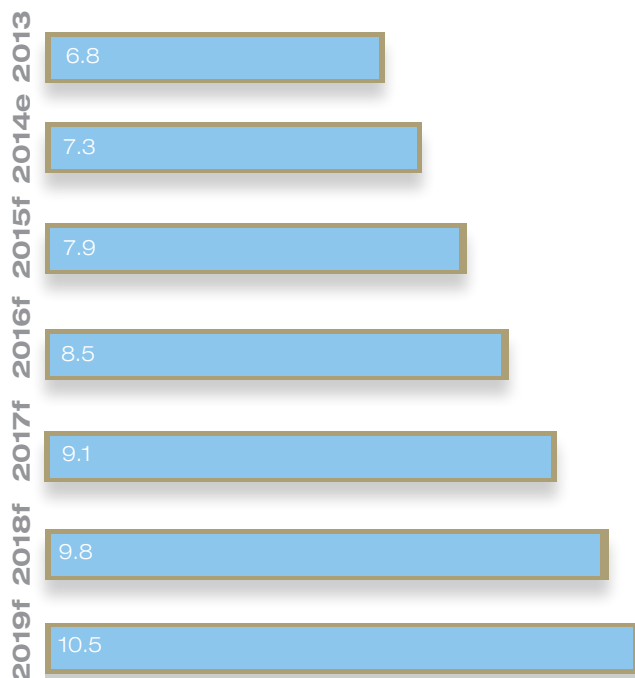


2.4: Education and Training

SECTOR OVERVIEW

The Kuwait Government has identified education as a key to achieving economic development and social progress. Education expenditure in the country is expected to increase from USD 6.8 Bn in 2013 to USD 10.5 Bn in 2019 (7.5% y-o-y), as a result of significant spending in this sector. The Kuwait Development Plan includes several education focused projects including the Sabah Al-Salem University City which will accommodate the new campus of Kuwait University.

Education expenditure:
2013-2019 (USD Bn)



TERTIARY EDUCATION

Kuwait has a diversified system of higher education with approximately 106,680 students enrolled in both public and private universities in 2013. The tertiary education in Kuwait has a number of local universities, offering select courses to students. Growth potential exists for foreign universities to setup branches in the country and provide niche offerings in higher education, as Kuwait attempts to reach global enrolment levels in tertiary education.

INSTITUTES AND TRAINING CENTERS

The Kuwait Government has laid a strong emphasis on development of its technical and vocational training sector by establishing several training institutes in the recent past, Public Authority for Applied Education and Training (PAAET) being the most noted among others. In Kuwait, the demand for vocational training is mainly driven by the training needs of corporate sector and students who are unable to pursue university education. Partnerships with reputed foreign companies and institutions are seen as a preferred approach to improve the quality of vocational training, and provide opportunities for new entrants.

Planned education sector
expenditure - Education expenditure
by 2019

USD 10.5 Bn



Government support, private sector participation and favourable demographics form a conducive environment for investment in Kuwait's education and training sector

