

# Kuwait to spend \$16.6bn on projects

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The Kuwaiti cabinet has allocated \$16.6 billion (Dh60.9bn) for capital spending in the next fiscal year starting April 1 as part of a four-year development plan, said a government statement said.

The allocations will be spent on development projects in the Gulf state during the fiscal year that runs until March 31, 2011, said the statement that was issued after the cabinet's weekly meeting.

It did not name the projects but said five public shareholding companies would be established to implement them, and one of the projects is for power generation.

Adel Al Wugayan, Secretary General of the Higher Planning Council, which prepared the plan told Al Qabas newspaper that \$7.7bn will be spent on oil projects and \$8.9bn on non-oil projects.

A further \$7.7bn will be contributed by the private sector during the coming fiscal year, Wugayan added. The Kuwaiti parliament last month gave its initial approval to the emirate's four-year plan, which stipulates spending \$139 on development projects.

The plan, the first since 1986, includes such mega projects as developing a new business hub called Silk City estimated to cost \$77bn, a major container harbour and a 25-kilometre causeway.

It also includes a railway and metro system, new cities and additional spending on infrastructure, particularly in the health and education sectors. The goal of the plan, which runs until fiscal year 2013/2014, is to turn Kuwait into a regional trade and financial centre.

The second and final vote is expected to take place this week.

Kuwait has amassed huge foreign assets in the past decade on the back on high oil prices. The value of these assets is estimated at \$230bn.