



KUWAIT: Drivers queue up to fill their cars with fuel at petrol stations in Kuwait City yesterday on the eve of increased petrol prices. The Kuwaiti cabinet decided on August 1, 2016 to raise petrol prices by more than 80 percent from September 1 as part of economic reforms aimed at countering falling oil revenues. These are the first increases in heavily subsidized petrol prices in the OPEC member for almost two decades. The oil-rich Gulf state liberalized the prices of diesel and kerosene in January 2015 and revises their prices monthly. — Photos by Yasser Al-Zayyat

GAS STATIONS JAM-PACKED ON EVE OF PRICE HIKE

CO-OPS UNION WARNS AGAINST WHOLESALE PRICES' INCREASE

By Meshaal Al-Enezi

KUWAIT: Thousands of citizens and expats rushed to gas stations in all six governorates to fill up yesterday, before petrol prices go up from today. The melee witnessed clashes amongst customers who tried to jump the line, and some stations stopped operating after they ran out of petrol. Gas station work-

ers reported that demand for petrol skyrocketed before the new prices went into effect, with most stations overcrowded with motorists queuing to fill up according to the old prices for the last time. However, as a result of some social media campaigns against non-KNPC gas stations, demand was expected to drop because many customers plan to boycott them.

Case to court
Meanwhile, a lawyer yesterday filed a case at the administrative court demanding scrapping the decision to increase petrol prices. Having filed the case only 12 hours before the decision takes effect, the court is not expected to have enough time to order its annulment. In his case, the lawyer argued that the new prices would overburden all consumers including himself. Informed sources said that

the court would look into the immediate demand to scrap the new prices in a hearing due to be held on Wednesday, Sept 7.

Unjustified increase

Separately, the Union of Cooperative Societies urged the stores yesterday to reject any unjustified increase of commodities' prices by wholesale traders. Some goods' importers may hike the rates at pretext of

higher costs due to the higher fuel prices, Saad Al-Shabo, the union chairman, said in a statement to Kuwait News Agency (KUNA). Traders must abide by the rates set by the federation, he said. He urged societies' stakeholders and consumers to report about controversial high prices of commodities. The union was established in 1971, signaling launch of the cooperative businesses in the country.

KUWAIT APPLIES NEW FUEL PRICING TODAY

KUWAIT: The new fuel prices will be applied today as follows: Octane-91 (Premium): 85 fils per liter, Octane-95 (Super): 105 fils and Octane-98 (Ultra): 165 fils. The Cabinet has approved the raising decision on August 1, by recommendation of the economic committee.

The price increase is expected to create a change in consumption of Octane-91 and Octane-95, as more consumers will tend to use the Octane-91, Chief Executive Officer of Kuwait National Petroleum Company (KNPC) Mohammad Al-Mutairi said yesterday.

KNPC has already prepared its fueling stations for such changes and provided sufficient amount of fuel to cover the rising demands in the local market, he added. He noted that Al-Ahmadi and Al-Shuaiba refineries produce about 1.84 million liters of Octane-91, 9.39 million liters of Octane-95 and 270,000 liters of Ultra 98, which is a total of 11.5 million liters of Gasoline daily.

As for the daily consumption of all three types, Al-Mutairi said it is 1,833 million liters of Octane-91, about 9,135 liters of Octane-95 and 267,000 liters of Ultra 98, with a total of 11,235 million liters of average daily consumption. The growth of gasoline consumption in the past five years in Kuwait is about four percent, he said.

In 2011, consumption rates were recorded at over 3,531 billion liters, about 3,682 billion liters in 2012, 3,810 billion liters in 2013, 4,006 billion liters in 2014 and over 4,122 billion liters in 2015. The new pricing is close to international rates, said the official, noting that Octane-91 and Octane-95 are state-subsidies.



KNPC's CEO Mohammad Al-Mutairi

The pricing decision was made to rationalize subsidies and improve the country's budget deficit. Statistics show that after the raise, fuel prices in Kuwait will still remain the lowest among the Gulf States. The Cabinet has tasked a special commission to re-examine the State subsidies and the fuel prices every three months, to be in harmony with the global rates.

