



**Foreword by
The Rt Hon Lord Hurd
of Westwell CH CBE PC
Chairman, FIRST
Advisory Council**

It gives me great pleasure to introduce this official FIRST report on Kuwait to mark the State Visit of His Highness Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah, The Amir of the State of Kuwait. We, at FIRST, would particularly like to thank HE Khaled Al-Duwaisan, Kuwait’s long standing and highly respected Ambassador for all his help and guidance in the preparation of this publication. We are also very grateful to His Highness The Amir for contributing such a personal and important message.

His Highness’ State Visit to the United Kingdom is particularly timely and will help focus the attention of international business leaders and policy makers on the many investment and trade opportunities that exist in Kuwait. Through the wise stewardship and guidance of His Highness The Amir and his predecessors, Kuwait has forged a successful role in a notoriously unstable region of the world.

The friendship between our two countries is underlined by an extensive schedule of high level visits. HM The Queen and The Duke of Edinburgh made a State Visit to Kuwait in 1979 and His Highness the Amir made a State Visit to Britain in 1995. The first State Visit by a Kuwaiti Head of State took place in 1935 when Sheikh Ahmad al Tahir visited Britain and presented Queen Mary with a perfectly rounded pearl, said to be the largest ever found in the Gulf.

I had the pleasure of paying several visits to Kuwait during my time as British Foreign Secretary between 1989 and 1995 and a particular visit stands out in my memory. It was soon after the liberation of Kuwait when I saw for myself the destructive effect of the Iraqi occupation and the determination of the people of Kuwait to regain their independence – a determination fully shared by Her Majesty’s Government in the United Kingdom.

The United Kingdom and Kuwait share a long history of partnership dating from when the first British ships visited Kuwait in the 18th Century, through the Treaty of

Al Sadaqa in 1899, to the close partnership enjoyed today. Indeed, it was the captain of an English ship, The Eagle, who made the first accurate survey of Kuwait Bay in 1777. The “special Treaty of Friendship” with Great Britain, guaranteed both Kuwait’s security and its independence in internal affairs and ended in 1961 when Kuwait assumed full independence. This partnership is based on a shared economic future, shared security interests and the promotion of political and economic stability in the region.

Kuwait enjoys a high per capita income and possesses some 8-9 per cent of world oil reserves. This important state controlled sector is due to be opened up and Project Kuwait envisages some US\$7 billion of first stage investment by the major international oil companies to develop the northern oilfields. Global oil prices are historically high, economic growth is stable and rising, with 4.5 per cent GDP growth predicted for 2012 and modest inflation at around 4 per cent. Recently revealed figures for 2011-12 show a record annual surplus of £29 billion. Now that this year’s budget has been approved there is a significant opportunity to pursue economic reform plans, privatisation, diversification and the implementation of the National Development Plan.

The £70 billion National Development Plan of Kuwait was launched by His Highness The Amir in 2010 and approved by the National Assembly last year. It aims to turn Kuwait into a regional trading, logistic and finance hub by 2035. There is a focus on infrastructure development with an additional £50 billion to promote oil sector development. This programme represents a tremendous opportunity for international companies to participate in Kuwait’s economic development.

The United Kingdom enjoys an important trading relationship with Kuwait – Kuwait is the UK’s third largest trading partner in the Gulf. Exports cover a number of growth sectors including industrial and electrical

machinery, transport, metals, food and clothing. Other areas include consultancy, financial services, investment, banking, insurance, aviation and shipping in the service sector. Through government institutions, the private sector and individuals, Kuwait is one of the largest investors in the UK. The Kuwait Investment Authority has maintained an office in London for 60 years.

In international affairs, Kuwait is playing an increasingly confident role in support of regional security and is a leading member of the Gulf Cooperation Council. Britain values its security cooperation with Kuwait and as the Prime Minister, David Cameron, said on his visit to Kuwait in 2011 “I come here today offering a new chapter in Britain’s long partnership with our friends in the region. Over generations we have built a partnership based on our shared interests in prosperity and security.”

We warmly welcome His Highness

The Amir of Kuwait to this country. The State Visit to the United Kingdom, while providing an opportunity for private discussions, will give us all the opportunity to study developments in Kuwait and to weigh carefully the opportunities to work together ever more closely.

The State Visit will also be an invaluable opportunity for His Highness The Amir and Ministers to hear from the Prime Minister about Britain’s commitment to support British Business in Kuwait and to meet business leaders representing companies that can deliver world class infrastructure projects.

We at FIRST are delighted to have been asked to produce this official publication to mark the State Visit of His Highness Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah, and hope that it contributes, in a small way, to its success and the further development of Kuwait’s international relationships especially in the areas of trade and investment. **F**

The United Kingdom and Kuwait share a long history of partnership



Rupert Goodman, Chairman and Founder of FIRST with His Highness Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah, The Amir of the State of Kuwait