

مشروع الكويت

ملخص ما نشر في الصحف المحلية اليوم الثلاثاء الموافق ٢٢ مارس ٢٠٠٥

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Importing foreign expertise for oil sector serves best interest of Kuwait; Al-Nasser

Oil forum tackles legal aspects of Project Kuwait

By Melissa Britto

Arab Times Staff

KUWAIT, March 21: The forum could not have been more successful in its quest to sidestep increased oil production demands calling for the best international expertise simultaneously serving the best interests of the country, said Undersecretary of the Ministry of Electricity and Water Saad Al-Nasser.

Speaking on behalf of the Minister of Energy Sheikh Ahmed Al-Fahad Al-Sabah on the start of the two-day Legal and Legislative Forum of Natural Resources organized by Al-Moqatele & Partners, Lawyers and Consultants, Monday, the forum was an important step in the process of modernizing and reforming legislation concerning the oil sector's legal and regulatory framework, foreign company assistance and continued strategically devised approaches through technological innovations and breakthroughs aiding the development of Kuwait's energy sector.

"An organization such as this serves the way to a wider outlook on the oil market, considering oil plays an important role in the country's economy and general budget," said

Al-Nasser. He added that Project Kuwait, a newly founded Northern Oilfield project committee that enables international oil companies to enter the oilfield and explore and exploit the field of the oilfield, is a reality discovered by the forum. "The forum is a reality to our students in the field they are," he said.

His enthusiasm for learning more and preparing his country's source of income stemmed some 40 years ago when he found that Kuwait was burning huge quantities of oil. "Kuwait was burning huge quantities of oil equivalent to at least \$50 billion," he said.

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The invasion of Kuwait in 1990 led to the burning of oil wells that American experts believed could continue for ten more years. "I asked myself whether we would have to ensure that long," said Al-Omari.

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handle properly," he said. Al-Omari found it rather amusing that his students believed oil to be discovered by CI. Sanders (the founder of Kentucky Fried Chicken) was in reality discovered by CI. Sanders. "The first step is to our students in the field they are," he said.

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A rather appalling factor that he failed to comprehend was the non existence of a petroleum section in a university that existed for 15 years in an oil rich country — the Kuwait University.

Over the past 15 years, we never had a petroleum section which is why our youth know almost nothing about it," he said. "We need to educate our kids on the resource that feeds us, takes care of us and will continue to feed us and take care of us," he said.

Al-Omari, a professor of Law at the Kuwait School of Law spoke about the founding of the first legislative National Assembly in 1934, releasing the country's first constitution in the year 1938 with a focus on natural gas aspects.

"This has been effective constitution, but we must be effective in dealing with the oil. It must be decided the National Assembly in that provisions under Article 5 reserved the right to conclude agreements with prior consultation of the National Assembly and those agreements which failed to be reviewed by the Assembly would be considered void," he said.

According to Al-Moqatele, four trends that should be looked upon as relevant approaches in further maintaining and developing national gas service and operation agreements.

some of which were provided in the Constitution of 1938 and some in the Constitution of 1962. "We should look at statutes that target protection of petroleum wealth, indemnity creation and legitimate use of petroleum resources," he said.

Articles 17, 18 and 21 of the present constitution and the nationalization of oil in 1975, the ownership rights and protection of public domains that were non-existent in the prior constitution.

"Article 15 provides for the abstinence of investment procedures under law which in turn means all stipulations dealing with ownership rights should be accurate under law," he explained.

Among other statutes targeted present the National Assembly and the formulation of a law that deals with fair compensation under the National Assembly.

Al-Moqatele believes however at this time that national petroleum should be made available for the development of any future agreements. "These agreements are control," he said.

Kuwait should not seek to explore new oil wells in order to meet with production demands but rather work on developing the current oilfields, believes Khalid Saad Zagloul, Professor of Public Law at the Kuwait University.

"Fundamental studies show that Kuwait has the third largest oil reserve and owns reserves operationally sufficient for more than 100 years to come," said Zagloul. As for international assistance, Kuwait is not in need of it, he said.

Technological advances, therefore of expertise and the country's avoidance of any financial burdens. Zagloul said that features for legal forms of agreement should seek not to allow foreign ownership rights, nationalization of 100% ownership rights, and the country's avoidance of any financial burdens.

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