





Cabinet discusses major developmental projects

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## Tourism sector vital to economic revival



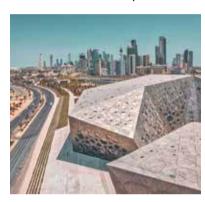
THE TIMES KUWAIT REPORT

uring its regular session last week, the Council of Ministers chaired by His Highness the Prime Minister Sheikh Sabah Al- Khalid Al-Hamad Al-Sabah, called on the Minister of Finance Khalifa Hamada to urgently solve the challenges hindering the Touristic **Enterprises Company from launching** major entertainment projects.

Considering that developing the tourism sector would support the economic and financial priorities of the government, one would have expected the authorities to seize every opportunity to promote and develop this vital economic sector. Perversely, that has not happened in the past and it is unlikely to happen now either, though one can always hope that wiser counsel will prevail this time around.

The present scenario of a hurried interest by the authorities in reviv-

ing and developing tourism in the country has played out before. Every time oil prices fall and economic travails begin to loom, the government expresses its keenness to revive the tourism sector, but then funds are not available to develop the sector.



But the moment international oil prices register a spike and revenues increase, tourism is pushed to the back-burner as a non-priority item, and it languishes there until the next economic downturn.

**CONTINUED ON PAGE 12** 

#### GCC-CAC enhances investments, judicial spheres in Gulf

#### **Tareq Al-Shumaimry Secretary-General of GCC-CAC**

Since its establishment in 1995, the Gulf Cooperation Council (GCC) Commercial Arbitration Centre (GCC-CAC), has been at the forefront in enhancing the role of arbitration as a self-dependent system in resolving trade and business disputes among GCC nationals, or between them and other nationals, including natural and corporate persons.



As the CAC system draws its regulation from a multi-party sovereign source that rises above laws in force in the GCC States, the Center is able to provide an

integrated and impartial judicial and arbitration system, said the newly elected Secretary-General of GCC-CAC, Tareq Al-Shumaimry, while affirming that the provisions and rulings of the Center are valid in all the countries of the GCC.

**CONTINUED ON PAGE 8** 





## Global demand hikes price of imports to Kuwait

apid increase in demand for goods and services following a recovery in major global economies has led to a record rise in price of most items imported to Kuwait. The hike in import costs of goods will have a strong impact on the cost of goods and services available in Kuwait, and could lead to runaway inflation, unless the authorities undertake urgent measures to find solutions to the problem, warned the Chairman of Kuwait Chamber of Commerce and Industry (KCCI), Muhammad Al-Sager.

In a letter addressed to His Highness the Prime Minister, Sheikh Sabah Al-Khaled Al-Hamad Al-Sabah, the KCCI Chairman said that due to rampant rise in prices, especially for building materials including iron and other metals, many suppliers and contractors will not be able to fulfill their contractual obligations that were signed earlier with ministries and other government entities.

In a second letter addressed to the Minister of Commerce and Industry (MoCI), Dr. Abdullah Al-Salman, the KCCI chairman noted that attempts to impose sanctions on companies that raised prices were not justified. He urged the Council of Ministers to form a specialized committee to study the problem in its entirety and come up with a report on solutions that were acceptable to all stakeholders.

Elaborating on formation of the specialized committee, Al-Sager clarified that it should comprise representatives of the MoCI, the Ministry of Electricity and

Water, the Ministry of Public Works, and the Public Authority for Housing Welfare, as well as representatives of KCCI and nominees of the Council of Ministers, in addition to representatives of companies and institutions that have contractual obligations with public-sector entities.

He added that the committee report should cover financial, economic, and legal aspects of the crisis, and submit its report to the Council of Ministers within 10 working days of its formation.

Among the reasons cited for the record rise in prices are:

Production cuts or stoppages due to repercussions from the pandemic; and an increase in demand following recovery in major global economies.



In addition to the price rise in most metals including copper which is used extensively in renewable energy projects and for use by the electric car industry.



# Cabinet discusses major developmental projects

In its regular weekly meeting, the Council of Ministers met last Wednesday and reviewed the progress made so far in the country's major development projects. These projects are deemed crucial in raising the state's revenues, rationalizing spending and providing job opportunities to nationals.

During the meeting there was consensus among ministers that implementation of the projects needed to be speeded up, said Foreign Minister and State Minister for Cabinet Affairs Sheikh Dr. Ahmad Naser Al-Mohammad Al-Sabah in a statement issued following the



discussions. The discussions followed a visit by His Highness the Prime Minister Sheikh Sabah Khaled Al-Hamad Al-Sabah, accompanied by several Cabinet ministers, to the visitors centre of the Sheikh Jaber Al-Ahmad Al-Sabah Causeway development site.

Meanwhile, it was announced that Kuwait Direct Investment Promotion Authority (KDIPA) has been tasked with accepting bids from the private sector for developing the Abdali Economic Zone. The Cabinet also discussed plans to find an exclusive location in Kuwait's northern Subiya region where contemporary exhibitions would be displayed, based on a suggestion by its economic affairs committee.

Also during the Cabinet meeting, the Head of Kuwait International Fair (KIF) company, Wael Al-Ibrahim made a presentation on plans to establish an international trade city in Kuwait. He said the marquee project will provide a myriad of benefits to the state and its people, including creating a job boom for nationals while also boosting the national economy and

luring international investments to the project.

In addition, the Cabinet discussed projects dealing with providing renewable energy to power the country's electricity generation and water desalination plants. In this regard, the ministers reviewed the current status of the Shagaya Renewable Energy Complex being supervised by the ministry of water and electricity. In addition, the Council of Ministers tasked the Ministry of Electricity and Water (MEW) to take charge of implementing a smart meter project for the country, to replace the antiquated and inefficient mechanical meters that are used in most buildings in Kuwait.

On a related note, the Public Authority for Industry is reported to have obtained a legal opinion from the Fatwa and Legislation Department of the Council of Ministers, on developing industrial cities around the country, using a Build-Operate and Transfer (BOT) model of operation.

The Fatwa and Legislation Department is said to have given the green signal to the Authority to put forward industrial cities projects without the need or subject to working formulas with the Public-Private Partnership Authority, contrary to what was previously decided, based on what was stated in the Industry Law (56 /1996).

The Fatwa was also based on the recommendation of the Industry Authority of the importance of the private sector's participation in construction, management, and development of the industrial sector in the country, and supervising its achievement of comprehensive economic development, which contributes to the localization of various industrial, service, warehousing, commercial, investment, and residential activities.

On the other hand, the Authority is said to be planning to bring about a broad transformation in the concepts of land development, which it will present to investors. The new plan, which departs from the traditional view of developing industrial cities based on specific activities, will instead put forward plans to develop economic zones with a broader investment concept that includes various industrial activities in one place, including training centers to improve the caliber of workers in these cities.

## Lifeline for expats over 60 with high-school diplomas

Residency Affairs Sector at the Ministry of Interior has granted an extension of six months on the residency permits of expats above 60 years of age holding high-school diplomas, until the proposed fees and conditions for renewing the visa are approved.

In this regard an Mol source said that the Residency Affairs Sector is currently not permitted to grant visit visas to any category of foreigners as it did before the onset of the pandemic. The source said that currently a specialized Residency Affairs committee has been formed and that it is responsible for granting visit visas to family members of expatriates who hold Article 22, Article 18, and



Article 17 visas. The Residency Affairs Sector now has the authority to grant entry visas only to foreign women who are currently abroad and are married to citizens, as well as the children of Kuwaiti women married to foreigners.

## South African ambassador visits LuLu Hypermarket's Kuwait Regional Office



Lutu Hypermarket, the leading retailer in the region, recently had the pleasure to welcome and host the Ambassador of South Africa to Kuwait, H.E. Manelisi GENGE.

During the visit, Ambassador Genge met with top-level management of LuLu Hypermarket in Kuwait, and held discussions on various topics of mutual interest. The two sides also specifically discussed how Kuwait's leading retail hypermarket could help promote South African products in Kuwait.

LuLu Hypermarket currently imports and stocks more than 60 well-known South African brands, including food and non-food items. The hypermarket also has a dedicated sourcing office for various products from the region, conveniently located in South Africa's port city of Cape Town. The retailer is reported to be planning on adding several more brands in the immediate future, as well as increasing the number of products imported from South Africa.

In a further bid to promote South African products in Kuwait, LuLu Hypermarket is also preparing to organize a South African Festival at the hypermarket some time in October 2021.

LuLu Hypermarket has been in the forefront among retailers in the country, as well as the region, in importing and stocking on its shelves the widest range of high-quality products from around the world, and making it available to customers at the most competitive prices.



## Ambiguity on entry leaves passengers from six nations in quandary

he ongoing saga on allowing direct entry to Kuwait for passengers from Bangladesh, Egypt, India, Nepal, Pakistan and Sri Lanka, continues unabated. The Council of Ministers had on 18 August given permission to the Directorate-General of the Civil Aviation (DGCA) to resume direct flights with these six nations.

Accordingly, many passengers from these countries were said to have booked tickets and arranged for completing all the health requirements mandated for entry into Kuwait. There were even reports that the first flight from Egypt would land on the morning of Thursday 26 August, followed by flights from India and elsewhere.

However, on Tuesday, a press statement from the Director of the DGCA's Air Transport Department, Abdullah Al-Rajhi, denied that any date had as yet been fixed for resumption of flights with the six countries. He added that the DGCA was still preparing flight operation plans, and that permissions for airlines to operate direct flights from the six countries would be given only once the operation plans were completed.

He noted that flight operations were being delayed because of the current daily limit on the number of incoming passengers through Kuwait International Airport. Al-Rajhi pointed out that the DGCA had requested the Cabinet to increase the current daily limit of 7,500 travelers, in order to facilitate the entry of additional passengers from the six countries.

While granting the green signal to the DGCA, the Cabinet had also set conditions on the entry of passengers from the six countries, including that incoming passengers should adhere and conform to all health and security guidelines mandated by the ministerial Higher Committee for Coronavirus Emergency.



#### Kuwaitization of oil sector at rapid pace



The Minister of Oil and Minister of Higher Education, Dr. Muhammad Al-Faris in a recent discussion on the strategy for Kuwaitization of the oil sector, said that the Ministry of Oil has made great strides in giving priority to employment for national cadres, through their appointments in the engineering, technical and administrative sectors. He added that the government has an ambitious strategy with regard to Kuwaitization of the oil

sector, and that the plan for the sector depended on the policy of attracting national cadres from graduates of engineering and technical and administrative fields.

He pointed out that the sector is going through a period of great recovery in light of new projects, especially the Clean Fuel project, which is one of the most important global projects and a source of pride for the country, as it supports the policy of the 'New Kuwait 2035' vision.

#### Kuwait economy expected to recover only by 2024

↑ lobal sovereign credit rating agency, Fitch Solutions, Said it expected Kuwait's economy, which suffered a slump of 10.5 percent in 2020, to recover and reach its prepandemic level only by 2024.

