



10 Persistence pays off for Iraqi Kurd women entrepreneurs



24 Seven children killed, scores hurt in Kenya school collapse



25 Wales open Rugby World Cup campaign with win over Georgia



CBK: Global uncertainty, trade tensions, fintech impact banks

Central Bank chief lays out multipronged strategy to face these challenges

Zain and Boubyan Bank announce plan for first Islamic digital bank in the region

KUWAIT: Zain, the leading digital service provider in Kuwait, announced its sponsorship of the fintech exhibition as part of the International Banking Conference: Shaping the Future, organized by the Central Bank of Kuwait (CBK) under the patronage of HH the Amir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah.

During the exhibition, Zain showcased its digital capabilities in supporting the ecosystem and offering the latest and most innovative fintech platforms. Being a leading mobile telecommunications provider, the company plays a pivotal role when it comes to

generating positive economic impacts, as well as supporting the efforts of economic growth and creating direct job opportunities within the market.

The conference witnessed a strategic partnership between Zain and Boubyan Bank to announce the first digital platform for Islamic banking services, which is the first digital partnership in the region's markets, and comes between one of the biggest telecommunications companies in the Middle East and Africa, and one of the most innovative banks in offering advanced digital banking facilities. — (See Page 11)



KUWAIT: Zain Vice Chairman and Group CEO Bader Al-Kharafi receives Acting Prime Minister and Defense Minister Sheikh Nasser Sabah Al-Ahmad Al-Sabah at Zain's booth at the fintech exhibition yesterday.



KUWAIT: (From left) Central Bank of Kuwait Governor Mohammad Al-Hashel, Finance Minister Nayef Al-Hajraf, Acting Prime Minister and Defense Minister Sheikh Nasser Sabah Al-Ahmad Al-Sabah and Minister of Commerce and Industry Khaled Al-Roudhan attend the International Banking Conference on Shaping the Future yesterday. — Photo by Yasser Al-Zayyat

By Jamie Etheridge

KUWAIT: Financial technologies are disrupting the global banking industry, creating concerns across the globe for what the future holds at a time when the global economy is facing many challenges. To address this issue and hear what senior regulators, policymakers and industry leaders think, the Central Bank of Kuwait organized the International Banking Conference on Shaping the Future yesterday.

In his keynote speech, Central Bank of Kuwait Governor Dr Mohammad Al-Hashel addressed the challenges facing the global banking sector today. "Three challenges are particularly worth highlighting: The state of the global economy; the revolution in financial

technology; and the rapidly evolving needs and expectations of customers," Hashel explained.

He noted that the International Monetary Fund (IMF) twice lowered its global growth projections for 2019 to 3.2 percent, with

See Pages 11-14

developed economies expected to grow at a much slower rate of 1.9 percent. A key driver of this slowdown is economic uncertainty brought about by rising trade tensions and protectionist policies. "If trade tensions continue, the IMF may further revise down its economic growth projections," he said.

The Central Bank chief also explained that

"global debt over the past 20 years has grown on average by 6 percent annually, compared to 3.5 percent for global GDP. If these rates continue, we could see global debt over the next 20 years reaching \$780 trillion, or 500 percent of GDP. This is clearly unsustainable, and requires urgent action by both governments and financial institutions."

The threat from Big Tech is also a looming concern for regulators and the banking industry. "What would happen when the likes of Facebook, Amazon, WhatsApp and Alibaba start competing with banks to provide financial services? These technology giants come with large and captive user bases, low online acquisition costs, and a better understanding of their customers through their utilization of big data."

Continued on Page 24

MoH imposes new fees for sick leaves, certificates, licenses

KUWAIT: The health ministry has implemented a new fee scheme that includes a KD 2 fee for authentication of sick leaves issued by the private sector. The new fees are for services offered by the medical council to expats, including KD 20 for medical examination for those applying to work in the public and private sectors; KD 5 for medical examination for those seeking disability aid and age estimation; KD 10 for "medically unfit", "to whom it may concern" and proportion of disability due to injury certificates; and KD 5 to approve sick leaves issued by non-government doctors inside or outside Kuwait.

The health ministry also imposed fees for approving advertisements - KD 50 for three months for licensing

Continued on Page 24

Lawmaker calls to ban drones for security reasons

By B Izzak

KUWAIT: MP Saadoun Hammad yesterday called on authorities to ban the import, purchase and use of drones because of their high risk to national security and stability of the country, saying that drones are capable of obtaining confidential information that could harm the country's national interests.

Khan presses Trump on Taliban, Kashmir

UNITED NATIONS: Pakistani Prime Minister Imran Khan yesterday pressed US President Donald Trump to restart talks with Afghanistan's Taliban and said Washington has a "duty" to calm the Kashmir standoff with India. "Stability in Afghanistan means stability in Pakistan," Khan said at the start of a meeting with Trump on the sidelines of the UN General Assembly in New York. He also pleaded for help in Kashmir, a disputed Muslim-majority territory, part of which

has been placed under a military clampdown by neighboring India, restricting many basic freedoms.

"The most powerful country in the world has a responsibility," Khan said, calling India's clampdown "a siege" and warning that the "crisis is going to get much bigger". Trump responded that he would "certainly" help mediate between Pakistan and India as long as both governments asked for this.

Continued on Page 24

Australia resumes live sheep exports after ban lifted

SYDNEY: Australia has lifted a temporary ban on controversial live sheep exports, with the first ship due to depart for the Middle East this week with about 60,000 animals on board. The live export trade has been under scrutiny since horrific footage of dead and dying heat-stressed sheep on vessels bound for the Middle East was released in April 2018, prompting a public outcry and forcing sweeping reforms to the industry. Though the government resisted calls to outlaw the practice entirely, a review led to a temporary embargo on live exports during the northern-hemisphere summer from June to September this year.

Rural Export and Trading WA, an exporter, said the ship is due to leave Fremantle, in Western

Continued on Page 24

600,000 tourists stranded as Thomas Cook collapses

LONDON: British travel firm Thomas Cook collapsed yesterday, leaving some 600,000 holidaymakers stranded and sparking the UK's biggest repatriation since World War II. The 178-year-old debt-plagued group, which had struggled against fierce online competition for some time and blamed Brexit uncertainty

for a recent drop in bookings, declared bankruptcy after failing to secure £200 million (\$250 million) from private investors.

Yesterday's bankruptcy, which followed a lengthy period of chronic financial turmoil after a disastrous 2007 merger deal, left some 600,000 tourists stranded worldwide according to Thomas Cook, while its 22,000 staff are out of a job. The British government launched emergency plans to bring some 150,000 UK holidaymakers back home from destinations including Bulgaria, Cuba, Turkey and the United States.

Authorities have meanwhile launched an official investigation into the corporate collapse, according to

a Downing Street spokeswoman who also cautioned that there were "a number of complicated reasons behind the failure". Thomas Cook said in a statement that "despite considerable efforts", it was unable to reach an agreement between the company's stakeholders and proposed new money providers. "The company's board has therefore concluded that it had no choice but to take steps to enter into compulsory liquidation with immediate effect," it added. The long-troubled group has also been blighted by enormous costs arising from its disastrous 2007 merger with MyTravel, a deal which left it plagued with huge levels of debt.

Continued on Page 24



NEW YORK: US President Donald Trump shakes hands with Pakistani Prime Minister Imran Khan during a meeting yesterday. — AFP