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Transparency essential

Project Kuwait, approval by all

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It's the best time to get Project Kuwait approved and by a big majority in the National Assembly. The time is right, the atmosphere is also right and it has all the right ingredients — politically, socially and most importantly economically.

Tie all this to the recent forecasts by various financial institutes on oil prices exceeding \$100 per barrel within the next few years. This coincides with announcements by International Energy Agency (IEA) calling on oil-consuming countries to preserve and conserve energy, if supplies fall short by 1-2 million barrels per day.

This is the first time the agency is sending a strong warning to the consumer countries in anticipation of any shortage during the coming summer months, with the oil-producing countries running out of additional spare capacity.

Kuwait will move ahead with "Project Kuwait" with the approval of the National Assembly as it will add the capacity which the world is looking forward to and needs.

In addition oil prices are increasing and will surpass the current level of \$50s per barrel not because of a lack of spare capacity but because of a growing demand for oil — in particular from Asia headed by China, and in India.

Today an American consumes on average about 70 per barrels of oil per day to meet his energy requirements. A European consumes about 35 barrels per day and an Asian about 8 barrels per day or about 10 per cent of an American. These statistics are enough proof of the growth in demand and frankly oil producing countries will not be able to cope with the demand unless they start investing now in search for additional oil.

Support

Time is our side for Project Kuwait, and the project team is doing a very good job with full support from everybody in the oil sector. The project will be approved because it's transparent and thoroughly detailed.

Transparency is very essential and it is the most important element in the equation to have full public support. The most controversial item in the project has been eliminated. It's no longer a condition to have a local agent to deal with international oil companies. Some of the international oil companies have already decided not to have local agent. They have asked Kuwait Petroleum Corporation (KPC) to represent them. They have done the right thing.

In Kuwait Project appointment of a local agent was the only item that the public rejected. Project Kuwait will be approved and it will be in operation by the middle of next year after announcement of the winner on radio and television. As long as the project is transparent everyone will support it inside and outside Kuwait.

The winner and the losers will be proud of the decision. Every participant in the project will be proud because they would have participated in one of the most transparent project in history, as every society, organization, the National Assembly and everybody in Kuwait openly debated, and had the right to ask any oil official about it.

It may have taken a long time, but it has been done in a very democratic way with the knowledge and approval of all.

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