The agency noted that Kuwait's long-term outlook remains weak, due to underlying structural imbalances, the ongoing contentious relations between the executive and legislative branches of government, and the fact that export growth, which is a key-driver of economic expansion, will remain sluggish in the coming years on account of lower oil prices and stagnant oil production.

Fitch stated that after Kuwait recorded a small deficit equal to 1 percent of GDP in 2020, the current account will return to a surplus equal to 10.2 percent of GDP this year. The agency added that despite tensions between the government and opposition members in parliament that is likely to continue well into 2022, the country is expected to pass a public debt law this year.

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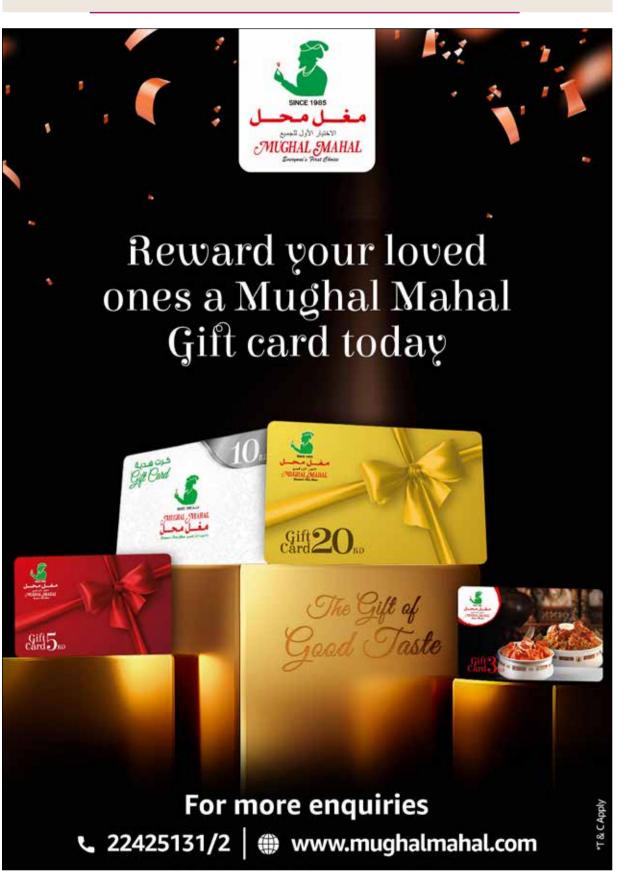
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## GOAT CHEESE FOOD,

oat cheese is one of the most versatile cheeses and goes easily from breakfast to dessert. It is super mild, wonderfully creamy and also happens to be one of the healthiest cheeses. Moreover, it is low-fat, low in lactose, high in protein and easy-todigest. From pasta filling to a dreamy mayo alternative, check out these fun and delicious ways to use goat cheese. Stuff meats, vegetables, and more: Simply scoop it out, stir in herbs or spices (and even fruit), and instantly amp up meal time. Get creative and stuff in meats like chicken, or mushrooms, and even French toast, or whatever.

Goat cheese mixed with oregano, basil, parsley, and chives is a delicious stuffing for chicken. The seasoning in the cheese will help to season the chicken, and you can try garnishing it with lemon juice, garlic and cherry tomatoes

Dial up veggie trays, crostini and guacamole for parties: For a crowd-pleasing party dip, mix up plain goat cheese with salt, garlic, onion, and herbs and toss some seasonal vegetables on a tray. It is basically a healthier alternative to ranch dressing. One way to make tangy, creamy guacamole is to mix 6-ounces of goat cheese with three mid-sized avocados and diced tomatoes. Do not be scared to play with different herbs and spices, it is a fun way to amp up regular or even store-bought guacamole.

Dress up basic sandwiches and bagels: Add excitement to lunchtime

with goat cheese as a palatable alternative to mayonnaise and an easy way to add more protein into the mix. For a tomato sandwich, goat cheese actually balances out acid from tomatoes and makes for a noteworthy bite. You can even mix and match sweet with savory. Bagels are a fantastic choice, as textually speaking, goat cheese is very similar to cream cheese. Or finely dice fresh vegetables and mix in with regular goat cheese for a tasty take on garden vegetable cream cheese.

Cream cheese is like sour cream, but better: Fresh goat cheese, plain and simple, is a great substitute for sour cream dolloped on a baked potato. Or add garlic and chives to give a little personality to baked potato night. The best part? Goat cheese is so flavorful that butter and sour cream will not be missed. You can



also stir goat cheese into soup and chili right before serving.

Mix up pasta: If there is no time to make something like homemade ravioli, add plain goat cheese to your favorite cooked pasta noodles, tossed with olive oil, chopped pistachios, black pepper, and lemon zest, for dinner in a pinch. The combinations of pasta fillings and sauces are endless.

**Curb sweet tooth cravings:** To curb sweet tooth cravings, add honey and brown sugar to plain goat cheese. You can slather it on graham crackers or to use it as a crepe filling alongside seasonal fruit. You can even dip strawberries in sweetened goat cheese for a delicious and elegant dessert.



# Thought week

66

Whether you think you can't, you're right.

— Henry Ford



If you are concerned that you just cannot make great fried chicken at home — that it will not be crispy enough — do not worry. Here is how to get fantastically crispy fried chicken at home.

**Start by tenderizing:** You need to tenderize if you are going for juicy chicken that melts in your mouth. Use a fork to poke a bunch of holes in the chicken, which preps the chicken to maximize the next step of brining.

Do not skip the brine: Brining really makes the chicken tender and juicy. To do it: Make a simple brine of salt and water in a bowl and add the chicken. Ideally, let it sit overnight in the fridge, about 24 hours. You can also do a dry brine, which is more like a rub. Add whatever spices you would like (you can use the same ones as you will use for seasoning the flour later), but the key here is salt, which helps to make it tender and juicy. If you do a blind taste test of brined fried chicken versus non-brined fried chicken, you will notice the brined one is much softer every time.

Season the flour: Many people just dredge their chicken in plain flour, and that is a problem. The chicken just ends up tasting bland. Instead, throw in a lot of cayenne pepper. It makes it spicy, but not too spicy, and you can also add in paprika, garlic powder, and onion powder.

Mix things up a little: Take your wet hand, dip it into your buttermilk and hold it over your flour to let it drip into the mixture. Then, take your dry hand and mix it up. Repeat the

process a few times before breading, and you will create those little crunchy nuggets of clumpage that make fried chicken so satisfying.

**Put some muscle into it:** When you are doing the dredging process with buttermilk and flour, you need to press down hard — like really hard — on the chicken to ensure the breading stays on when you fry it.

Fry it twice: It is s a must if you are looking for chicken that gives you that texture when you bite into it and want to hear that 'crunch' sound.

For blanching fried chicken: Heat oil to 250 degrees and cook chicken breasts for about five minutes, or bone-in chicken for about 12 minutes. Let them rest for 15 to 20 minutes, then fry again, two to three minutes for breasts or five minutes for bone-in. Alternatively, you can complete the first step, let the chicken cool and store it in the refrigerator, then fry it a second time the next day before serving.

Leave plenty of room: Be careful about dropping too much chicken into the oil at one time, as it can dramatically lower the temperature of the oil — resulting in soggy, greasy chicken. For example, if you set the oil to 350 degrees and add a potful of cold chicken, it can drop the temperature by 100 degrees. Instead, fry in small batches, keeping a close eye on your oil temperature. You can also let your chicken sit on the counter for an hour before frying so it is not as cold (and will not drop the oil temperature as dramatically when you add).



# EASY, PROTEIN PACKED DIPS

Homemade dips are often tastier than whatever you can buy. They are obviously fresher, but they also do not contain any chemicals or preservatives. They are also super simple to make since there is no actual cooking involved. Just toss the ingredients in a food processor and hit the purée button.

The best thing about homemade dips has to be how

easy it is to infuse them with flavor. These are the best homemade bean dips packed with protein, easy to make ahead, easy to pack, and will last for several days in the fridge, which makes them perfect for meal prep.

#### Cilantro-Lime Black Bean Dip

Drain and rinse one (15-ounce) can black beans. Transfer to a food processor and add 2 tablespoons chopped cilantro, 1 chopped garlic clove, 2 tablespoons water, 2 tablespoons fresh lime juice (from 1 lime), 1 tablespoon extra-virgin olive oil, 1 teaspoon ground cumin, 1/4 teaspoon smoked paprika, 1/4 teaspoon kosher salt, and freshly ground black pepper to taste.

Purée until smooth. Taste and adjust the seasonings, if needed. Garnish with red pepper flakes, extra cilantro, and a drizzle of olive oil, if desired. This one goes great with plantain chips.

#### **Garlic-Rosemary White Bean Dip**

In a small skillet, combine 3 thinly sliced garlic cloves, 1 minced rosemary sprig, and 3 tablespoons extra-virgin olive oil. Warm over medium heat until mixture is gently sizzling and garlic is lightly golden, about 1 minute. Remove from heat and let stand 5 minutes to infuse.

Meanwhile, drain and rinse one (15-ounce) can white beans. Transfer to a food processor and add infused oil mixture and 1 tablespoon fresh lemon juice. Purée until smooth; season to taste with kosher salt and freshly ground black pepper. Garnish with a drizzle of olive oil and more rosemary, if desired. This one goes great with whole-grain crackers.

## Survey shows major customer shift to e-commerce during pandemic

#### MNSS introduces Genuine Toyota Motor Oil

Mohamed Naser Al Sayer & Sons (MNSS) Group Parts Division has announced the launch of Toyota Genuine Motor Oil in a brand-new pack, featuring enhanced looks to match its cutting edge performance.

According to Business-Director Parts and Group Logistics, Desmond Lew, "Over the years we have been working closely with Idemitsu, our business partner in the Middle East along with local government authorities to bring nothing but the best for our customers in Kuwait." Toyota



Genuine Motor Oil is the latest fully synthetic motor oil approved by Toyota Motor Corporation Japan with a wide range of additional customer benefits. Distinct features of the new pack include a red cap with Al Sayer Logo on all genuine oil packaging exclusively made for Mohamed Naser Al Sayer & Sons Kuwait. Better Cap grip for ease of opening. Level indicator strip for ease of partial usage. Stylish Can with two handles for the ease of pouring, and labels with distinct identity – Toyota Genuine Motor Oil logo, Part Number, Bar code.

Toyota Genuine Motor Oil is available at ALSAYER's 17 retail parts outlets and Toyota Service Centers. On the high streets, oil distributors, co-operatives, oil change centers, gGarages, auto repair shops, puncture shops stock and many more outlets stock and sell Toyota Genuine Motor Oil to ensure easy access and convenience for Toyota owners.

### LuLu Hypermarket holds 'Super Deals' promotion

uLu Hypermarket, the regional retailing leader, held a 'Super Deals' promotion √from 25 August to 1 September, at all its outlets in Kuwait.

