

Kuwait Project

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Opposition launches campaign against Project Kuwait



KUWAIT: The opposition group is seen during a meeting yesterday. — Photo by Yasser Al-Zayyat

By B Izaak

KUWAIT: Opposition groups yesterday launched a campaign against the northern oilfields project, as a "war of words" raged in Kuwait between supporters and opponents of the investment. Eight opposition groups, consisting of Islamists, Shiites and liberals, decided after a meeting to launch a public campaign to make sure that the "constitution is not violated", spokesman Nasser Al-Abdali said. The groups declared their meetings "open-ended" and announced six public meetings in the six governorates with the aim to win public support for their viewpoint - that any deal with foreign oil companies must be reviewed and ratified by the National Assembly.

"The constitution stipulates that any long-term investment agreement must be ratified by the Assembly and passed by a law. This was ignored by the financial and economic affairs committee," Abdali said. "The groups do not oppose the project in principle. They only want to

'Any deal with foreign oil majors must be ratified by the Assembly'

make sure that the constitution is not violated and that Kuwait's natural resources are protected," he said. The groups want any contract that might be signed by the government with foreign oil companies to be brought to the Assembly to be debated and passed or rejected, Abdali said.

He strongly criticised a draft law passed by the financial and economic affairs committee in early June, saying the bill totally ignores this point. The draft law entrusted Energy Minister Sheikh Ahmad Fahd Al-Sabah with extensive powers to negotiate and sign deals with foreign companies without Assembly approval, Abdali said. "This will certainly put Kuwaiti natural resources at risk" he said.

The meeting was attended by

MP Ahmad Al Saadoun, who is leading the campaign against the project, former MP and spokesman for the Islamic Constitutional Movement (ICM) Muhammad Al-Olaim and other opposition figures. Saadoun told a press conference last week that "if approved in this way, the project is a clear robbery of Kuwaiti oil resources". The lawmaker, who heads the six-MP Popular Action Bloc, said that the Assembly should have the right to monitor and approve any agreement that the energy ministry might sign with international oil companies in order to prevent any misuse of the project.

Secretary of the financial and economic affairs committee MP Abdulwahid Al-Awadhi responded to Saadoun's accusations with a strong-voiced reply, insisting that members of the committee made all the regulations necessary to control the project. He said that Saadoun's press conference was full of wrong and twisted information and fabrications. Saadoun also threatened to wage a "civil war" against the project,

Awadhi said.

The government and its supporters insist that the bill contains sufficient guarantees to serve Kuwait's interests and maintain control over its national resources. It limits the investment to four oilfields only, rules out any role for agents or brokers and subjects the project to existing Kuwaiti laws and not to foreign arbitration. Under the bill, Kuwait will also have the right to impose a production cut at any time, without compensation, and companies have to pay income tax on profits of up to 25 per cent.

The bill is expected to go before parliament after the next term opens on October 17. The opposition groups have the support of about 15 MPs in a house that consists of 50 lawmakers and 15 cabinet ministers who enjoy voting rights. The investment, known as Project Kuwait, is estimated to cost some \$8.5bn over a 20-year period with the aim to boost production of the fields from 530,000 barrels per day (bpd) to 900,000 bpd.