

Kuwait's economic steps in right direction: World Bank

MENA economic outlook subject to substantial downside risks

WASHINGTON: The World Bank has lauded economic steps that have been taken by the Kuwaiti government for boosting the private sector, saying these moves "are on the right track". The Kuwaiti government is seeking to limit the state participation in the economy to bolster the private sector and minimize barriers facing commerce and investments, the report notes. Key initiatives that have been taken by the Kuwaiti government cover laws, privatization, partnership between the private and public sectors in fields such property development, education, water, sewage, transports and management of solid waste. These efforts have been exerted in the right direction, the WB report affirms.

On the Middle East and North Africa (MENA), the report said economic growth in the region will slow by 0.6 percent this year compared with 1.2 percent last year. The growth forecast for 2019 is revised down by 0.8 percentage points from the April 2019 projection due to lower oil prices since April 2019 and a larger-than expected contraction in Iran. MENA's economic outlook is subject to substantial downside risks, most notably, intensified global economic headwinds and rising geopolitical tensions.

The latest edition of the MENA Economic Update titled "Reaching New Heights: Promoting Fair Competition in the Middle

East and North Africa" discusses the current sluggish growth due to conservative oil production outputs, weak global demand for oil and a larger-than-expected contraction in Iran. On the other hand, a boost in non-oil activities in the Gulf Cooperation Council (GCC) countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), most prominently in construction, partially offset the dampening effect on the region's average growth numbers as a result of Iran's economic contraction.

"Countries in the region have implemented bold reforms to restore macroeconomic stability, but the projected growth rate is a fraction of what is needed to create enough jobs for the fast-growing, working-age population," said Ferid Belhaj, World Bank Vice President for the Middle East and North Africa region. "It is time for courageous and far-sighted leadership to deepen the reforms, to bring down the barriers to competition and to unlock the enormous potential of the region's 400 million people as a source of collective demand that could drive growth and jobs."

In the medium-term, the World Bank expects real GDP in the MENA region to grow at 2.6 percent in 2020 and 2.9 percent in 2021. The projected pickup in growth is largely driven by increasing infrastructure investment in GCC countries and the recovery

in Iran's economy as the effects of current sanctions wane. However, the report warns that a further escalation in regional tensions could severely weaken Iran's economy and spill over to other countries in the region. While rising oil prices would benefit many regional oil exporters in the short run, the overall impact would be to hurt regional trade, investment, and spending on infrastructure.

In addition to providing economic growth forecasts for each country, the report highlights how unfair competition results from markets dominated by state-owned enterprises and politically-connected firms which deters private investment, reducing the number of jobs and preventing countless talented young people from prospering.

"The lack of fair competition is holding back the development of the region's private sector, which history has shown to be the source of broad-based growth and jobs," said Rabah Arezki, World Bank MENA Chief Economist. "Countries in the region have an opportunity to transform their economies by levelling the economic playing field, and creating business environments that encourage risk-taking and reward innovation and higher productivity." — KUNA

Roudhan hails role of female entrepreneurs



KUWAIT: Minister of Commerce and Industry and Minister of State for Services Khaled Al-Roudhan speaks at the Women's Cultural and Social Society.

By A Saleh and Meshaal Al-Enezi

KUWAIT: Minister of Commerce and Industry and Minister of State for Services Khaled Al-Roudhan announced welcoming women into the world of business and investment, adding that the legislative amendments approved by MoCI during the past two years had contributed in creating more opportunities for female entrepreneurs.

Speaking at the Women's Cultural and Social Society, Roudhan stressed the presence of businesswomen fully capable of becoming an added value for Kuwait's economy. He also iterated his full belief in Kuwaiti women as an integral part of the future economy. The society's Chairperson Lulwa Al-Mulla called for putting an end to gender discrimination in all fields.

Shisha ban hailed

Secretary of the Kuwait Society for Smoking and Cancer Prevention Anwar Burhamah strongly hailed the Municipal Council's approval of a proposal made by member Hamdi Al-Azmi on banning shisha for families at various restaurants and cafes. Burhamah added the society had been calling for

fighting all forms of smoking since its establishment in 1980, noting that studies have proven the disastrous effects of passive smoking on dental health, as the tobacco used includes nicotine and countless carcinogenic substances. Burhamah stressed recent studies had shown that smoking e-cigarettes is also harmful, because the vapor damages blood veins and include carcinogenic substances as well.

• CEO of Kuwait Oil Company (KOC), Emad Al-Sultan yesterday visited the tests of citizens applying to work in the anti-corruption authority (Nazahah).

• Health Minister Dr. Basel Al-Sabah recently gave strict instructions to various health zone directors and hospital managers to follow up the collection of fees from expatriates without exceptions, said informed sources.

The sources explained that the minister had been tipped that some expatriate and, sometimes, Kuwaiti doctors have been ignoring the fee collections from sick relatives or friends. "The minister's instructions stressed warning doctors, be them expats or Kuwaitis, against such practices and telling them they would be held accountable for them", the sources underlined.

Municipality first public body set up in Kuwait

KUWAIT: Kuwait Municipality was the first public service body established in Kuwait - in 1930 - to initially serve Kuwait City. It later extended its services to cover villages and Failaka Island 20 years later, as mentioned in a book titled "The Dream of Modern Kuwait...History of Kuwait Municipality Pre-oil" written by Municipality director from 1971 to 1980 Mohammed Al-Maasherji, who attributed the idea of establishing the Municipality to Sheikh Yousif Al-Qenae, who wanted to follow in Bahrain's footsteps in this regard and published the idea in Kuwait Magazine in 1928.

In this regard, civil society researcher Bader Al-Hetaiah told KUNA that the Municipality was established before the discovery of oil and that it used to rely on both donations and rev-

enues it collected as fees. Hetaiah added that a meeting was held at Mubarakiya School on April 9, 1930 to call for electing the first 12-member Municipal Council for a two-year tenure, before direct orders from Sheikh Ahmad Al-Jaber Al-Sabah were made to appoint Sheikh Abdullah Al-Jaber Al-Sabah as the first Municipality chief, while Sulaiman Al-Adasani was elected as its first director.

Hetaiah said that Kuwait was plagued by smallpox from July to December 1932, which claimed around 3,000 lives. "It was then that the Municipality imported the needed vaccines from Iraq and launched a vaccination campaign to fight the disease," he explained.

In addition, Hetaiah said that under its second director Nisf Al-Nisf, the Municipality played a major role in recruiting citizens to work in a private shipping and unloading company, distributing aid to citizens affected by the heavy rainfall in 1934 - the year of haddamah (destruction) - which destroyed several houses, and collecting a half per cent custom tax to be used for establishing the first education ministry (al-maaref department). — KUNA



The old Municipality administration building.