The week-long promotion offered massive deals on a wide gamut of products ranging from groceries, fruits and vegetables, to fresh and frozen products, meat and fish items, as well as to non-food items including consumer electronics such as mobile phones, televisions, IT products and a whole lot more.

In addition, popular clothing and garment brands such as Cortigiani, De Backers, Eten, Ruff and Sin were also available at unbelievably amazing discounts.

Besides being held simultaneously in all outlets of LuLu Hypermarkets in the country, the 'Super Deals' promotion was also available on the hypermarket's

online platform at https://www. luluhypermarket.com/.



Access to the promotion deals, both online and offline, allowed shoppers the choice of selecting their preferred method and convenient time for shopping and ordering from the entire range of products on offer at the hypermarket.

A main benefit for those ordering

on the online platform was that LuLu Hypermarket offered free home-delivery for purchase of all products ordered online worth over KD30. The free home-delivery offer was valid on purchases made from the start of the promotion on 25 August, until the penultimate Super Deals day on 31 August.

Super Deals promotion, which coincided with the country slowly returning to normal activity, was a major draw for shoppers eager at avail of the best offers at extraordinary prices. The promotion also once again reiterated LuLu Hypermarket's resolve to offer customers what they require, when they require, at the most competitive prices and on the widest selection of products.

#### MEW determined to collect dues from consumers

 $\begin{tabular}{lll} A ssistant Undersecretary for Customer Services Sector at the Ministry \\ A of Electricity, Water and Renewable Energy (MEW) Ahmed Al-Rashidi \\ \end{tabular}$ confirmed that the ministry has so far collected over KD200 million in the first-quarter of this financial year. He added that the ministry is determined to collect all dues from consumers and has provided various channels for payment of water and electricity dues.

He pointed out that customers can pay their dues through mobile phones, through the ministry's website or payment links, or by calling 153, in addition to the traditional collection mechanism for customers by visiting any of the MEW offices designated for collecting payments.

itecore, the global leader in digital experience management software, noted that research conducted by YouGov MENA, the regional arm of the UK-headquartered international online market research and data analytics firm, found that 94 percent of customers in Kuwait had become digital converts to e-commerce during the pandemic.

With the country witnessing a rapid transition from bricks and mortar stores to hybrid and e-commerce models, the survey also found that customers are placing greater emphasis on the customer experience. Nearly 94 percent of IT decision-makers surveyed in Kuwait said their customers will navigate away from a site and choose an alternative if they cannot find what they need in just a few clicks.

Furthermore, 83 percent of customers have less patience with slow or poorly functioning websites. In addition, 78 percent of Kuwaiti brands rank mobile apps or websites as priorities for improving customer experiences. Analysis of the survey by Sitecore found that millennials and Generation Z customers have quickly shifted their significant spending power online. Pressure will continue to mount on retailers until they can deliver an experience that delights.

In response to the changing milieu, brands in Kuwait are taking a variety of actions to improve the shopping experience. The majority, 78 percent, ranked an online app or website that works well on mobile devices as among their top three choices.



Also scoring highly in the top three choices were brands remembering customers' shopping history and preferences (51%), the ability to order by voice command, smart watch, or smart speaker (40%), knowing the name during login or customer service (37%), keeping up to date on the latest trends and fresh inspiration (28%), and offering virtual consultations and personal shopping support (28%).

According to a recent report by MarketLine, the global business information company providing data on every major industry and marketplace in the world, the Middle East's e-commerce market reached US\$12.1 billion in 2020, representing 53.8 percent year-over-year growth, boosted in large measure to the stay-at-home economy of COVID-19. Electronics and retail accounted for \$5.2 billion or 42.5 percent of the total market.





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### MoI to limit the number of cars expats can own

 ${f E}$ xpats can legally own as many cars as they can purchase, and many expat families own more than one vehicle. A recent report that the Ministry of Interior (MoI) is moving to limit the number of cars an expat can own, after discovering hundreds of expatriates own more than 50 cars each, may initially sound preposterous.

But data on vehicle ownership the General Traffic Department (GTD) reveals that claim is no exaggeration, and that accordingly the Mol is said to be

considering drastic measures to limit the number of vehicles that expats can own. These expats are essentially illegal vehicle traders who buy, sell and lease vehicles registered in their names without a proper license from the authorities, thereby reaping rich profits for themselves, while defrauding the state of taxes that accrue on sale of each car.

This illegal trade has now prompted the Director-General of the GTD to specify the number of cars that an expat can legally own. A recent survey of this phenomena carried out by the Traffic Department, as part of efforts to reduce traffic congestion on the roads, found hundreds of expatriates own dozens of cars and undoubtedly they trade in cars, albeit without a license, taking advantage of the fact that there is no law to determine how many cars a person can own.

The GTD pointed out these expatriates trade-in cars "away from the eyes of the Ministry of Commerce, and make huge profits but the state treasury does not benefit from this trade, because they trade without a license." The GTD added that it is seeking to eliminate chaos by issuing a decision that will put a limit on the vehicles each resident will be allowed to own.

This limit on vehicle ownership, will be in addition to levying a surcharge on every additional vehicle owned by an expatriate. The GTD also noted that there were cases where expatriates rented vehicles to their compatriots on a

real estate authority

Members of the Real Estate Union called on the government to expedite the establishment of a public real estate authority, especially after extensive research was conducted by the World Bank in cooperation with the Union, Al-Rai daily reported.

During a recent meeting of Kuwait Real Estate Union, the head of the Union, Tawfiq Al-Jarrah called for the establishment of public real estate authority to protect the sector, tackle the current lack of accurate information on the sector, and attract investors and investments to the real estate

The meeting was attended by other union

officials, including the Union secretary Ibrahim

Al-Awadi, member of the Union's Board of

Directors, Abdul Rahman Al-Tarkit, and real

estate evaluator, Ahmed Al-Lahib. The Union representatives urged the government to

expedite the setting up of such an Authority,

especially since a lot of groundwork has

already been done in this regard, including an

in-depth study conducted by the World Bank

amend the real estate owners law to make

it mandatory on all real estate owners, so

as to reduce the current confusion and

The meeting also stressed the need to

in cooperation with the Union.

Union calls for setting up



monthly basis, again at a profit to themselves but without paying any fees as part of the leasing





### US Ambassador thanks Kuwait for supporting Afghan evacuation

The US Ambassador to the State of Kuwait ▲ Alina L. Romanowski lauded Kuwait for its cooperation in evacuating American citizens and at-risk locals from Afghanistan. In a press statement released last week, the US ambassador stated: "Over the past several days, the United States has mobilized an unprecedented, global effort to evacuate US citizens, personnel from partner nations, and at-risk individuals from Kabul.

"We deeply appreciate the support our allies have offered and are proud to partner with them in our shared support of the Afghan people. Kuwait, one of our closest friends in the Middle East, quickly rose to the occasion and lent a helping hand.

"The Kuwaiti Government generously chartered planes from Kuwait Airways to help facilitate this essential evacuation operation. Thank you to His Highness the Amir Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah for his commitment to this humanitarian effort and our joint partnership, and his approval of the safe transit of 5,000 Afghans through Kuwait to onward destinations. Since August 16, more than 850 Americans and Embassy Kabul personnel transited safely from Afghanistan to the United States via Kuwait on five separate flights.

"Kuwaiti government-chartered flights also transferred more than 400 Nepali Local Guards from the US Embassy in Kabul to Nepal. This is not the first time Kuwait has stood by the United States. In 2005, for example, Kuwait pledged \$500 million in aid to US relief efforts after Hurricane Katrina — the single largest donation of its kind at the time.

"Today, Kuwait is a major non-NATO ally and a vital strategic partner to the United States not only on a bilateral basis, but also on working together for stability in the region, for progress, for peace, and bringing countries together. Since 2003, Kuwait has supported US and coalition operations in Iraq and continues to play an integral role in the fight against ISIS.

"Moreover, Kuwait is a gracious host to American troops, which allows us to continue our mission of helping to defend our regional partners. The United States deeply values its friendship with Kuwait, and we look forward to marking 60 years of diplomatic ties this September. As Secretary Blinken said last week following his phone call with Foreign Minister Sheikh Ahmed Nasser Al-Mohammed Al-Sabah: "We deeply appreciate the Kuwaiti government's support, a prime example of our enduring partnership."

## Kuwait close to community immunity

The announcement by the Minister of Health Sheikh Dr. Bassel Al-Sabah that Kuwait is within reach of its target of achieving 'community-immunity' by vaccinating over 70 percent of the eligible population, has increased optimism in the country. There is hope among many people that Kuwait could soon return to normal activities, after more than 18 months of lockdowns and curfews that restricted mobility of people and stagnated economic and business activity in the country, due to the pandemic and its repercussions.

Kuwait began a vaccination campaign in late December 2020, with His Highness the Prime Minister flagging off the drive by taking the first-shot from the first batch of Pfizer-BioNTech vaccine that arrived in the country.

According to reports from the Ministry of Health, a total of 2.6 million people have so far been vaccinated in the country, and the health minister has in recent weeks said that the epidemiological situation in the country is steadily improving. Health ministry has been reporting a fall in the number of daily infection cases and in fatalities from the COVID-19 crisis,



disorganization in the sector, and ensure the rights of owners.

The meeting also called on the government to allow expatriate residents to own and operate apartments in investment buildings. The Union pointed out that allowing expatriates to own apartments would help in the overall development of Kuwait in all domains, including in social ,economic and political fields. Such a move could result in significant increase in commercial activities, as the residential sector in the country is valued at over KD80 billion. This would also help to localize the remittances by expatriates, estimated at around US\$15 billion annually that is at present sent abroad.

#### Over 40,000 MoH frontline workers to be rewarded

round 40,000 frontline employees of the Aministry of Health (MoH) are to share in the KD134 million set aside by the Ministry of Finance and approved by the Civil Service Bureau as rewards to frontline workers in the fight against the pandemic.

According to government sources, the

MoH will bear sole responsibility for ensuring that only deserving employees are given the awards and for the data on names, number of employees, and the days of duty calculated for each employee. The MoH will also have to make sure that this reward is not combined with any other rewards disbursed earlier as compensation for the same work.

The rewards are only for government sector employees, and each employee must fill out an acknowledgment and pledge form before receiving the reward. The MoH will also form a grievance committee for employees, regarding the bonuses, after completion of the disbursement process.



as well as a decrease in the number of patients seeking intensive care in hospitals.

"We are on the right track to achieve community immunity," said Ministry of Health spokesman Dr. Abdullah Al-Sanad in his latest daily media briefing. He also commended citizens and expatriates for registering to get the vaccine. For his part,

Dr. Khaled Al-Saeed, a member of the COVId-19 vaccine committee, said the inoculation paved the way to community immunity which would eventually ease the strain on the health system in case of future waves of the pandemic. The vaccination, he added, contributed to a drop in the number of patients in hospitals and deaths. It also encouraged the ministry to introduce a third shot of the vaccine "for critical cases."

