

A long history of cooperation

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HAMAD AL-HASAWI currently holds the position of Secretary General at the Kuwait Banking Association. From 1995 to 2011 he held several positions, including Head of Financial Services at Rasameel Structured Finance, Commercialisation Senior Advisor at the Kuwait Institute for Scientific Research, Chief Operating Officer at Gulf Holding Company in Bahrain, Senior Vice President at KIPCO Asset Management, Vice President at Gulf Investment Corporation, and advisor to the Ministry of Defence. He holds a PhD in Management and Organisation from the University of Stirling.

Kuwait-UK relations, which go back far into history, are special and distinguished. The close ties between Kuwait and Britain date back to early in the past century. The UK and Kuwait have deep and long-established political and economic ties with a historically strong trading relationship, that continue to thrive today.

The Kuwait-UK economic relationship is long and fruitful. This long relationship remains strong and Kuwaiti investments in the UK have grown significantly over the last decades. Important milestones in Kuwait-UK past relations include the role of the British oil companies in developing Kuwait's oil resources and the establishment of the Kuwait Investment Office (KIO) in London. This relationship was further solidified when the UK took part in an international military campaign, in 1991, ousting occupying Iraqi forces from the country.

Many other events and examples symbolise the close ties that exist between Kuwait and the UK. Nevertheless, the present era, characterised by a forceful drive for globalisation as a mainstay of international relations, requires us to focus on the present and the future in order to safeguard the achievements of the past.

In general, the GCC countries have changed dramatically in recent years. Its economies are developing rapidly, creating exciting opportunities for investment in both directions. And while the energy sector remains essential, this is also a region that is diversifying. Kuwait sits on a wealth of oil, with 8 per cent of the world's total reserves, but Kuwait is not resting on the finite product for its future.

Kuwait has unveiled a new, comprehensive strategy that will empower the country for generations to come to transform the economy by 2035, create jobs, attract foreign direct investments and facilitate knowledge transfer in the fields of renewable energy, information technology, and the services sector. The Kuwait National Development Plan's short-to-medium terms objectives include positioning Kuwait as a global hub for the petrochemical industry and increasing foreign direct investment into Kuwait, which will help expedite its economic development agenda.

The *Kuwait National Development Plan* also aims to develop the country's tourism sector to generate additional revenue streams and create a new jobs market and plans to further develop the country's transportation and power sectors by building on the recent success in PPP projects.

By undertaking such big development plans, Kuwait will welcome British firms to carry out building and construction projects for oil refining, power plants, infrastructure development, housing, information, technology, education, scientific research, health, media and sports.

For an efficient economy, it is vital to have strong and competitive financial intermediation to facilitate the flow of funds and smooth relations between local and foreign business partners. In Kuwait, this sector has come a long way in the last decade. In fact, it is currently witnessing a historical golden era of unprecedented performance surpassing all previous records.

Kuwait's banking sector is among the healthiest in the region, well positioned and equipped to absorb economic shocks and support economic stability for future growth. Based on its financial soundness indicators, Kuwait's banking sector will have a major role to play in supporting both government and private sectors in the implementation of the national development plan.

As part of implementing the new strategy to increase the role of the private sector in the economy and to accelerate the implementation of the privatisation program, I believe that taking advantage of the success of the British experience in implementing privatisation in the 1980s and early 1990s will be an important element of cooperation between Kuwait and UK.

Another area where enhanced UK intervention may effectively sponsor economic development in Kuwait is that of technology transfer through foreign direct investment. The UK's active investment in various projects will help the Kuwaiti economic plan and revival, which will lead to its economic diversification.

I think Kuwait and the UK are working from a good base and I believe there is real scope to strengthen the links further, from increasing co-operation on security to expanding exchanges in cultural areas. It is clear that Kuwait's relationship with the UK will remain key to our country's prosperity and security. It is an evolving relationship that will continue to change as the region develops and as global energy trends shift.

This poses both opportunities and challenges – for Kuwait and the UK. I believe that if the two countries work to sustain a broader relationship, they will remain enduring partners, even in these rapidly changing times. **F**