Meanwhile, His Highness the Prime Minister Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah has previously stressed that the decision was an 'extreme necessity' for Kuwait to follow up with the economic changes in the world. After the raising decision, the Ministry of Commerce and Industry announced it will not accept any raise in food items' prices. Saudi Arabia raised fuel prices on December 28, 2015, Bahrain on January 11, 2016, Qatar and Oman on January 15, and UAE on May 29, 2016. — KUNA



TAXI FARES LOWEST IN GCC EVEN AFTER INCREASE: MINISTRY

By Hanan Al-Saadoun

KUWAIT: The Interior Ministry's Acting Assistant Undersecretary for Traffic Affairs Major General Fahd Al-Shuwaei said the amended taxi and public transport fares are the lowest in the Arabian Gulf even after hiking them. He said during a press conference yesterday the decision aims at organizing the process and set transport prices commensurate to operation costs. He said the Interior Ministry, as the body concerned with deciding transportation prices and protecting the parties involved, made a preemptive move ahead of some who may use the decision to raise prices, and what may follow in problems between the service presenter and receiver.

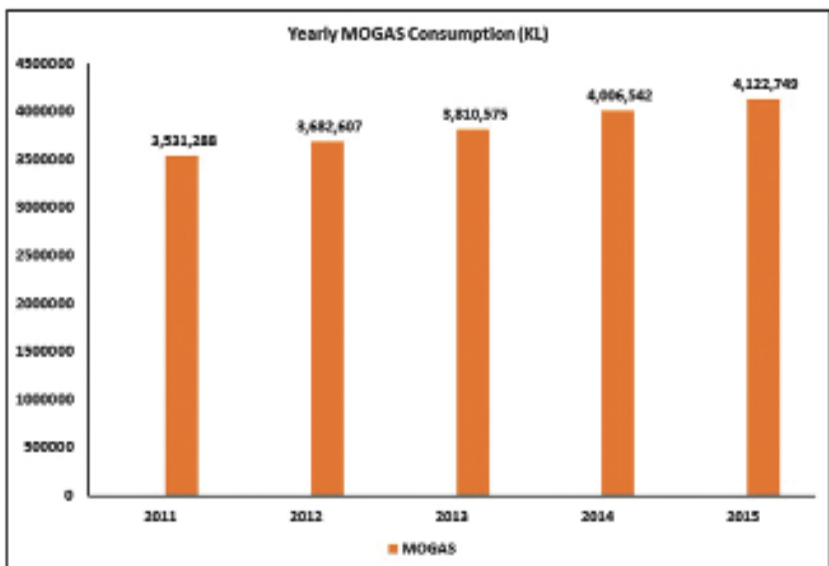
Shuwaei said it is important for taxi drivers to stick to the new tariffs and use the meter. He added that the tariff department will strictly monitor transport means and issue citations to violators, which allows impoundment of the vehicle for two months.

Meanwhile, Director General of the Relations and Security Information Department Brigadier Adel Al-Hashash said the department will launch an awareness campaign in all media to explain



KUWAIT: The Interior Ministry's Acting Assistant Undersecretary for Traffic Affairs Major General Fahd Al-Shuwaei (center) speaks during a press conference yesterday.

the details of the decision and its goal. He called on citizens and expats to call the complaints number (999 - 888 - 777 - 25583666) or 112 to inform about any case of noncompliance by taxi drivers, and a patrol will go to the site and deal with the situation.



Gasoline type	Production (1,000 liter)
Premium (91 octane)	1,840
Super (95 octane)	9,390
Ultra (98 octane)	270
Total	11,500

Gasoline type	Average daily consumption (1,000 liter)
Premium (91 octane)	1,833
Super (95 octane)	9,135
Ultra (98 octane)	267
Total	11,235

Example on new roaming taxi tariffs

Travelling from the Traffic General Department's building in Shuwaikh to Kuwait City (Sharq)

(Total distance = 16 km):

- Starting balance: 350 fils
- Distance value (total distance x 125 fils)
- Total value = 16 x 125 fils + 350 fils = 2,350

Example on new call taxi tariffs

Travelling from the Traffic General Department's building in Shuwaikh to Kuwait City (Sharq)

(Total distance = 16 km):

- Starting balance: 600 fils
- Distance value (total distance x 200 fils)
- Total value = 16 x 200 fils + 600 fils = 3,800