## Cost of hiring domestic helpers unsustainable



ost of recruiting domestic helpers from abroad is increasingly becoming unsustainable for recruiting companies and untenable for sponsors hiring these workers, said the Al-Durra Domestic Labor Recruiting Company, the government approved recruiting agency for domestic workers.

The company said that in many cases the costs were not commensurate with the revenues it generated and in some cases the company stood to lose from the recruitment process.

Responding to a query by lawmaker Dr. Abdul Aziz Al-Saqabi, the company stated that it has to initially bear all the charges for recruiting workers from abroad and has subsequently set the prices for recruiting domestic workers from India at KD 460. from the Philippines at KD850, and from Sri Lanka at KD975.

For his part, the Director of the Department for Regulating the Recruitment of Domestic Workers in the Public Authority for Manpower (PAM), Nasser Al-Musawi, reviewing the mechanism for returning domestic workers to Kuwait, noted that it involves submitting requests through official recruitment offices, and registering on the specialized electronic platform BelSalamah to facilitate the return of domestic workers.

He added that the cost of completing the recruitment process for a single domestic worker comes to KD1380, Including KD890, which the sponsor has to pay to the recruitment office, and remaining KD490 to register on the Belsalamah platform.



#### Kuwait among safest cities in GCC

↑openhagen, the capital of Denmark, ✓topped the 2021 world's safest cities list published by the Economic Intelligence Unit (EIU), of UK-based international weekly newspaper 'The Economist'.

The EIU, which provides forecasting and advisory services worldwide through research and analysis, measures the performance of 60 cities around the world each year across 76 indicators based on five security metrics — personal security, digital security, health security, environmental security and infrastructure security.

The biennial report 'Safest Cities Index, in its fourth iteration in 2021, found Copenhagen to be safest city with a score of 82.4 points out of 100, followed closely by Toronto in Canada with 82.2 points. Singapore ranked third globally, with 80.7 points, followed by Sydney with 80.1 points, and Tokyo rounding off the Top-Five cities with 80 points.

Among cities in the Arab world, Abu Dhabi ranked on top with a rank of 31 and score of 66.9; followed by Dubai in 35th global rank with a score of 64.6; Riyadh in 49th spot with a score of 55.1. Kuwait with a rank of 53rd globally scored 49.9 points, while Cairo came in 57th spot with a 43.7 score. The 53rd rank of Kuwait in 2021 was a sharp drop from the 38th spot it occupied in the Safest Cities Index in 2019, when it had scored an overall total of 64.5 points. Blame the pandemic.



#### Indian embassy celebrates Onam



The Indian Embassy celebrates the Onam festival with cultural performances from the artists showcasing the beautiful cultural heritage of the Indian State, Kerala. The event was organized at the Embassy Auditorium and was attended by a large number of people on online platforms.

The Indian ambassador H E Sibi George inaugurated the event and reiterated the importance of introducing rich Indian culture to the world. During his speech, he invited all the Indian Associations to join hands with the embassy to celebrate India in Kuwait.

## Draft law to penalize runaway domestic workers

espite heightened demand for domestic helpers, amid the increasingly unsustainable cost of hiring and retaining household helpers in Kuwait, a parliamentarian is reported to have submitted a proposal for a draft law that would penalize runaway domestic workers.

Lawmaker Dr. Abdullah Al-Turaiji said he had submitted a

draft law to amend Article No. 51 of Law No. 68/2015 for domestic workers, to stipulate that a domestic worker who escapes from his/her sponsor must pay for the return fare to his/her home country. This is in addition to subjecting the runaway worker and the one who shelters this worker to pay KD2 for each day from the date the absconding report was filed with the police.

The draft proposal stipulates the following:

Article One stipulates when the domestic worker escapes, the Ministry of Interior must deport the worker at his/her own expense, or the ticket money must be paid by the party



which sheltered the worker, or by the recruitment office if the worker escapes during the probation period. And, that this clause is clearly mentioned in both Arabic and English in the contract signed between the employer and the domestic worker.

Article Two of the proposed draft law calls on the Prime Minister and ministers, each in his

or her own capacity, to implement this law.

The explanatory note states Law No. 68 of 2015 for domestic workers was issued to regulate the process of recruiting domestic workers in Kuwait, and in view of the increasing cases of 'runaways' and the failure of the worker and the one who shelters him/her to bear the responsibility, this amendment has been submitted to hold the worker and the person who shelters him/her responsible.

And, that this escape clause is also clearly mentioned in both Arabic and English of the contract signed by all concerned parties.

## Indian embassy organizes India-Kuwait online solar energy forum

The Embassy of India in partnership with and with support from the Ministry of New & Renewable Energy (MNRE), Government of India, organized 'India-kuwait Solar Energy Forum' on 24 August. The objective was to bring together all stakeholders in the fields of solar and renewable energy and to explore the potential of India-Kuwait cooperation in all aspects of solar energy, especially government, industry, research, investments, and projects.

Ambassador of India H.E. Sibi George inaugurated the event and spoke about the potential available for cooperation between India and Kuwait and highlighted various opportunities available in the sector. Director General, International Solar Alliance (ISA), Dr. Ajay Mathur, gave the keynote address. This was followed by Deputy Director-General for Strategic Thrust Programs, Kuwait Foundation for the Advancement of Sciences (KFAS), Dr. Mohammad Al- Ramadhan, in his address to the forum, gave an overview of Kuwait's vision for the renewable energy sector. The Vice-Chairman, CII National Committee on Atmanirbhar Bharat - RE Manufacturing and Founder & CEO, O2 Power, Parag Sharma, also spoke on the occasion.

A panel discussion on 'Unlocking the Full Potential of India – Kuwait Solar Energy Cooperation' was organized during the forum

with eminent panelists from India and Kuwait participating in the event.

India has set an ambitious target to achieve a capacity of 175 GW worth of renewable energy by the end of 2022, with a renewed target of 450 GW by 2030. This is the world's largest expansion plan in the renewable energy sector. India has achieved a milestone of 100,000 MW of installed Renewable Energy capacity,



becoming only the 4th country in the world to do so. India has installed 45,200 MW capacity of solar energy, witnessing seventeen times increase during the last 7 years. India is not just on par but will surpass the commitments made under the Paris Agreement.

The event witnessed an enthusiastic response with stakeholders from India and Kuwait participating in the event, in person as well as virtually.





#### **CONTINUED FROM PAGE 1**

Speaking during a recent media-interview in Kuwait, Al-Shumaimry added that the impartial rulings administered by the Center have helped to spread the arbitration culture among all stakeholders, and to build confidence among international investors to invest in the region. He further noted that the CAC, which has its headquarters in the Kingdom of Bahrain, is also actively engaged in training and qualifying a new generation of arbitrators from the region through its highquality training programs.

Confirming the Center's physical presence in Kuwait through a number of bilateral memorandum of cooperation between the State and CAC, the Secretary-General added that currently several disputes involving

Kuwaiti companies or subsidiaries of Kuwaiti companies were before the CAC. He underscored the fact that the confidential nature of the arbitration process, which distinguishes it from alternative means of settling disputes, has kept these disputes out of public limelight and media coverage of the commercial sector.

He stressed that the center enjoys a unique legal and legislative ground, which enables it to provide an advanced international arbitration experience, in resolving disputes in the best way so that it contributes to supporting the commercial sector and attracting foreign investments, by providing a successful and easy way to settle potential commercial disputes, according to recognized international frameworks.

During his interview, Al-Shumaimry spoke

The Center's Arbitration Procedures Regulations, which were approved in all GCC countries, according to the constitutional instrument of each state, makes judgments issued by the Center binding and final. It shall have the force of enforcement in the member states of the Cooperation Council, after ordering its implementation by the competent judicial authority.

at length and provided a detailed explanation on various aspects of CAC and its workings. Below are excerpts from the media interaction with the new CAC Secretary-General.

He began by explaining the advantages of arbitration before the Center as compared to other judicial procedures. "Arbitration before the CAC, compared to the judiciary, is characterized by many advantages, including the confidentiality of deliberations between the parties to the dispute and the arbitral tribunal, the parties' control over the procedures, as well as the parties' freedom to choose the persons who will decide the dispute, the applicable law, and the venue of the sessions, as well as speed in settling disputes — the maximum time specified in issuing a judgement by the Center is 100 days, nevertheless, the CAC has been able to reach amicable settlements and issue a number of judgements in less than 50 days.

Explaining why the Center's rulings are enforceable in GCC courts, Al-Shumaimry said, "The Center's Arbitration Procedures Regulations, which were approved in all GCC countries, according to the constitutional instrument of each state, makes judgments issued by the Center binding and final. It shall have the force of enforcement in the member states of the Cooperation Council, after ordering its implementation by the competent judicial authority.

Since the rules of the Center are derived from an origin that transcends the national laws of the GCC countries, and its rules stem from a regional agreement between the countries of the GCC, the provisions and rulings of the center are effective in all the countries of the GCC."

Elaborating on the relevance of a regional judicial system such as the CAC, Al-Shumaimry emphasized, "There is no doubt that this approach will contribute to strengthening the investment and judicial system in the Gulf and will contribute to spreading the culture of arbitration widely. The settlement of disputes and disputes in commercial and financial transactions through institutional arbitration provides an advanced and successful mechanism compared to individual arbitration processes, as the frameworks provided by institutional arbitration represent and give many guarantees, compared to alternative methods in settling and resolving commercial disputes.

We need to stress here the importance of legalization in issuing permits to opening commercial arbitration centers, so that stringent quality conditions are met by these centers in accordance with international standards."

On plans by the Center for its interactions in Kuwait, the new Secretary-General who is a Kuwaiti citizen said, "The CAC has signed a number of bilateral MoUs with various government and private entities in Kuwait, including with the Ministry of Justice, the Fatwa and Legislation Department of the Kuwaiti Cabinet, the Kuwait Bar Association, the Kuwait Accountants Association, and the Kuwait Center for Commercial Arbitration. In addition, the Center has mutual accreditation with the Kuwait Center for Commercial Arbitration, which is affiliated with the Kuwait Chamber of Commerce and Industry, so that graduates of the two centers' training programs can be registered in the list of arbitrators in the two centers.

"In addition, Law 7/2013 was issued in Kuwait approving an agreement between the Kuwaiti government and the center, regarding opening a representative office for the center in Kuwait. This is part of our future plan to expand the Center's activity in all GCC countries, not just in Kuwait."

Revealing the Center's views on commercial arbitration in the region in the coming years, Al-Shumaimry elaborated, "By its nature, the Center is a non-profit system, which aims to provide its services to the commercial and investment sector, with the aim of promoting and attracting foreign investments. The





Center thus works to enhance its activity in settling commercial disputes, introducing and spreading the culture of arbitration.

"Therefore, we will seek during the coming period to attract international experiences in cooperation with local expertise and competencies in the GCC countries to reach the best modern and contemporary practices in the field of arbitration. The center enjoys a legal and legislative ground that helps provide an advanced international arbitration experience, that helps in resolving disputes in the best way, which contributes to supporting the commercial sector and attracting foreign investments by providing a successful and easy way to settle potential commercial disputes in accordance with recognized international frameworks."

