Embassy of India
Kuwait
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Kuwait-Europe connectivity gets upgrade with 'Iraq route'

Kuwait's Communication and Information Technology Regulatory Authority (CITRA) is launching a new international corridor that connects Europe with the Gulf "Iraq route", in partnership with Zajil Telecom. CITRA said that the new route provides a full land alternative to marine route for faster connection, as marine routes service gets affected by maintenance work. The cable has a capacity of 100 GB, which will be a trusted option for big companies and international service providers and added that it will allow a faster and safer transferring of information from Kuwait to Europe, passing through Iraq. Citra also added "Iraq route" will enhance Kuwait's image as a regional pioneer in safe digital communication and will support developing the country's infrastructure and economic growth and launching the route was executed in cooperation with the Iraqi Informatics and Telecommunication Public Company (ITPC).

Kuwait awards oil contracts

Kuwait National Petroleum Company (KNPC) has awarded a contract for consultancy services for environmental and social impact assessment studies for new projects to Pakistan-based 'Eco-Environmental Consultants'. The contract is worth KD227,275 ($736,934). KNPC has extended the bid deadline of another contract for consultancy services for the management of implementing its digital strategy. Separately, Kuwait Foreign Petroleum Exploration Company (KUFPEC) has retendered a contract for the provision of an operation excellence management system (OEMS). The new closing date for this tender is 4 February 2025 and a pre-tender meeting is due ot take place on 19 January. In another development, Kuwait Integrated Petroleum Industries Company (KIPIC) has awarded a contract for refinery chemicals management services at the Al-Zour refinery to Saudi Arabia's Nalco Saudi Company. The value of the contract is KD1.5m ($5m). KPIC has also awarded a contract worth KD800,000 (US$2.9m) to Tariq Al-Ghanim General Trading & Contracting of Kuwait for the de-docking of atmospheric residue desulphursation (ARD) reactor charge heaters at the Al-Zour refinery.

Boursa Kuwait sees surge in foreign investments, reaches $723m in 2024

The Boursa Kuwait has made notable strides in 2024, attracting foreign investments totaling 222.4 million dinars (approximately $723 million). This surge in foreign investments is largely attributed to a rise in net purchases by foreign institutions and companies. Specifically, their net purchases amounted to around 227.8 million dinars, with purchases reaching 1.78 billion dinars while sales stood at 1.55 billion dinars. However, the data also reveals a dominant selling trend among foreign individual investors. Net sales by foreign individuals amounted to 4.9 million dinars. Their purchases totaled 364.6 million dinars, but sales surpassed this figure at 369.5 million dinars. Foreign investment funds also displayed

a selling inclination, with net sales of approximately 473.2 thousand dinars after purchases of 7.5 million dinars, compared to sales of 8 million dinars. Turning to domestic transactions, Kuwaiti investors reported net sales of approximately 117.8 million dinars in 2024. This was driven by heavy selling pressure from Kuwaiti individuals, whose net sales totaled 5.36 billion dinars against 5.24 billion dinars in purchases.

KUFPEC plans to increase oil production to 150,000 bpd by 2027

The Kuwait Foreign Petroleum Exploration Company (KUFPEC) aims to increase production from 107,000 bpd to 150,000 bpd by 2027. To achieve this, KUFPEC is working on expanding its foreign oil investments with partners and is currently evaluating several profi table opportunities to acquire highly lucrative projects. It was ascertained that KUFPEC is intensifying efforts to discover new oil wells in Egypt, and is anticipating further discoveries in the Gulf of Suez Basin, particularly in the “Geisum & Tawila West” concession during the current year. In pursuit of this goal, KUFPEC is expanding its exploration investments in Egypt in partnership with local collaborators and using advanced drilling platforms. As a result, production has reached 23,000 bpd since the discovery of the “GNN” well. Kuwait Petroleum Corporation (KPC) has increased its confidence in KUFPEC after the company achieved unprecedented positive financial results in 2023.

Kuwait tops GCC inflation rates at 2.8% in Sept 2024

GCC consumer price data showed an increase in the average inflation rate in GCC countries by the end of September 2024 by 1.5 percent, compared to the same month in 2023. It was ascertained that the increase was mainly due to the prices of the housing category, which recorded an increase of 5.7 percent, followed by the entertainment category with 2.6 percent. The commodities and services category came next with 1.8 percent, then the restaurants and hotels category with 1.5 percent, and the food and beverage category and the education category with 1 percent each. Kuwait was the most inflationary GCC member at 2.8 per cent annually in September 2024, followed by Saudi Arabia (1.7 per cent), Qatar (0.8 per cent) and Bahrain and Oman (0.4 per cent).

KNPC and KIPIC merger achieves key milestones

It is reported that efforts to accelerate and expand the merger process between the Kuwait National Petroleum Company (KNPC) and Kuwait Integrated Petroleum Industries Company (KIPIC) in the near future and some facilities will be merged and others will be phased out, accompanied by a series of transfers and promotions. KNPC CEO, who also serves as the acting CEO of KIPIC, is focusing on injecting fresh talent into mid-level positions in both companies. This initiative aims to elevate the efficiency and experience of the personnel, with the goal of boosting profits for both companies in the current fiscal year. KIPIC has achieved major milestones following its merger with KNPC, including its recent success in exporting a shipment of high-quality diesel that meets French specifications whcih mandates the delivery of completely clean diesel that complies with rigorous environmental standards. The company has also made great progress in its digital transformation efforts, including partnering with international firms in the field of digital technologies. The liquefied gas import terminal reported zero injuries in 2024, adding that it successfully received three liquefied gas shipments simultaneously, which confirms the

terminal’s capacity to handle all gas supplies, and ensures a continuous and reliable supply to the country.

Construction sector propels bank growth amid setbacks

The construction sector in Kuwait witnessed a significant increase in bank financing during November 2024, with loans provided to residents and non-residents rising by KD 72 m (16.5%) compared to October, reaching KD507.4 m. This marks a substantial annual growth of KD337.9 m (199.4%) compared to the KD169.4 m recorded in November 2023. Over the first 11 months of 2024, total financing for the sector reached approximately KD3.4 billion. For November, the accumulated balance of construction financing saw a slight monthly decline of 0.3% (KD10 m), falling from KD3.058 billion in October to KD 3.048 billion in November. However, on an annual basis, the balance grew by KD424 million (16.1%), up from KD2.624 billion in November 2023.

Contractors expect bid extensions for $2bn of Kuwait oil deals

Contractors are expecting significant extensions in Kuwait Petroleum Corporation to the bid submission deadlines for two oil projects in Kuwait that are estimated to be worth a total of US$2 bilion. The bid submission deadlines are currently set for next month. It was ascertained that the contractors that have the capacity to execute this project are focused on other ongoing projects and are highly likely to ask for extensions. If an extension is granted then it is likely it will be a significant delay and bids will not ultimately be submitted until after Ramadan. Last month a total of seven companies were considering bidding on the projects. The two projects consist of a project to develop Separation Gathering Centre 1 (SGC-1) and Water Injection Plant 1 (WIP-1), and a separate project to develop SGC-3 and WIP-3. Each project is estimated to be worth KD300m (US$970m). The companies that attended the pre-tender meeting for the project earlier this week included Petrofac (UK), Saipem (Italy), Tecnicas Reunidas (Spain), Larsen and Toubro (India), Samsung (South Korea), Hyundai (South Korea), Daewoo (South Korea). Earlier this year, KPC CEO reiterated that KPC plans to increase its oil production capacity to 4 million barrels a day by 2035.

(Davinder Punj)
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