

Business

Kuwait economic indexes remained largely positive despite COVID-19

Key economic highlights of economic and financial sectors in 2020

KUWAIT: Various economic indices showed that Kuwait is in the safe zone with regards to repercussions of the new coronavirus on the economic sector, amid recurrent bonds' issuance by the Central Bank of Kuwait in the year 2020.

Following are some of the key economic news highlights at the economic and financial levels in 2020:

Jan 5: Boursa Kuwait - the stock exchange - said that liquidity of trades in the first session of the year reached KD 71.4 million (\$235.6 million).

Jan 15: The Central Bank of Kuwait (CBK) joined the Bank for International Settlements (BIS), becoming the 63rd member of the Switzerland-based institute.

Jan 22: Central Statistical Bureau said that inflation in Kuwait reached 1.5 percent in 2019 when compared to 2018.

Feb 10: The Arab-British Chamber of Commerce (ABCC) chose Chairman of the Kuwait Chamber of Commerce and Industry (KCCI) Ali Al-Ghanim as an honorary head.

March 8: The Central Bank of Kuwait (CBK) announced the formation of a banks-backed KD 10-million financial fund to help the government's fight against COVID-19.

March 11: Kuwait's banks' union suspended work at banks nationwide, allowing one branch for each bank to operate throughout Kuwait. The measure was taken to curb the coronavirus spread.

March 12: Boursa Kuwait - the stock market - halted operations as part of the nationwide coronavirus countermeasures.

March 24: Kuwait's bank union announced that local banks would suspend the collection of loans for citizens and small to medium size enterprises due to coronavirus.

March 27: Standard and Poor's (S&P) lower the credit rating for Kuwait from (AA) to (AA-), but the outlook remained stable.

March 30: Moody's maintained a credit rating of Kuwait at (Aa2).

April 2: The Central Bank of Kuwait (CBK) took a package of oversight measures warranted by repercussions of the novel coronavirus; decreasing solvency requirements by 2.5 percent, liquidity criteria, forecast risks for small and medium enterprises from 75 percent to 25 percent and hiking maximum funding from 90 to 100 percent.

April 6: Kuwait Chamber of Industry and Commerce Board elected without contestation Mohammad Jassem Al-Sagr as chairman.

April 7: Fitch Rating maintains Kuwait's sovereign credit rating for 2020 at AA, portraying the state steady and solid credit status.

April 7: Central Statistical Bureau said that inflation reached its lowest rate by 1.67 percent per month in the first 10 months ending last February of 2020.

April 20: The Central Bank of Kuwait issued conventional bonds and tawarruq bonds worth KD 240 million.

May 30: The Ministry of Commerce added 14 food items to the list of subsidized commodities.

July 12: Minister of Finance Barrak Al-Sheetan ordered delay of collecting due installments of clients of the Defaulters and Family Support Fund.

July 13: The Central Bank of Kuwait (CBK) declared issuing bonds and tawarruq bonds, worth KD 240 million (\$792 million), for three months with a projected proceed of 1,250 percent.

July 26: Boursa Kuwait - the stock exchange - said that liquidity registered its lowest rate, hitting KD 9.9 million (\$34.6 million). This was attributed to natural profit gaining operations.

July 29: Kuwait Ports Authority declared reaping KD 50.1 million (\$161 million) for the 2019-2020 fiscal year.

Aug 13: The finance ministry declared a KD 5.6 billion deficit (\$18.4 billion) actual deficit in the fiscal year that ended on March 31, with a 68 percent rise on annual basis and lower by 31.8 percent of the budget projected deficit.

Aug 22: The Governor of the Central Bank declared that the gross domestic product (GDP) grew by 0.4 percent in 2019 reaching KD 39.4 billion (\$130 billion), against KD 39.2 billion (\$129.3 billion) in 2018.

Sept 3: Kuwait General Administration of Customs (KGAC) declared posting KD 363.44 million (\$1.1 billion) in the 2019-2020 fiscal year.