Explaining the importance of spreading the culture of arbitration, and about the awareness in society about the process of arbitration in settling disputes, the Secretary-General noted, "Spreading the culture of arbitration is one of the challenges that the Center has taken upon itself to pursue, following the discovery of several shortcomings in arbitration culture in the Gulf commercial circles. The lack of this culture will lead to Gulf investors being slow to include the arbitration clause, or they may find themselves compelled to sign foreign investments that place a condition on arbitration by foreign centers, which impose conditions that are not commensurate with the reality of Gulf investment, or are in the interest of the foreign investor at the expense of the Gulf investor.

"Therefore, since its inception, the Center has continued to qualify and prepare arbitrators at an international level from the citizens of the GCC states, who are specialized in settling commercial disputes, and are familiar with the international commercial arbitration system, and the foreign laws applicable to the subject of litigation.

There is an urgent need to raise the level

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The total value of the disputes received by CAC from the start of this year to 31 July amounted to about US\$69.6 million, of which Saudi parties accounted for about 50 percent. In addition, around 50 percent of the cases considered by the Center since its inception in 1995 have been for Saudi parties. This is only normal and expected considering the size of the large Saudi market and the huge investments it has inside and outside the GCC countries.

"

of arbitral opportunities for arbitrators and lawyers in our region, to advance the reality of arbitration by including the arbitration clause in contracts. At the same time it is also important to upgrade human cadres in GCC through training, so that these cadres reach the ranks of international arbitration levels.

Speaking about the establishment of the GCC-CAC, and the dependency of it on the approval granted to it by the leaders of GCC Supreme Council, and its consequent impact on impartiality of the Center's rulings, Al-Shumaimry explained, "This dependency ensures greater independence, as the Center is a judicial body that decides on commercial disputes, one of whose parties may be an official body represented by a ministry, an agency or an agency of one of the six countries, and thus this dependency was with diplomatic immunities and privileges approved by the Center's system in each of the Articles (24, 25, 26, 27) of the Center's Law, which provide an incentive to push the arbitral tribunals to issue fair and just rulings, away from subordination to any official or semi-official body."

Elaborating on the services provided by the Center to the commercial sector in the GCC countries, he said, "The Center manages the settlement of disputes handled by the arbitral tribunals in accordance with the arbitration rules in force in the Center through



the secretariat of the arbitral tribunal, which works under the supervision of the Secretary-General and follows him administratively.

The center also provides all facilities and assistance for holding arbitration sessions, whether institutionalized through the arbitration clause of the Center or the parties' request to hold free arbitration sessions under the supervision of the Center. The facilities and assistance include: providing halls, carrying out secretarial work, translation, keeping documents and arbitration papers.

The Center also organizes conferences,

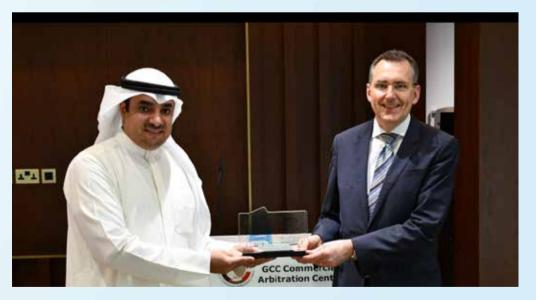


seminars and training programs for the qualification and preparation of arbitrators and specialized experts, each in his field to join the list of arbitrators and experts at the Center. In addition, the Center has concluded contracts, agreements and memoranda of understanding with a number of prominent institutions in the field of arbitration, or related to arbitration work, at the national, regional and international levels with the aim of cooperation and exchange of experiences."

Giving an overview of recent arbitration cases before the CAC, he added, "The total value of the disputes received by CAC from the start of this year to 31 July amounted to about US\$69.6 million, of which Saudi parties accounted for about 50 percent. In addition, around 50 percent of the cases considered

by the Center since its inception in 1995 have been for Saudi parties. This is only normal and expected considering the size of the large Saudi market and the huge investments it has inside and outside the GCC countries."

Expanding on the recent trend to transition towards electronic arbitration, and his views on whether the digital transformation affects conflict resolution, the Secretary-General explained, "The COVID-19 crisis introduced and imposed the shift to digital arbitration in many arbitration centers, which called for a review of laws and legislation in the GCC countries to keep pace with developments in this field. We will see in the coming days how effective it is compared to the traditional arbitration process, before deciding on promoting or discouraging this system."





# Profits of commercial banks to recover after fall in 2020-21



lobal ranking of the top 100 banks in the Arab world nosedived in 2020-21, due to a slowdown in asset growth and a sharp decline in profitability, reported The Banker, the UK-based leading international financial affairs publication.

With regard to banks in Kuwait, the magazine noted that COVID-19 dealt a heavy blow to the country's economy, which shrank by 8.1 percent in 2020, marking the worst economic downturn among the six-nation Gulf Cooperation Council (GCC) states.

Accordingly, the banking sector in Kuwait witnessed the lowest growth in the first tier of capital and assets, compared to any Arab country included in this year's list.

As for assets, Kuwaiti banks accounted for 8.14 percent of the assets of the banks included in The Banker's list of the 100 largest Arab banks.

The magazine indicated that despite the challenges of the past year, Arab banks maintained their profitability compared to other banks in the world. While the return on assets in this year's rating has fallen from 1.54 to 0.92 percent over the course of 2020, this was still much better than the 0.51 percent average recorded by The Banker's top 1,000 banks. Saudi and Qatari banks in particular performed well and notched strong returns during the year.

The report added that with the International Monetary Fund (IMF) predicting the return of all Arab economies to growth in 2021, Arab banks would overcome the worst stages of the crisis with the expected improvement in their profitability accompanied by good growth in their assets in the 2021-22 period.

The magazine stated that the overall growth story of Arab banks remains the same, as three quarters of the 100 largest Arab banks recorded increases this year in assets and the first tranche of capital, amid strong growth in Saudi Arabia and Egypt in particular, noting that with the acceleration of the pace of vaccine and recovery of oil prices back to pre-crisis levels by mid-2021, banks are poised to recover strongly in 2021/2022.

# Fake news, rumors, on pandemic often worse than virus

In his daily briefing on Friday, the official spokesperson for the Ministry of Health, Dr. Abdullah Al-Sanad noted that the epidemiological situation was steadily improving. He noted that Friday witnessed a record decrease in the percentage of infections relative to the number of tests conducted reaching 1.16 percent. He also added that the percentage of total recovery cases out of the total infections reached 98.7 percent.

Improvements in the epidemiological situation has given a respite to the medical fraternity that had been toiling relentlessly to protect the health and well-being of people in the country.

Taking a break from his hectic schedule and speaking to the media about his experience in combating the pandemic, Dr. Mohammad Abol, a virologist at the Ministry of Health (MoH) said: "The menace of COVID-19 was not only spread via conventional methods of exposure and lack of hygiene, rumors and false information on social media platforms also played an equal role in propagating the virus.

He added that while it was understandable that people had a thirst for information concerning COVID-19 during the pandemic, most of what was being spread on social media platforms like Twitter for example tended to



veer widely off the truth and scientific data. "There was an alarming antiscience trend on social media concerning COVID-19, ranging from false information on the origins of the virus to inaccurate data on vaccines and so on."

Pointing out that it was necessary to involve medical experts and their peers in all media platforms, including social media to fend-off

rumors and put the correct information out there, Dr. Abol stressed that the quicker experts refuted rumors and lies, the better. The world has been struggling with COVID-19 since it was declared a pandemic back in early 2020.

He noted that while authorities around the world, including Kuwait, launched their media and health campaigns to counter the spread of the virus, false information and fake news, the discussions regarding the COVID-19 on social media and some conventional media outlets were polarizing with some describing the virus as a hoax, a normal flu, and at sometimes, a blatant lie.

In a quote describing the painful struggle of Kuwaiti medical professionals against the coronavirus, head of Mubarak Hospital Dr. Mahdi Al-Fadhli said in an earlier interview, "There are two enemies in the fight against COVID-19, one being the virus itself and other being rumors and false information."

# Reconnaissance Center participates in Al-Rafidain Forum



Reconnaissance Research, the Kuwait-based non-governmental think-tank, is participating in the three-day Al-Rafidain Forum that kicked-off in Baghdad on 29 August.

Held under the concise slogan, 'Solutions', the forum aims to create awareness and direct public opinion in influencing policy making in the region. Among the attendees at the forum are a bevy of high-ranking Iraqi officials and international invitees including politicians, policy-makers and researchers from more than 9 countries.

Also taking part in the forum are major strategic centers, including but not limited to the Belgium-based International Crisis Group, the British, Chatham House, the Iranian, Institute for Political and International Studies, the United States Institute of Peace; and the Saudi-based International Institute for Iranian Studies.

The forum, which coincides with the centenary of the founding of the modern lraqi state in 1921, provides a research and discussion platform for dealing with several topics, including Central Bank policies, Water resources and riparian countries, Security and defense systems, and on Federalism and the legislature, among others.

Speaking ahead of the forum, Chairman of the Board of Directors of the Al-Rafidain Center for Dialogue (RCD), Zaid Sabah Al-Talqani, said the participants will contribute to a large extent in directing public opinion, and influencing the path of public and private policy-making, especially with regards to our region.

For his part, the Founder and CEO of Reconnaissance Research Abdulaziz Al-Anjeri said, "We established the Iraqi Affairs Department in our center in 2020 to serve as a



tributary for decision-makers and researchers in the two neighboring countries to develop a discourse that will contribute to building a mutually promising future."

He added, "Our participation in the Al-Rafidain Forum comes as part of enhancing these goals. We also seek to build more bridges of communication with Iraq."

RCD is one of the leading Iraqi research centers distinguished by the strength and



transparency of the presentation of vital issues between the political and active elites in Iraq, and with involvement of officially accredited international institutions and organizations.

Reconnaissance Research is dedicated to strengthening Kuwait's role as constructive international mediator, aims to promote peace and prosperity in the Gulf and beyond through open discussions, independent thought, and targeted expertise. By facilitating calm discussions on challenging issues, the Center seeks to shape a more open and more engaged world.

## Resumption of flights from six countries to go ahead

The government remains committed to the decision issued by the Cabinet on the resumption of commercial flights from India, Egypt, Bangladesh, Pakistan, Sri Lanka and Nepal, and in adherence to the guidelines issued by the Ministerial Committee for Corona Emergencies, according to media reports citing government sources. The lack of capacity at Kuwait International Airport will not be a



hindrance to the arrival of passengers from these countries as special arrangements were being made to cater to this increase in arrivals, added the source.

Meanwhile, it has been reported that the request by the Directorate-General of Civil Aviation (DGCA) to increase the capacity of incoming passengers to Kuwait is likely to get the green signal from the Cabinet as early as

next week.

