

Signing two memorandums of understanding to implement industrial Investment opportunities with the local private sector in the field of petrochemical

The Company has signed two a Memorandum of Understanding with Kuwait Industrial Projects Company and Kuwait Metal Manufacturing Industries Company to execute two investment projects in the field of local petrochemicals.

The company's CEO, Mr. Mohamed Al-Farhoud, said in a press conference on last July 29th that the first investment project has been granted to Kuwait Industrial Projects Company which is owned by Kuwait Industrial Bank to build a



polypropylene sheets production plant with production capacity reaching 30 thousand tons per year.

He added that it is possible to increase production capacity of this plant to 60 thousand tons per year, pointing out that Petrochemical Industries Company will supply feedstock (LPG, which is the combined propane and butane values) to Kuwait Industrial Projects Company that lays on her part to build and operate a plant for the production of polypropylene sheets used in packaging food and medicine, and in manufacturing adhesive tapes and labels.

He pointed out that the second project was the share of Kuwait Metal Manufacturing Industries Company to execute the project and build a plant for the production of polypropylene fiber with a production capacity of 5 thousand tons per year with the possibility to increase it from 5 to 10 thousand tons per year. He said that Petrochemical Industries Company will supply the feedstock (LPG, which is the combined propane and butane values) to Kuwait Metal Manufacturing Industries Company, which will build and operate a polypropylene fiber production plant used in manufacturing cement bags, large sandbags and Urea product bags.

Al-Farhoud pointed out that this cooperation is the result of continuous efforts to implement Kuwait Petroleum Corporation's strategy to enhance the participation of local private sector in oil industry; the Corporation has formed several teams with representatives from the Corporation and its subsidiaries to identify a list of industrial investment opportunities available to private sector.

Al-Farhoud stressed that the company has 11 investment opportunities in the local private sector; with a volume range of investments in each

opportunity in between \$ 20 to \$ 30 million dollar, with a total value reaching up to \$ 330 million, he mentioned that these opportunities aim to create jobs for citizens, develop Kuwaiti workforce, increase domestic spending and support private sector. The company main role in these opportunities is focused on providing it with (LPG).

Mr. Jawad Al-Qallaf, the Chairman of Kuwait Industrial Projects Company, said that the company has allocated \$ 100 million to implement a polypropylene fiber production plant. The project location has been identified in the industrial area of Al-Shaiba on an area of 20 thousand square meters and the company is currently preparing detailed studies for the project.

Mr. Tarek Al Mousa, Chairman of the Board of Metal and Industrial Industries Company, said that the project for his company aims to establish a plant in Abdullah port on an area of 5-10 thousand meters, pointing out that the company is currently conducting feasibility study for the project.

On the other hand Mr . Bader Nasser Al-Shuwaib, Director of Private Sector Participation at Kuwait Petroleum Corporation (KPC) said that the goal of agreements is to support local content strategy, which aims at increasing the economic cycle of oil sector.

Al-Shuaib added that this is based on two main axes first is the increasing local expenditure of materials and services, and secondly utilization of materials produced by factories in the transformational industries inside Kuwait.