

Strong and enduring bilateral ties

The British and Kuwaiti Governments have agreed to double bilateral trade and investment from £2 billion to £4 billion by 2015

Trade has been a key part of the relationship between Britain and Kuwait for more than 200 years. British traders first set up offices in the country in 1793, and by 1821 the British East India Company had moved its trading post to Kuwait from Basra, which was then under the control of the Ottoman Empire.

Important milestones along the way since then include the role of British oil companies in developing the country's petroleum resources, the establishment of the Kuwait Investment Office in London, Britain's assistance in the liberation of Kuwait, and the role of the Bank of England during the Iraqi occupation in support of the operations of the Central Bank of Kuwait in exile.

Today, the United Kingdom is one of Kuwait's most important trade partners, ranked 10th among the exporting countries to Kuwait and 17th amongst countries importing from Kuwait, excluding oil. Kuwait is the fourth largest commercial partner in the Gulf to the UK, with British exports climbing by 20 per cent in 2010.

And Britain is keen to further improve trade ties, regularly hosting roundtables and conferences. At the same time, the Government has made the Gulf region a priority investment and trade area, sending five senior ministers to Kuwait over the last eight months. In February this year, Prime Minister David Cameron announced that the two governments have agreed to double bilateral trade and investment from £2 billion to £4 billion by 2015.

The new trade agreement positions the UK as Kuwait's partner of choice for delivering much of its \$140 billion development plan involving more than 1,000 projects covering infrastructure, healthcare, housing and education. British companies are currently employed in Kuwait on projects such as the Kuwait International Airport building, while British Telecom is helping in the development of the telecommunications sector.

Under the new trade agreement, both Governments have established a new Kuwait-UK Trade & Investment Task Force. Chaired by Ministers, this important forum will play a key role in helping to achieve the new trade targets. Announcing the initiative with Kuwait in February, Mr Cameron made it clear that he wanted UK companies to be key partners on these projects.

Trade and Investment Minister Lord Green says British businesses across the country will be the key to boosting trade and achieving these new targets,

saying: "The new UK-Kuwait Trade and Investment Taskforce will create an important forum for both sides to identify new opportunities for partnership across a range of sectors and improve the business environment by tackling market access issues."

The deal came after UK Minister of State for Business and Enterprise Mark Prisk visited Kuwait in January and coincided with Kuwait's national festivities of the National Day and Liberation Day.

He noted that British firms will be playing a key role in the Kuwaiti development plan over the next four years, particularly in medical care, housing, and education, where they will play a crucial role in outlining development strategies.

In October of last year, First Deputy Prime Minister and Minister of Defence Sheikh Jaber Al-Mubarak Al-Sabah met with British Defense Secretary Liam Fox in London. The pair discussed shared defence priorities and set a path to continue collaboration on future defence relations. In recognition of the long-standing relationship between the Kuwaiti and British militaries, Sheikh Jaber said that the strong bond with the British was helpful to the formation of the Kuwaiti army. He pointed out that the Kuwaiti military still uses sophisticated British weaponry and military assets which play a crucial role in maintaining the Kuwaiti military's operational readiness.

"My talks with Secretary Fox set a path for more progress. We will continue communicating and I believe that our relationship will help to further strengthen our armed forces, maintain military readiness and help sustain a secure Kuwait and a secure Gulf region," Sheikh Jaber said at the time.

Sheikh Jaber also expressed gratitude for the UK's participation in the Fiftieth Anniversary of Kuwait's independence and the Twentieth Anniversary of Kuwait's liberation. **F**

KUWAIT FACTFILE

- Kuwait is the UK's fourth largest trading partner in the Gulf region.
- In 2010, UK direct exports of goods and services to Kuwait were worth £1.1 billion.
- In 2010, UK/ Kuwait bilateral trade was worth £1.95 billion.