An earlier decision by the Cabinet had capped the total number of passengers arriving each day on all flights combined at 7,500. The DGCA had requested a doubling of arriving passengers each day, in view of the increase in passengers with the opening of flights from the six countries that were earlier banned from ferrying passengers directly.



## Viet Nam - Kuwait diplomatic relations

#### Message by Ambassador of Viet Nam in Kuwait, H.E. Ngo Toan Thang

iet Nam National Day, also known as Viet Nam Independence Day is observed annually on 2 September, commemorating the day in 1945 when President Ho Chi Minh declared its independence from French colonial rule at Ba Dinh Square in the capital Hanoi. The Day of September 2 dawned with a high patriotic spirit in Viet Nam.

Over the past 76 years, under the leadership of the Communist Party of Viet Nam (CPV), the people of Viet Nam have recorded full victories in the cause of national liberation and reunification, as well  $as tremendous \, and \, significant \, achievements \,$ in Doi Moi (Renewal) economic reforms, thus turning Viet Nam from a war-torn, poor and underdeveloped country into a land of vibrant economy, peaceful development, industrialization and modernization, and successful integration into the region and the world over.

"Doi Moi" (Renewal) policy, launched during the Sixth National Congress of the Communist Party of Viet Nam in 1986, has helped Viet Nam record remarkable, comprehensive and historical achievements, with a high economic growth, better living conditions for people amd a stable socio-political situation, expanded foreign relations and enhanced international prestige. During the past 35 years, Viet Nam's GDP growth remained stable and at a relatively high 6.8 percent in the 2016-2019 period.

Now Viet Nam is a country of nearly 100 million people. The size of the economy had grown substantially to about USD343 billion in 2020 from the \$6.3 billion in 1989, while the income per capita reached \$3,521 per vear in 2020 from \$159 in 1985. The country exported \$282 billion and imported \$262 billion worth of goods in 2020. Viet Nam ranks first in the world in exporting pepper and cashew nut, second in exporting rice and coffee, and fourth in exporting natural rubber. There are 139 countries and territories investing in Viet Nam with 33,070 total projects valued at more than \$388 billion.

From a country once put under international isolation and embargo, Viet Nam has established diplomatic relations with 189 countries in the world, integrated itself deeply into the world



forms, with the formation of strategic and comprehensive partnership with 30 partners. Since its accession to WTO in 2007, Viet Nam has signed 17 free trade agreements (FTAs). These agreements have brought about great opportunities for Viet Nam to boost its economic development, enhance national competitiveness and tourism attraction. Viet Nam is also an active and responsible member of ASEAN, APEC, UN as well as international organizations and currently a non-permanent member of United Nations Security Council.

In January 2021, the Communist Party of Viet Nam successfully organized the 13th National Congress and elected a new leadership: General Secretary Nguyen Phu Trong, State President Nguyen Xuan Phuc, Prime Minister Pham Minh Chinh and Chairman of National Assembly Vuong Dinh Hue. Promoting the country's achievements after 35 years of Doi Moi, with consensus

economy at different levels and in different and determination in both the political system and its people, Viet Nam is firmly stepping into a new period of development with a new mindset to realize its aspiration to build a powerful country.

> Despite the adverse impacts of COVID-19 pandemic in 2020, Viet Nam was still among a few countries in the world with positive GDP growth of 2.9 percent. However, with the spreading of the Delta variant for the past four months, Viet Nam has undergone a difficult time when the number of COVID-19 cases skyrocketing every day, with over ten thousand cases and four hundred deaths daily. This put the country in lockdown for months, affecting heavily the supply chain, and sabotaging the economy. Due to the shortage of vaccines, Viet Nam cannot easily recover from this situation. Therefore, we are in urgent need of getting vaccines through the COVAX program and bilateral countries.

This year also marks the 45 anniversary

of establishment of the diplomatic relations between Viet Nam and Kuwait. On 10 January, 1976, Viet Nam and Kuwait established diplomatic relations. Viet Nam is grateful as Kuwait was the first country in the Gulf to establish diplomatic relations with Viet Nam.

Since then, the efforts of leaders and people of the two countries have been demonstrated in many activities that have contributed to boost the relationship between Viet Nam and Kuwait. The outstanding progress in the Viet Nam -Kuwait relations is marked by achievements in the trading and economic sector, reflected by the \$3.6 billion in two-way trade turnover achieved in 2019 between the two countries. Moreover, a number of mechanisms of cooperation and agreements in other fields such as sports, culture, arts, ... have been signed.

With achievements of the past 45 years, we can proudly affirm that the two countries Viet Nam and Kuwait have developed together and moved forward with the belief of a good future, and to continually promote the friendly relationship between the two countries, thus helping the Vietnamese and Kuwaiti people to understand each other better and nurturing the traditional and friendly cooperation.

In tourism, the two countries have vitnessed the prospective inflow Kuwaiti visitors to Viet Nam with an averaged relative increase of 40 - 50 percent year-on-year since the beginning of 2017. In the coming years, there will be many activities and events taking place to celebrate the 45th anniversary of the establishment of diplomatic relations between the two countries. These activities are expected to help the Viet Nam and Kuwait tourism sectors recover after a period of serious impacts caused by the COVID-19 pandemic.

The 45-year long journey of the relationship between Viet Nam and Kuwait originated from the belief of mutual understanding. That belief will also be a solid base for Viet Nam and Kuwait to move forward, helping to build the bridge of friendship and solidarity between the Gulf countries and the Southeast Asian countries in the interest of peace, stability and prosperity around the world.

#### Kazakhstan Ambassador lauds relations with Kuwait



mbassador of the Republic of Kazakhstan H.E. Azmat Berdibay, praised the strong and cordial relations between Kazakhstan and Kuwait.

Ambassador Berdibay, addressing a gathering of diplomats in the country, praised his country's relations with Kuwait in all fields, especially at the political level, given the continuous communication between senior officials.

He also added that his country valued the efforts of the Kuwaiti government and people to provide aid to his country at the beginning of independence in the nineties.

The ambassador was speaking on the occasion of the International Day against Nuclear Tests and the thirtieth anniversary of the closure of the Semipalatinsk nuclear weapons testing site in the former Soviet Union.

Elaborating on the occasion, he explained that more than 70 years ago the first nuclear test was conducted on Kazakh soil, which set off an unprecedented arms race. He recalled that over half million people in the region suffered the consequences of these tests.

Noting that currently the level of trade and economic relations with Kuwait is not commensurate with the level of political relations, he said his country is working to strengthen trade relations, especially given the recent boom in the Kazakh economy. The ambassador also revealed his country's anticipation of attending the fourth session of the Kazakh-Kuwait Joint Economic Committee, which is expected to be held in Kuwait.



Pointing to the efforts being made to advance the economy and its recovery, Ambassador Berdibay highlighted the economic developments in his country and expressed his keenness to attract foreign capital investment in various fields.

On another note, the top Kazakh diplomat in Kuwait also revealed that

Jazeera Airways is poised to begin direct flights between the two countries from the start of 2022, coinciding with the start of implementing a decision to exempt Kuwait citizens from needing visas to enter Kazakhstan. He added that the visa waiver would allow more Kuwaiti guests and business people to travel to his country.

#### Tourism sector vital to economic revival

**CONTINUED FROM PAGE 1** 

That the government is now keen to push through tourism projects, and find solutions to problems curbing the development of tourism, is an affirmation, if one was needed, that the economy is once again going through a downturn. Confronted by the economic exigencies and repercussions of the COVID-19 crisis, including a sharp fall in global demand for oil and consequently lower oil prices, the government has had to cope with a severe decline in revenues that led to registering a record budget deficit

In addition, the near depletion of the state treasury — the General Reserve Fund — and parliamentary objections to borrowing on the international debt markets, have resulted in a liquidity crunch that has compelled the government to initiate unprecedented measures to stay afloat. In the past one year, the authorities have had to hock state assets to the sovereign wealth fund — the Future Generations Fund (FGF) — in exchange for cash infusions. It has also changed the law to make the annual transfer of 10 percent of revenues to the FGF conditional on the country registering a budget surplus.

Plans are also said to be underway to withdraw funds directly from the FGF during the current interim period of parliament. In response to a recent query by parliamentarian Mohalhal Al-Mudhaf, the finance minister admitted that withdrawal from the FGF and issuing of public debt were not solutions to the deep-rooted structural imbalances in the country's economy and labor market. He added that nevertheless, these temporary measures were needed to transit the current financial crisis and to provide the government time to pursue economic reforms in a gradual manner, so as to achieve financial stability and develop the economy, without impacting the welfare of citizens.

The finance minister also added that permitting the government to withdraw limited funds from the FGF is closely linked to finding long-term solutions to the liquidity deficit currently experienced. Saddled by recurring budget deficits from lower oil prices and production cuts in recent years, and inability to issue debt instruments, Kuwait has been struggling to maintain financial stability and economic growth. Last week, the global sovereign credit rating agency, Fitch Solutions, said that it expected Kuwait's economy, which suffered a slump of 10.5 percent in 2020, to recover and reach its pre-pandemic level only by 2024.

The agency noted that Kuwait's long-term outlook remained weak, due to underlying structural imbalances, the ongoing contentious relations between the executive and legislative branches of government, and the fact that export growth, which is a key-driver of economic expansion, will remain sluggish in the coming years on account of relatively lower oil prices and stagnant oil production.

On the brighter side, the recent decrease in number of daily COVID-19 infections and fatalities, the fall in patients seeking treatment in hospital intensive care units, and a rapid increase in the number of vaccinated people, have given rise to a cautious optimism among the authorities that the worst of the health crisis could be behind us. The vaccination program, which is close to achieving its target of vaccinating 70 percent of the population — deemed necessary to achieve the community immunity threshold — has also given rise to a growing optimism among the public that prepandemic levels of activities could be resumed in the near future.

For its part, the government had directed that public sector employees will resume work at official timings and with 100 percent attendance from mid-August, and that school would reopen with regular in-person classes resuming from the next academic year in October. Encouraged by favorable epidemiological figures, the authorities have also decided to lift border closures and roll back many of the travel restrictions to and from Kuwait that were imposed over a year ago as part of precautionary measures.

Foreign nationals are now allowed to travel to Kuwait, while adhering to health and safety guidelines, and Kuwait International Airport is slowly limping back to full operational capacity. The travel and tourism sector that was among the worst affected by repercussions from the pandemic, is hoping that after more than 18 months of downturn, a pent-up demand for travel and tourism could see a revival of the industry in the coming months.

Stay-at-home restrictions have limited public entertainments or socializing opportunities for much of the past year and half. The travel industry is hoping that the desire to get out of home and go elsewhere for a change among citizens, and to travel back home to meet relatives and friends by expatriates, will lead to more international travel and help stabilize the travel and tourism industry.

A resilient tourism sector is vital to the economic development of the country and has traditionally offered strong returns to the economy through increases in GDP and labor absorption. In Kuwait, the sector is also crucial in supporting most of the government's economic revival plans, including in diversifying the economy, encouraging greater private sector participation in the economy, and providing national youth with gainful employment opportunities.

