain signed the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty in 2005. In addition, to implement obligations under the United States-Bahrain FTA, Bahrain enacted several key pieces of intellectual property rights (IPR) legislation to improve protection and enforcement in the areas of copyrights, trademarks, and patents. In addition, Bahrain has promulgated regulations to implement these laws.

Bahrain's protection and enforcement of IPRs has been mixed. In 2009 and 2011, Bahrain launched several campaigns to combat piracy of cable and satellite television by blocking illegal signals and banning the sale of decoding devices. Bahrain has launched several public awareness campaigns. However, counterfeit movies, music, video games, software, clothing, watches, purses, and other consumer goods are sold openly.

The six Member States of the Gulf Cooperation Council (GCC) are working to harmonize their IPR regimes. In connection with that effort, the GCC recently approved a common trademark law. Each

Member State is expected to adopt that law. The United States has established a dialogue with GCC technical experts to discuss this law and other Customs Union efforts regarding IPR.