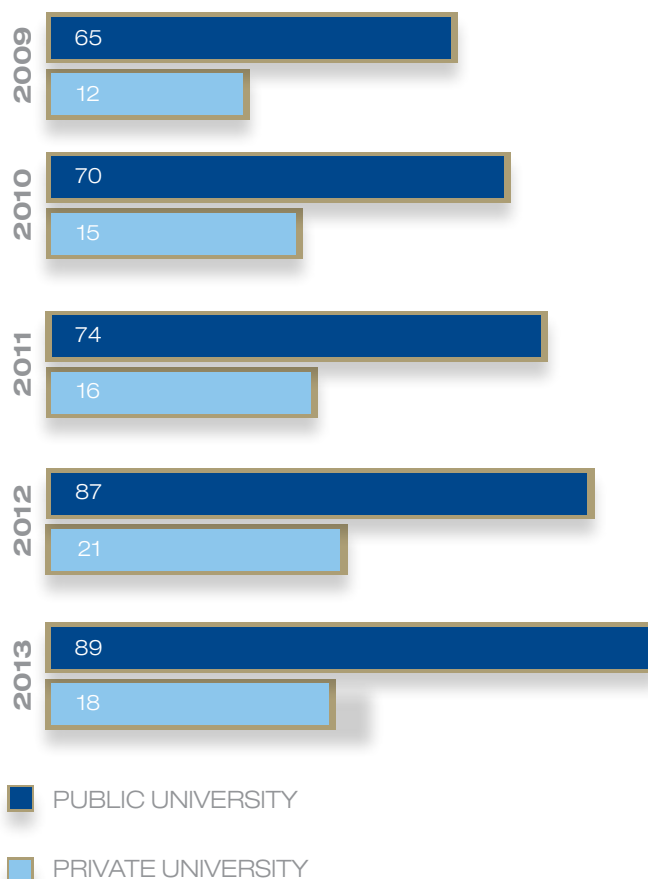
2.4.1: Tertiary Education

OPPORTUNITY OVERVIEW

Tertiary education is a key focus area for the Kuwait Government and there is high interest from local investors to establish educational institutions in partnership with leading international brands. The Government's efforts towards private sector participation in management of schools and limited presence of international schools offering high quality accredited education presents strong potential for growth in this sector.

The private universities segment has been a subject of active interest from global/regional education operators compelling students to go abroad for higher education. Significant potential exists for foreign universities to setup branches in the country and provide international standards of higher education.

Private and Public University enrolled students ('000)



- Healthy population growth and an attractive demographic mix, drives the growth of the tertiary education sector
- High GDP per capita and state subsidy for citizens represents considerable potential to spend on quality education in Kuwait
- The Government is supportive of foreign universities seeking to establish branches in Kuwait and also promotes private sector participation in management of business.

Public and private universities witnessed a year on year increase of approximately 8% and 11% during the period 2009 to 2013, respectively. Education expenditure in Kuwait crossed USD 6.8 Bn in 2013 and is expected to reach USD 10.5 Bn by 2019.

Opportunity exists to establish tertiary institutions offering graduate and post graduate courses in partnership with leading international brands.

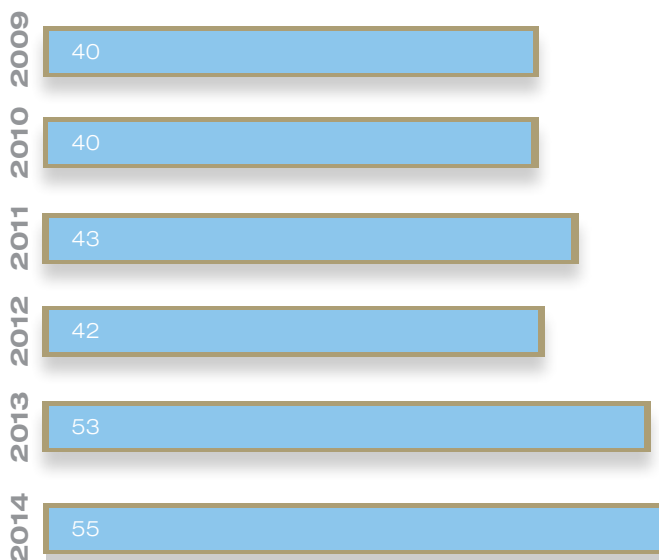
2.4.2: Institutes and Training Centers

OPPORTUNITY OVERVIEW

Kuwait Government is keen to make a concerted effort towards skill enhancement for its young workforce and address rising requirements of the job market. This has put a strong emphasis on the technical and vocational training sector which seeks to address the training needs of the corporate sector and students who are unable to pursue university education.

Expansion of a relatively young workforce in Kuwait together with initiatives undertaken by private companies are expected to drive demand in the sector as increasing number of recruits consider upgrading their skill levels and better aligning themselves to job market requirements.

Vocational training ('000)



- Kuwait's young demographic profile, with 25% of the population between the age of 15-29 years, forms the key segment for vocational training and is expected to drive further demand.
- Several private sector companies have begun to establish vocational training institutes, offering high quality education programs to the growing population of Kuwait, driving growth in this segment.
- Considering the expansion of the workforce in Kuwait, the relatively young demographic profile (target workforce – age group of 20 to 34 years) and rising unemployment, there is a likely potential for the population to enroll in vocational programs and re-skill or upgrade their skill levels.

Kuwait is seeking to attract regional and global education providers including established vocational training institutes.

Opportunities exist to provide training in disciplines like engineering and business which are aligned with job market requirements. Currently there is limited provision for quality training in the country.