Sept 7: Governor of the Central Bank Mohammad Al-Hashel declared cutting the discount rate three times, dropping to the record level of 1.5 percent for the fiscal year (2019-2020).

Sept 12: Kuwait Credit Bank declared reaping net profits worth KD 72.5 million (\$239 million) in the fiscal year (2019-2020), increasing by KD 12.9 million (\$42.5 million) for the abovementioned financial year.

Sept 14: The central bank declared issuing bonds and tawarruq bonds worth KD 290 million (\$957 million) for three months with a 1,250 percent proceed.

What is Global Britain?

Brexiters argue the EU has held Britain back through onerous regulation and it can now embark on a buccaneering new mission to support free trade around the world - "God's diplomacy", according to a February speech by Prime Minister Boris Johnson. But if heaven was listening, it had other plans in mind: a month after Johnson's speech, Britain was forced into national lockdown by the coronavirus pandemic. If the world ever gets back to normality, the idea is that Britain will not shrink inwards after Brexit but will look outwards, as far afield as a free-trade pact with Pacific Rim countries. "Now Global Britain is back, it is time for the makers, the doers and the innovators to help us write our most exciting chapter yet," International Trade Secretary Liz Truss declared in October, touting UK exports of everything from clotted cream to robots.

Truss has already signed a post-Brexit trade deal with Japan and Canada, Singapore and Switzerland, among others. It is also eyeing a deal with India, and negotiating others with the United States, Australia and New Zealand - Britain's partners in the "Five Eyes" collective of English-speaking intelligence powers.

Further deals in the pipeline will cover 80 percent of overseas trade by 2022, according to the government, which has shaken up the Foreign Office to integrate aid and development into Britain's diplomatic agenda.

What about at home?

Johnson's pitch to voters in last December's general election was to "get Brexit done" and focus both money and attention on parts of the country that have failed to benefit from London's finance-driven growth. That "levelling up" agenda to bring new investment such as high-speed rail to northern England has been side-tracked by the pandemic. But the government insists its long-term goals remain in place and that membership dues sent to the EU will be better spent at home. Some Brexiters want a radical overhaul of Britain's economic model, to turn the country into "Singapore on Thames" - a lightly regulated, lightly taxed rival to supposedly sclerotic Europe. Yet the government stresses that any free-trade deals won't sacrifice its "red lines": the state-run National Health Service, food standards and UK farming. — AFP

After EU, what's next for 'Global Britain'?

LONDON: A brave new world or a dangerous leap into the unknown? After nearly 50 years of integration with Europe, Britain starts an uncertain new chapter on January 1.

What changes on January 1?

Britain formally quit the European Union in January this year but has continued to observe all its rules during a transition period. That half-way house ends at 2300 GMT on December 31. So from 2021, it will stand on its own, for better or worse.



A new trade deal, agreed Thursday, will smooth the path by lifting the prospect of tariffs and quotas for cross-Channel goods, from cars to lamb. Without a deal, imports and exports would have faced serious disruption with the abrupt return of barriers that have not existed for decades.

There are fears that certain foodstuffs and medicines could run short. Britain got a glimpse of what that might look like when France shut its borders to freight in response to the discovery of a new variant of the coronavirus.

But even with a deal, the future won't be seamless. UK exporters will still need to file reams of new customs paperwork to prove their goods have authorization to enter the EU's single market.

Britain has urged business to be ready either way, but industry players say the government has failed to deliver vital IT systems and support staff in time, heightening the risk of chaos after January 1.



Sept 21: The central bank issued bonds and tawarruq bonds valued at KD 200 million (\$660 million) for three months with a 1,250 percent proceed.

Sept 28: The central bank issued bonds and tawarruq bonds valued KD 240 million (\$792 million) for six months with 1,375 percent returns.

Oct 26: The Central Bank of Kuwait declared issuance of bonds and tawarruq bonds worth KD 200 million (\$660 million). Nov 2: The CBK issued bonds and

tawarruq bonds worth KD 240 million (\$792 million).