Besides contributing to the holistic growth and development of a nation and its economy, travel and tourism also helps in building the country's brand value, image and identity. International travelers visiting the country carry backimages and perceptions about the land, while travelers from the country to other places are often seen as representatives of the nation. Creating a positive image for the country is thus key to ensuring return visitors and developing more travel and tourism opportunities.

According to the United Nations World Tourism Organization (UNWTO), travel and tourism is one of the world's biggest economic activities, driving the creation of wealth, employment and development. A recent report by UNWTO noted that the tourism

sector is also supported and complemented by several tourism focused industries that offer related products and services, including hotels and other accommodations, restaurants and dining venues, various modes of transport, retail trade, rentals, travel agencies and reservation services, as well as cultural, sports and recreational activities.

Tourism also allows wealth to be injected into a country and to local communities in various ways. A prime benefit of the industry is that it is exceptionally labor intensive and provides direct and indirect employment to tens of thousands. This ranges from directly influenced positions like taxi-operators, tour guides, hotel staff, coach services, restaurants, and laundry services. These businesses not only pay regular wages, but also source goods and products locally, giving a further boost to local industry.

Supporting industries like retail, food production, health and wellness centers that employ a large pool of labor, also benefit indirectly from tourism, although it may not be obvious at first glance. Moreover, many of the businesses that operate within the tourism sector are usually, micro-, small-, and medium-enterprises, where every dinar coming into the industry is felt quickly by business owners and staff, and is directly related to a boost in local spending.

With public-sector jobs in Kuwait bloated beyond belief by providing employment to citizens, and a private-sector that remains reluctant to hire nationals, self-employment through tourism-supporting ventures could be a lifeline for the authorities. The government's need to provide gainful employment to the large number of national youth entering the labor market each year, could be met to a certain extent by encouraging entrepreneurship in the travel and tourism sector.

Besides the money spent directly by tourists in the economy, the tourism earnings by both businesses and individuals are also usually reinjected into the local economy. This results in tourism having a multiplier-effect, with more money being earned locally from tourism, and that money being spent locally to boost the economy at the community level. The multiplier-effect is fostered each time that earnings from tourism are reintroduced back into the economy, and with more tourist money coming in resulting in larger economic benefit for everyone.

Tourism is also a great asset in that it helps diversify the economy, with the additional revenue buffering the country's coffers. This provides authorities with additional income to spend on launching or developing more projects, including for developing the infrastructure, and improving spaces and services for the public. The better facilities bring in more visitors, who support the economic development even further.

Kuwait's economy, which has been hamstrung by its overdependence on oil as the main, and often only, source of revenue to the state, could benefit greatly by diversifying into non-oil sources of income. The government has for the past many years been trying desperately to wean the country from its over-reliance on oil income, but non-oil revenues

continue to be dwarfed by the preponderant role of oil in the economy. The country's revenues from petroleum exports account for more than half of its GDP and 95 percent of government income. Developing a strong tourism sector could provide support to the country's diversification plans.

According to the UNWTO, developing a tourism sector gives a country's economy a new lease and creates opportunities for entrepreneurs to establish new services and products, or facilities that would not be sustainable based on the spending patterns of the local population alone. But, in order to consistently attract new tourists, to establish a strong inbound tourism market, and to sustain tourism growth a country needs to do several things right.

The ability of the national economy to benefit from tourism depends in large measure on the availability of investment to develop the necessary tourism infrastructure and on its ability to supply the needs of tourists, including appealing entertainment venues, as well as business and leisure attractions. However, major investment in Kuwait's tourism sector continues to be thwarted by several legal and bureaucratic hindrances.

For instance, the state property law has been identified as one of the main stumbling blocks to investments in the sector. Degree Law (105) of 1980 related to state property does not give companies investing in tourism projects the necessary flexibility required to achieve its objectives, including the relatively short duration of contracts that make tourism investment in major projects, especially long-term, discouraging to investors.

Law No.7 of 2008 passed regarding the Regulation of Build, Operate and Transfer (BOT) Operations, limits BOT projects to a lifespan of 30 years, after which the projects must be handed back to the state "without any consideration and compensation'. Though this period was extended to 50 years in the new Public Private Partnership (PPP) Law No. 116 of 2014), it still falls short of investor needs and fails to quell many of the other misgivings about investment in this sector.

Tourism project developers and investors often complain of the lack of clarity, and the overlap and conflict between various government regulations and procedures, as well as the lack of incentives for tourism development, as discouraging factors to investments. Besides these, the continued economic repercussions from the ongoing global pandemic, and the present liquidity crisis have forced the government to pursue several austerity measures. This includes canceling, shelving or delaying projects, many of which have a direct or indirect bearing on tourism, which further impacts investments in the sector.

Despite these drawbacks, hope is that realization of the many economic, financial and social benefits of developing a stable tourism sector, and the relative importance of tourism to the overall economic development of the country, will lead to the government deciding on promoting a resilient and dynamic tourism industry in the near future. Let us keep our fingers crossed.

**EXCLUSIVE** to THE TIMES KUWAIT

# Failure of US nation-building in Afghanistan



#### **DARON ACEMOGLU**

Professor of Economics at MIT, is co-author with James A. Robinson of Why Nations Fail: The Origins of Power, Prosperity and Poverty and The Narrow Corridor: States, Societies, and the Fate of Liberty

he United States invaded Afghanistan 20 years ago with the hope of rebuilding a country that had become a scourge to the world and its own people. As General Stanley McChrystal explained in the run-up to the 2009 surge of US troops, the objective was that the "government of Afghanistan sufficiently control its territory to support regional stability and prevent its use for international terrorism."

Now, with more than 100,000 lives lost and some \$2 trillion spent, all America has to show for its effort are this month's scenes of a desperate scramble out of the country — a humiliating collapse reminiscent of the fall of Saigon in 1975. What went wrong?

Pretty much everything, but not in the way that most people think. While poor planning and a lack of accurate intelligence certainly contributed to the disaster, the problem has in fact been 20 years in the making.

The US understood early on that the only way to create a stable country with some semblance of law and order was to establish robust state institutions. Encouraged by many experts and now-defunct theories, the US military framed this challenge as an engineering problem: Afghanistan lacked state institutions, a functioning security force, courts, and knowledgeable bureaucrats, so the solution was to pour in resources and transfer expertise from foreigners. NGOs and the broader Western foreign-aid complex were there to help in their own way (whether the locals wanted them to or not). And because their work required some degree of stability, foreign soldiers, mainly NATO forces, but also private contractors, were deployed to maintain security.

In viewing nation-building as a topdown, 'state-first' process, US policymakers were following a venerable tradition in political science. The assumption is that if you can establish overwhelming military dominance over a territory and subdue all other sources of power, you can then impose your will. Yet in most places, this theory is only half right, at best; and in Afghanistan, it was dead wrong.

Of course, Afghanistan needed a functioning state. But the presumption that one could be imposed from above by foreign forces was misplaced. As James Robinson and I argue in our 2019 book, The Narrow Corridor, this approach makes no sense when your starting point is a deeply heterogeneous society organized around local customs and norms, where state institutions have long been absent or



True, the top-down approach to state-building has worked in some cases (such as the Qin dynasty in China or the Ottoman Empire). But most states have been constructed not by force but by compromise and cooperation. The successful centralization of power under state institutions more commonly involves the assent and cooperation of the people subject to it. In this model, the state is not imposed on a society against its wishes; rather, state institutions build legitimacy by securing a modicum of popular support.

purpose. Once in power, however, Ghani continued down the same road.

The situation that the US confronted in Afghanistan was even worse than is typical for aspiring nation builders. From the very beginning, the Afghan population perceived the US presence as a foreign operation intended to weaken their society. That was not a bargain they wanted.

What happens when top-down statebuilding efforts are proceeding against a society's wishes? In many places, the only attractive option is to withdraw. Sometimes, this takes the form of a physical

the Taliban when it was militarily defeated, if NATO drone attacks had not further alienated the population, and if US-backed Afghan elites had not been extravagantly corrupt. But the cards were stacked against America's state-first strategy.

And the fact is, US leaders should have known better. As Melissa Dell and Pablo Querubín document, America adopted a similar top-down strategy in Vietnam, and it backfired spectacularly. Places that were bombed to subdue the Viet Cong became even more supportive of the anti-American insurgency.

Even more telling is the US military's own recent experience in Iraq. As research by Eli Berman, Jacob Shapiro, and Joseph Felter shows, the 'surge' there worked much better when Americans tried to win hearts and minds by cultivating the support of local groups. Similarly, my own work with Ali Cheema, Asim Khwaja, and James Robinson finds that in rural Pakistan, people turn to non-state actors precisely when they think state institutions are ineffective and foreign

None of this means that the withdrawal could not have been managed better. But after 20 years of misguided efforts, the US was destined to fail in its twin objectives of withdrawing from Afghanistan and leaving behind a stable, law-based society.

The result is an immense human tragedy. Even if the Taliban do not revert to their worst practices. Afghan men and especially women will pay a high price for America's failures in the years and decades ahead.



Things could have turned out differently if Pakistan's Inter-Services Intelligence agency had not supported the Taliban; if NATO drone attacks had not alienated the population; and, if US-backed Afghan elites had not been corrupt.

This does not mean that the US should have worked with the Taliban. But it does mean that it should have worked more closely with different local groups, rather than pouring resources into the corrupt, non-representative regime of Afghanistan's first post-Taliban president, Hamid Karzai (and his brothers). Ashraf Ghani, the US-backed Afghan president who fled to the United Arab Emirates this week, co-authored a book in 2009 documenting how this strategy had fueled corruption and failed to achieve its stated

exodus, as James C. Scott shows in The Art of Not Being Governed, his study of the Zomia people in Southeast Asia. Or it could mean cohabitation without cooperation, as in the case of Scots in Britain or Catalans in Spain. But in a fiercely independent, well-armed society with a long tradition of blood feuds and a recent history of civil war, the more likely response is violent

Perhaps things could have turned out differently if Pakistan's Inter-Services Intelligence agency had not supported



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**EXCLUSIVE** to THE TIMES KUWAIT

# New Global Rules for a Fairer Food Future



GLORIA ABRAHAM PERALTA

Ambassador of Costa Rica to the World Trade Organization, is Chair of the Special Session of the WTO Committee on Agriculture.

his year, governments can ensure that better international rules help get us back on track toward a fairer and more sustainable agricultural trading system, and overcome recent setbacks in our efforts to tackle hunger and malnutrition. The United Nations Food Systems Summit in September, the UN climate conference (COP26) in November, and the World Trade Organization ministerial conference starting later that month provide policymakers ample opportunity to deliver.

The COVID-19 pandemic, economic downturns, climate change, and conflict have all contributed to an increase in hunger and malnutrition. And the recent report by the Intergovernmental Panel on Climate Change is the latest in a series of warnings that show why governments must take immediate bold action to address the challenges we face.

