Embassy of India
Kuwait
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Kuwait Oil project activity doubles

It has been reported that the total value of active oil projects in Kuwait has more than doubled since the start of 2024 with pre-execution phases or under execution rose from $7bn at the start of 2024 to $14.9bn by end July. Sudden increase in oil project activity comes after 4 years of declining. The value of active oil projects in Kuwait peaked at $65.4bn on 26 February 2019 before declining to a low of $5.1bn on 11 April 2023. Since the start of 2024, the total value of announced oil projects in the study phase has more than quadrupled from $500m to $2.2bn. Tendering process has been decentralised with KPC & Subsidiaries "K-Tendering Portal". Since start of 2024, the total value of active gas projects declined by 10% from $7.7bn to $7bn at the end of July. Chemical projects saw a slight increase in total value, rising to $11.2bn at the end of July from $10.6bn beginning of 2024.

Finance Ministry signs e-payment deal with K-Net

Kuwait Ministry of Finance signed a 3-year contract for electronic payment services with the Joint Automated Banking Services Company (K-NET) to create a safe financial environment for collecting government service fees electronically. With K-NET contract signing, Finance Ministry can provide electronic payment services to all government agencies which will ease collecting revenues safely and delivering them to the public treasury at the same time. Digitization of services is in accordance with the directives of the Council of Ministers to pay through secure links that meet all cybersecurity standards.

MOCI, Kuwait suspends licenses of expat under non-Article 19

Kuwait's Ministry of Commerce and Industry issued a circular suspending all expatriate licenses barring their entry into companies unless their residency complies with Article 19. Under Article 19 regular residency is granted to foreign investors/partners in a commercial activity by the competent government authority. Visa granted under article 18 are visas for workers and professionals allowed to work in private sector but it does not allow them to be an investor/partner in another company with share holding, but many expatriates under Article 18 were shareholders in another company set up with Kuwaiti partner. Worker's residency under Article 18 is non-transferable and the employer on expiry of contract has to notify the competent authorities and arrange his return on employer's expense. Those unable to amend their residency status will be given a grace period to

transition to Article 19 or liquidate their shares to avoid negative impacts on their rights.

Kuwait's foreign reserves dip to lowest level since Jan 2024

Kuwait's foreign reserves have fallen to their lowest level since January 2024, reflecting a significant decrease in the country's reserve assets. It is also reported that as of the end of June 2024, Kuwait's official reserve assets amounted to 14.279 billion dinars ($46.806 billion). The decline is attributed to a reduction in the "foreign currency and deposits abroad" component, which was 12.808 billion dinars in June 2024. This figure is down 4.73% from June 2023 and 1.32% from May 2024.

MEWRE delivers 33.4% of non-oil revenue

Ministry of Electricity, Water, and Renewable Energy of Kuwait contributed 33.4% of the total non-oil revenues collected by 34 ministries and government agencies during the 2023-24. During the year Ministry collected revenues amounting to KD 483.608 million (US$1579 million). Ministry's total expenditures for the same year reached KD 4.057 billion, accounting for 71 percent of the total estimated expenditure. The rise in expenditures is driven by increase in oil prices during the year which rose to USD 84 per barrel against the budgeted estimate of USD 70 per barrel.

Smart City project recognized as 'major leap' for Kuwait's future

Chairperson of the Kuwait's Board of Directors of the Sustainable Energy Society has described signing of the infrastructure contract for the South Saad Al-Abdullah City project as a "major leap" and a start toward the government's goal of establishing smart cities. This project will provide approximately 24,508 smart housing units for citizens. The growing demand for housing in Kuwait has necessitated the construction of this city. The aim of this project is to enhance the quality of life by means of smart living. Role of scientific institutions like Kuwait Foundation for the Advancement of Science (KFAS) and Kuwait Institute for Scientific Research (KISR) was also highlighted. It also emphasized the need to mandate future factories to adopt clean energy systems crucial for Kuwait's goal of achieving carbon neutrality by 2060 and fulfilling its international commitments.

Kuwait lists 12 pre-qualified bidders for oil pipeline contracts

Kuwait's upstream operator Kuwait Oil Company (KOC) stated that 12 pre-qualified companies will be permitted to bid for three strategic oil flowline projects in Kuwait's south and southeastern regions. The scope of work involves construction of producer wells, injection wells and disposal wells. Out of pre-qualified 12 companies, 9 are from Kuwait and 1 each from Luxembourg, Qatar and Egypt. Flowlines are pipelines that connect a single wellhead to a manifold used at onshore and offshore fields. It may also be mentioned that since 2020, KOC has tendered several flowline projects varying in worth US$100 to US$250 million.

With regards,

(Davinder Punj)