Nov 4: Kuwait Direct Investment Promotion Authority (KDIPA) disclosed in a report luring, during the fiscal year (2019-2020), KD 115.8 million (\$378 million) worth of direct investments.

Nov 9: The Central Bank of Kuwait issued bonds and tawarruq bonds worth KD 160 million (\$528 million). Nov 16: The CBK issued bonds and tawarruq bonds worth KD 240 million (\$792 million).

Nov 30: Kuwait bourse witnessed unprecedented trades valued at KD 961 million (\$3.3 billion) in the first day of trading in stocks of seven companies listed in the bourse premier market in the MSCI indices for emerging markets.

Nov 30: The CBK issued bonds and tawarruq bonds worth KD 360 million (\$1.1 billion).

Dec 1: The Kuwait stock exchange (Boursa Kuwait) announced the highest liquidity figure for this year at KD 961.6 million (\$3.3 billion), attributing the number to promotion of the bourse to the MSCI index for emerging markets.

Dec 2: The Ministry of Commerce said in a statement that it had worked hard to improve business atmosphere in Kuwait, leading to the country to become one of the world's top 10 improvers amongst 190 economies in the World Bank Group's Doing Business 2020 study. Kuwait's ranking in the Ease of Doing Business jumped from 97 in 2019 to 83 in 2020, the study concludes.

Dec 7: Central Statistical Bureau announced the highest inflation rate of 2.25 percent in the first ten months of the year ending last October.

Dec 7: The Central Bank of Kuwait (CBK) announced the issuing of bonds worth KD 280 million (\$942 million).

Dec 14: CBK announced the issuing of bonds worth KD 290 million (around \$957 million). — KUNA




Health Assurance Hospitals Company (DHAMAN)
One of the Strategic Projects in Kuwait National Development Plan
(New Kuwait 2035)

**INVITATION FOR EXPRESSION OF INTEREST (EOI)
CONSTRUCTION WORKS
FOR 12 PRIMARY HEALTH CENTERS (PHCs)**

Ref: RFI # DM135 24/12/2020 Date: 27th December 2020

Since its establishment in 2015, Health Assurance Hospitals Company (DHAMAN) is the first Public-Private-Partnership (PPP) healthcare organization in the Middle East, and the Company has a mandate to provide primary and secondary healthcare services in Kuwait.

DHAMAN is providing integrated healthcare services for a target market of mainly expatriates serving a projected population of approximately 2 million by 2026.

Achieving these goals requires the provision of minimum 15 primary healthcare centers (of which three are currently complete) and any necessary supporting services/facilities relevant to each center, with the centers being distributed regionally across governorates in Kuwait.

There are 12 new primary healthcare centers DHAMAN required to be constructed, commissioned, and operated in Kuwait.

The 12 Primary Healthcare Centers are classified to three types (A, B & C) according to their areas and components.

Built up Area:

- Type (A) 5,000 m²
- Type (B) 3,500 m²
- Type (C) 2,000 m²

DHAMAN is delighted to invite reputed construction firms to submit their prequalification documents for the Rehabilitation and Refurbishment Works at DHAMAN's Prospective Primary Healthcare Centers.

As the first step in the pre-qualification process, DHAMAN is requesting potential Central Agency for Public Tenders (CAPT) 2nd and 3rd ranked contractors to provide a Letter of Interest with supporting information in healthcare facility.

- Project description and client reference of primary or secondary care healthcare projects accomplished as per FGI and JCI standard for either local or international professional in the last 10 years.
- Proposed team structure and resumes for key team members with their accomplishment in healthcare projects.
- Certified Financial Statements of the last three years and bank references for company's credit facilities.

All valuable responses are invited to submit on or before 2PM, 6th January 2021, to the addressee: Department of Procurement, Health Assurance Hospitals Company (DHAMAN) through softcopy submission at procurement@dhaman.co

Note: This package will be utilized to develop the list of pre-qualified bidders for the next step in the procurement process.

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