MoCI, PAI adopt new criteria for distributing industrial land

By Faten Omar

KUWAIT: Minister of Commerce and Industry Khaled Al-Roudhan announced the adoption of new standards for the distribution of industrial land by the board of directors of the Public Authority for Industry. He disclosed that 1,036 industrial blocks will be distributed in the coming months according to these standards.

Roudhan said at a press conference held yesterday at PAI that the new standards and the evaluation of the industrial projects will be based on three basic criteria: Industrial capital, which means the size of the capital used in technology, machinery and equipment, in addition to the volume of energy used to operate the plant.

This will form 20 percent of the total standards. Industrial priority of the quality of investment and products makes up 30 percent.

The third criterion is value added to the national economy, which includes the volume of products to be achieved in addition to the size of national manpower working in the project and its service to other local projects, as well as the actual production volume. He said this standard will have 50 percent weightage of the total distribution standards.

Roudhan said the distribution of the 1,036 industrial blocks will be in the Shadadiya industrial area, adding that it will contribute to enhancing the role of the industrial sector in Kuwait to diversify sources of income and increase domestic output. He announced plans to encourage upgrading the quality of existing and future factories.

Roudhan said the blocks will be distributed to entrepreneurs who meet the new settlement criteria so that Kuwaiti industrial products can compete globally. “It is not enough for our industry to be for domestic consumption only. Without exports, the industry will not work for the economy,” he said. “We will seek to contribute to the new industries to reduce imports of some basic products. The local products should be of competitive quality and exportable quantities that can be sold in world markets and achieve self-sufficiency in crises,” he added.

He pointed out that the new criteria for settlement in the new industrial zones were meant to give a great push to PAI to work more freely and quickly to achieve basic objectives, including the increase in exports, providing real job opportunities acceptable to Kuwaitis, diversification of products and focusing on global competitiveness. “We have formed a team that has set a timetable for approval of projects with feasibility studies. It started work three months back and is expected to disband at the end of March and start the actual distributions after approval,” Roudhan explained.

Abdulkarim Taqi, General Manager of PAI, said the first criterion in the new standards is industrial capital, which is divided into two parts: Energy conservation, because energy is subsidized and depends on a depleting resource, so saving it will bring great benefits to the economy. It has 50 percent weightage. Machines and equipment out of the total number of productive labor forms the other 50 percent in order to reduce dependence on unskilled labor and encourage dependence on trained labor and thus provide jobs for Kuwaitis.

The second standard (industrial priority) is that it is distributed in four bases: Recycling waste from manufacturing operations (5 percent weightage), 40 percent for export products, 20 percent for products for the local market that replace imports and 35 percent for medicine and technology products.

The third criterion (value added to the national economy) will be divided into five sections: 20 percent weightage for profitability of trade, 15 percent for national employment, 20 percent to use local raw materials and feed the product to other factories, 25 percent for product made for the first time and 20 percent for products that will replace imports.

Taqi said the technical team adopted a time-frame for project approvals, starting by sorting applications at the sector level, then approvals of feasibility studies, followed by applying the criteria to these approvals to get the preliminary results. He said applicants will be interviewed to explain the project, announcing that a committee will be formed by MoCI and PAI in the event of any objections.

KFAS launches Innovation Challenge 2018

KUWAIT: In collaboration with University of California, Los Angeles (UCLA) and with the participation of teams from 10 private Kuwaiti companies, the Kuwait Foundation for the Advancement of Sciences (KFAS) launched on Wednesday the Innovation Challenge 2018, a unique program designed to develop human capital within the private sector through science, technology and innovation (STI).

Out of the 50 private shareholding companies that applied for the program, 10 were selected after careful evaluation: The National Bank of Kuwait, EQUATE, Petrochemicals, Kuwait Finance House, Agility Logistics, Gulf Bank, KAMCO Investment, TábGo Food, Jadeite Group, Boubyan Bank, and Rasameel Investment. Two of these teams, KAMCO and Jadeite, are participating for the first time.

At the inaugural dinner of the 2018 Innovation Challenge, KFAS Director General Dr. Adnan Shihab-Eldin, noted that teams will learn practical knowledge that can be readily applied to their work. The goal is to develop innovative solutions towards challenges within their companies in four months. He reflected on some of the success stories of past Innovation Challenges, where participants have been able to translate the outcomes of the training they acquired into the development of new initiatives, demonstrating the power of STI as a tool for business development and growth. The Innovation Challenge is customized for the private sector in Kuwait. The program utilizes experiential learning methodologies to equip participants with skills and tools to successfully undertake innovative approaches to business challenges faced in their work environment, he added. The Challenge, currently in its fourth year, has developed significantly over the past few years, and much of its success can be attributed to the diverse learning modalities and the use of proven educational approaches in promoting innovative ideas, shifting from traditional business norms, he said.

Senior Associate Dean, UCLA Anderson School of Management, Alfred Osbourne, Jr said: “I believe that this kind of partnership – reaching across nations and bringing together the best that academia and business have to offer – is a powerful template for the way in which we can create positive change in our world today. We are grateful for the confidence that KFAS is placing in UCLA - because you are trusting us with the development of your human resources. And however great a nation’s wealth, industrial might, technological prowess or geological resources, its people will always be its most precious asset.”

As a result of previous participation in the program, Boubyan Bank introduced its first interactive teller machine in Kuwait as an innovative service to their clients. They are also one of the first banks to establish an internal innovation center. The program also prompted EQUATE to establish two internal innovation centers, which accelerated the promotion of innovation culture within the company. The program started in January and will be ending in May 2018.

The Executive Education Center at the UCLA Anderson Center is a world-renowned institution in the United States, that has traditionally been known for its excellence in capacity building, coaching and training initiatives, including promoting and designing innovation worldwide. The program, which is designed and funded by the foundation, will include workshops and seminars led by experts from UCLA. Most of the workshops will be held in Kuwait; however, as a part of the program, the teams will attend workshops on the UCLA campus and visit high-profile companies in Los Angeles such as Disney and Snapchat. The program aims to advance the knowledge and skills of the participating teams through simulation, comparative studies and distance learning.