In particular, governments should focus on correcting and reducing the distortions currently burdening food and agricultural markets. If policymakers can improve how these markets function, vulnerable producers and consumers stand to benefit the most.

Clearly, business as usual is not an option. According to recent estimates from UN agencies, between 720 million and 811 million people faced hunger in 2020. Moreover, moderate or severe food insecurity has climbed slowly for the past six years, and now affects nearly one in three people globally. We must change course if we are to achieve the Sustainable Development Goal of ending hunger and malnutrition by the end of this decade.

The expected increase in the world's population to nearly ten billion by 2050 adds a further element of urgency. Better rules regarding trade and markets can help improve food security by supporting efforts to create jobs, raise incomes, and boost agricultural productivity sustainably. Better-



functioning markets would also bolster the food system's resilience to global warming, as temperature and precipitation patterns change, and extreme weather events such as droughts, floods, and storms become more frequent and intense.

At the same time, the recent uptick in hunger and malnutrition must be seen in the context of the significant progress achieved in the last quarter-century. During food and agricultural markets by increasing productivity and easing cross-border trade in goods and services.

Furthermore, countries have negotiated and signed a growing number of new bilateral and regional trade agreements as they seek to improve their market access and deepen integration with trading partners – both in neighboring regions and farther afield. But, efforts to update global

also fit for purpose in the future. In the run-up to the WTO's ministerial conference, I am chairing talks among negotiators on a slate of seven farm-trade

markets, and ensure that global rules are

topics, including subsidies for goods such as cotton, restrictions on food exports, and the challenge of improving farmers' access to markets. Also on the agenda are rules governing the procurement of food for public stocks, safeguards for farm goods, and rules on measures that resemble export subsidies. In all areas, improving transparency by making more information easily available is a critical concern for many countries.

Ministers could take a significant step forward at the WTO conference by agreeing to an outcome on food and agriculture that helps to rebuild trust, lays out a path forward, and galvanizes political engagement. This would enable us to reestablish confidence in our collective ability to address the challenges we face.

Today, we must strive to overcome the pandemic, build more inclusive and sustainable economies, and lay the foundations for a fairer and more resilient future. An agreement at the WTO that improves food and agricultural trade rules would be an important start.



nearly ten billion by 2050 better rules regarding trade and markets can help improve food security by creating jobs, raising incomes, and boosting agricultural productivity sustainably.

With the world population expected to reach

this period, tens of millions of people have been lifted out of poverty and food insecurity as average incomes have risen and markets have become more integrated.

According to the UN's Food and Agriculture Organization, trade in food and agriculture has more than doubled in real terms since 1995, with the share of trade between developing countries also growing rapidly. Recently, new digital technologies have contributed to a transformation in

trade rules for food and agriculture have advanced only slowly.

At a 2015 meeting in Nairobi, trade ministers struck a deal to end agricultural export subsidies, thereby fulfilling one clear commitment under the SDGs. And in Bali two years earlier, countries reached an agreement under WTO auspices on other food and agriculture issues as part of a broader trade package. But much more needs to be done in order to address long-



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## Walking boosts mental health

tudies have shown that by around age 30, the body begins to lose its muscle mass and bone density, and that at around age 40, your brain begins to lose volume to the tune of around five percent every decade. Some research suggests that our working memory — the ability to hold on to a piece of information like another person's name or a password — starts to decline in our thirties.

However, new research by scientists at Colorado State University in the United States, offers hope of a respite from the inexorable march of time. The study suggests that many of these natural body deteriorations can be halted and even turned around, especially when it comes to the brain.

The study found that participants who completed six months of regular brisk walks experienced better cardiovascular fitness and improvements in white matter and memory, compared with people who practiced stretching and balance exercises for the same amount of time.

Although this study is not the first to show that physical activity slows cognitive decline and even promotes positive changes in the brain (called neural plasticity), most of those studies looked at gray matter, which makes up the outer layer of the brain and has a high concentration of neurons, or nerve cells.

This new research focused on a less studied part of the brain called white matter, which is found in the deeper tissues of the brain and contains nerve fibers, which are extensions of neurons. Both white and



gray matter are necessary for normal brain function.

It may be helpful to think of gray and white matter in terms of a plant, with the portion above ground representing gray matter and the deeper root system below the ground standing for white matter.

Because white matter has been shown to degenerate in both healthy aging and dementia, it is crucial to determine whether or not that process can be slowed or even reversed. Given the proven benefits of aerobic exercise on cognitive function, researchers decided to investigate if physical activity could promote positive changes in white matter.

The study included a total of 247 participants who were older than 60 years of age and 68 percent of participants being female, and inactive but otherwise healthy adults with no history of neurological issues, such as dementia or stroke. Baseline measures on memory, processing skills, and cardiorespiratory fitness were taken at the start of the study, along with a special MRI brain scan to measure the health and function of white matter.

Participants were placed into groups and met three times a week for six months, with one group gathering for brisk 40-minute walks. A second group comprised participants who engaged in supervised stretching and balance training, and a third group that learned and practiced choreographed dances. At the end of the intervention, the brain tests and imaging were repeated.

Researchers found that the walkers and dancers had better overall cardiovascular health after six months of regular activity. While both groups had evidence of positive changes in the white matter, those changes were more prevalent among the walkers. MRI images revealed that certain parts of the brain appeared larger, and tissue lesions (a sign of damage to the brain) had shrunk. In the control group, there was a decline in white matter health.

The researchers said they believe their findings are important because the brain regions observed for the study are also sometimes vulnerable to aging and

dementia. The study also showed that the white matter is malleable, and even in regions that are susceptible to aging or disease, cardiovascular intervention could produce a measurable difference.

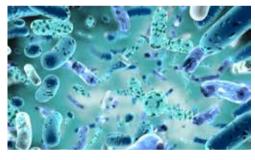
The walking group was the only group where the changes in white matter were associated with better memory. It is unclear why the dancers did not have those same improvements, though it could be because they were receiving instruction and not moving as vigorously during their sessions. This may mean that the effects of aerobic exercise were a primary driver of the white matter benefits.

One thing that sets this study apart is that it was a randomized controlled trial rather than an observational study. Most trials that study the effects of exercise rely on participants reporting on the activities they are already doing, which can make the findings less reliable. This study actually performed an exercise intervention where participants in the study came to walk, dance, or do balance training in a controlled environment.

Though the study was not set up to discover why walking is good for white matter, the researchers concluded that it was probably due to a combination of factors. Regular exercise, which gets the heart beating faster, has been shown to be good for the heart, and what is good for the heart is apparently good for the brain.

Exercise can increase oxygen and blood flow to all parts of the body, including the brain, which then improves blood pressure, which is important. High blood pressure is one of the most important risk factors for dementia and neurological disease. Regular physical activity is also associated with improved sleep and decreased stress, which could also have a positive impact on the brain, said the researchers at the conclusion of their study.

## Gut bacteria links high-fat diet to heart disease



rdering fast foods may seem a convenient option in a fast-paced life, where the morning rush preempts having a healthy breakfast, and lack of time constraints cooking elaborate meals for lunch or dinner. But regular consumption of fast foods and other highfat foods come with a rising cost to health and wellbeing, including increased risk of cardiovascular diseases.

A new study now implicates the consumption of high-fat foods with a decline in the normal functioning of the gut, and in promoting the growth of harmful intestinal microbes. In addition, the presence of high fat was found to create a conducive environment for gut microbes to convert chemicals in fatty foods into a harmful metabolite that promotes atherosclerosis a disorder in which the formation of plaques narrows the arteries and leads to coronary diseases.

Intestinal microbes are part of the larger microbiota — the trillions of microorganisms, including bacteria, viruses, and fungi that inhabit humans and all other multicellular organisms. In humans, the largest population of microbial cells and their genetic material, the microbiome, are found within the gut.

Until recently, scientists were not sure of the exact mechanism by which gut microbes caused heart diseases. Now, researchers at Vanderbilt University Medical Center, in the US state of Tennessee, believe they may have found the process that links gut microbes to cardiovascular health.

Studies have shown that the food we eat has complex interactions with the gut, including with its microbiota. The gut microbiota has been shown to play an important part in human health and the prevention of disease. As a result, changes in its normal functioning may play a significant role in some medical conditions, such as irritable bowel syndrome (IBS), obesity, and cardiovascular diseases.

The study by the Vanderbilt researchers involving mice revealed that chronic exposure to a high fat diet damages the intestinal epithelium and causes low grade inflammation. It also shows that a high fat diet interferes with the regular functioning of cellular mitochondria, the energygenerating source within cells.

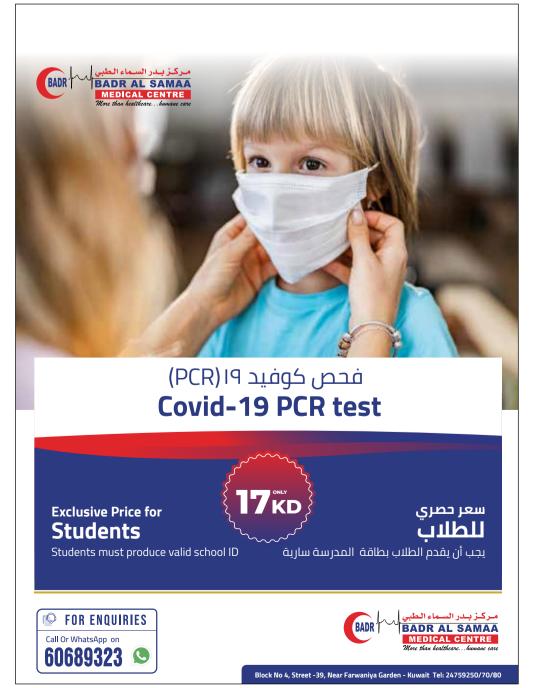
The researchers hypothesized that the damage to the intestinal mucosa caused by a high fat diet could be driving negative changes to the gut microbiota, including the growth and expansion of harmful bacteria and thereby promoting diseases.

The study showed that the intestinal epithelium plays a crucial role in modulating microbiota function, and can 'turn on' or 'turn off' metabolic pathways in the microbes that will directly affect risk for certain diseases. Earlier studies had shown that a healthy intestinal epithelium was important in supporting beneficial microbes and maintaining intestina health.

researchers added that understanding the relationship between the host and gut microbes during health and disease, was critical to designing therapies that will be effective in controlling obesity and obesityassociated outcomes like cardiovascular disease.

To test their hypothesis, the scientists used mice models in a controlled environment. First, they noticed that in high fat diets, gut microbiota converted dietary choline to trimethylamine. This was further converted to trimethylamine N-oxide (TMAO) by the liver. TMAO was found to alter cholesterol metabolism, leading to the formation of plague deposits in the arteries which results in atherosclerosis.

Next, the team noted that a high fat diet disrupted the regular functions of the mitochondria, leading to increased oxygen and nitrate production. Consequently, these gases fueled the growth of potentially diseasecausing Enterobacteriaceae microbes, such as Escherichia coli.









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