

KUWAIT: Oil and More

Kuwaiti entrepreneurs lead the country into the next decade

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Kuwait's economy has leapt beyond that of its neighbors, with the World Bank forecasting the nation's gross domestic product to be the fastest growing in the GCC in 2022. Although the grounds are set for a massive industrial

2035 initiative has set diversification of the nation's industries as its key focus, with large opportunities opening up in the country's financial services, construction and information and communications technology sectors.

Additionally, the country is embracing the green era, including its largest industry. "In the oil sector here in Kuwait we are leaders in sustainability," said Waleed Al-Bader, former CEO of Kuwait National Petroleum Company.

The national oil company recently launched its \$16-billion Clean Fuels Project that significantly cut carbon emissions from its operations.

The government also launched a \$200-million fund in 2019 to advance research and private sector participation in technology. The nation is putting more focus on its private sector – particularly its small and medium-sized enterprises – to add value and innovate the market, with the government relaxing policies for new enterprises. Foreign investors are now swinging their heads to participate in the newly opened and modern economy.

The government's ambitious Vision 2035 initiative has set diversification of the nation's industries as its key focus

transformation, the country's oil and gas sector remains its key economic pillar, taking up 95 percent of its exports and 90 percent of government revenue. The government's ambitious Vision



Financial Services

With a quick return to earnings, the sector is actively looking towards Kuwait's future by homing in on its new fintech capabilities and supporting a rise in entrepreneurship within the financial services community

Central to Kuwait's economic transformation is its robust financial services sector, which houses 11 local banks and more than 100 financial services companies.

Al Ahli Bank of Kuwait is leading the country's charge in modernizing its banking operations. "We need to be aware of the new challenges and opportunities for growth ahead," said George Richani, Group CEO of the bank. "I believe what made us successful in the past is not necessarily the same

recipe for the future." The institution is relying on artificial intelligence, advanced analytics and cutting-edge cybersecurity measures to strengthen Kuwait's financial services offerings. Other institutions are following suit. Innovation in the segment is being led by the Central Bank of Kuwait, which launched a regulatory sandbox in November 2018 that allows for testing of new banking technologies outside the financial system to support and develop small and medium-sized enterprises in the fintech sector. Subsequently, the government launched a \$200-million fund to advance research and private sector participation in technology in January 2019 with a large part of it bound for advancements in the financial service sector.

The presence of successful Kuwaiti fintech companies such as secure payment brands Tap Payments and My Fatoorah are showing a huge appetite in Kuwait for digital products and payment systems. As quarterly profits rise sharply – reaching \$1.7 billion in the second quarter of 2022 – the country's banks are hastening to compete with regional powerhouses for financial technologies, such as Saudi Arabia, the UAE and Bahrain.

Young Entrepreneurs

A shining new generation of business leaders is leading the country's transformation

Kuwait is seeing unprecedented focus put on its entrepreneurial market, with a fresh round of private business owners ushering a new era of innovation. Under the Vision 2035 initiative, the government has liberalized funding and relaxed policies related to new businesses with positive results. In 2020, Kuwait ranked fourth in the Middle East and North Africa region in funding for start-ups following the UAE, Egypt and Saudi Arabia.

family company towards transforming Kuwait's services sector with the new Alfred concept café in Kuwait City.

"Kuwait is a great place to start any ventures and spread to the region."

Ahmed AlHuzami
CEO of AlCantara Holding



Positive market conditions have allowed young entrepreneurs to do more than grow companies but change the fabric of Kuwaiti culture. Entrepreneurial frontrunner Aziz Alabdulrazzaq, CEO of Alabdulrazzaq Group, is moving his fourth-generation

"The private sector is extremely ready and just needs opportunities."

Abdulaziz AlAbdulrazzaq
CEO of AAG



"The private sector is extremely ready and just needs opportunities," said Alabdulrazzaq.

Another frontrunner, Ahmed AlHuzami, CEO of AlCantara Holdings, is igniting active recreation in the country through its sports management and consultancy Suffix that has organized exponentially larger events. "We strive for unique experiences even if they are costly because we know we are changing a culture," he said.

These role models are showing what is possible in the market and empowering a new generation of young leaders.

Local leader sees strength in diversity

Al Abdulrazzaq Group

Abdulaziz AlAbdulrazzaq, CEO of AlAbdulrazzaq Group, has been instrumental in modernizing the family-run multinational company through diversifying the company's focus markets and looking beyond Kuwait to global opportunities.

Locally, the company is stirring the pot with its new landmark Alfred coffee in Kuwait City, with expected expansion of the community-enforcing franchise into the region. Following the Kuwaiti government's Vision 2035 initiative, the company plans to create different opportunities for local workers and boost unvisited areas of the economy. AlAbdulrazzaq highlights the importance of adapting private entities to explore different niches to absorb shocks in the market and how family-run values create a robust and dedicated community of workers.

Entrepreneurs lead through ingenuity and strategy

AlCantara Holding

CEO Ahmed AlHuzami of Alcantara Holdings has played the long game and come out on top, with the holding company climbing the ranks to become not only Kuwait's most successful

sports-related entity but also a beacon for fashion and instrument of social change. The company has held its focus on the country's fitness segment since it was formed in 2007, a gap long neglected by both private and public sectors. Now, the company promotes some of the nation's most-attended sporting events and healthier lifestyles while its fashion and design entities set the bar for the country's refined tastes. By holding on to a dream, the business leader has shown that changing the paradigm of business is indeed possible.

Unlocking growth through new business frontiers

AlThekair Trading & Contracting Company



Since 1984, AlThekair Trading & Contracting Company has pioneered a journey of acquisitions in Kuwait. By using an analytical approach to the market, Chairman Hamad AlThekair steered the group into a diverse portfolio of services—from ICT to finance, automotive, and real estate. In 2004, the group entered the automotive sector by acquiring the Kia Motors car dealership in Iraq. It became

a significant player in the financial sector with the addition of leading investment company Al Madar in 2017, and asset-management firm Kuwait & Middle East Financial Investment Company in 2019, and their subsequent turnaround into profitability.

Selling its e-Portal Holding in 2022 to accelerate expansion, the group took on the real-estate development sector in Kuwait through a new project designed by US architecture firm Skidmore, Owings and Merrill, responsible for the world's tallest building.

"Kuwaiti businesspeople are resourceful, determined to succeed and open to new frontiers," AlThekair said. "They are risk-takers, managing to transform underperforming companies into bigger and more profitable ones, whether in Kuwait or cross-border."



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