

## 2.9: Air, maritime and rail passenger transport

### SECTOR OVERVIEW

**Air and road are the primary modes of international passenger transport in Kuwait. Kuwait's strong economic growth and a steady population growth are driving the development of the country's transport infrastructure.**

**The Kuwait Government is seeking to enhance the transport infrastructure including redevelopment of the airport, maritime facilities and development of rail infrastructure within the country.**

### AIR PASSENGER TRANSPORT

The Kuwait International Airport is the primary airport and the only civil/passenger airport of the seven airports in the country. The number of passengers at the Kuwait International Airport has reached 10.3 Mn passengers in 2014 compared with its official capacity of 7.2 Mn.

An expansion of the airport is under way which is expected to raise the capacity to 25 Mn by 2025 and help ease congestion. The new terminal will help Kuwait position itself as a transit point within the GCC region.

### RAIL PASSENGER TRANSPORT

The Government intends to introduce rail transport in Kuwait through two large railway projects.

The Government is planning a metro rail network project in Kuwait City to ease road congestion. Another railway project, the Kuwait National Railway Network seeks to connect Kuwait with the GCC Railway Network, providing seamless rail connectivity across the GCC region for passengers and freight.

### MARINE PASSENGER TRANSPORT

Growing demand from Kuwait based tourists has seen a number of cruise liners including Star Cruises, Silversea Cruises and Crystal Cruises adding Kuwait as a port-of-call. The planned introduction of a single GCC visa for cruise passengers is expected to lead to growth of this sector.

### Planned aviation sector projects in Kuwait by Directorate General of Civil Aviation (DGCA)

Project value

**USD 5 Bn**

### National railway network- Expected operations by 2018

Project value

**USD 10 Bn**

## 2.9.1: Airport Facilities Management

### OPPORTUNITY OVERVIEW

The planned upgrades to Kuwait's aviation infrastructure are expected to support Kuwait's initiatives to position itself as a commerce hub. There exists potential to provide specialized facilities management (FM) services to maintain Kuwait's airport facilities at par with global standards and benchmarks.

FM Contracts in the GCC Aviation sector	
Bahrain Airport	15 year contract to manage facilities at Bahrain Airport in 2008. Scope of work includes technical & infrastructural building management for an area of 70,000 sq. m.
Abu Dhabi and Al Ain Airports	Comprehensive contract to manage more than 260,000 sq.m areas at the Abu Dhabi International Airport and the Al Ain International Airport.
King Fahd international Airport (KFIA)	5 year contract initiated in 2008 for management of KFIA's maintenance and operations including FM services.
Sharjah International Airport	Sharjah Department of Civil Aviation (SDCA) signed 3 year FM contract in 2009 for multi-technical and specialized facilities management services at Sharjah International Airport.
Dubai Airport	Integrated facilities management contract for Terminal 3.

The current terminal at the Kuwait International Airport measures approximately 190,000 sq.m. The new terminal under development is expected to add an additional area of 710,000 sq.m for the facilities management. Once the new terminal is operational, there is likely to be a multi-fold growth in requirement for FM services in the aviation sector with an estimated market size of USD 30-40 Mn in annual revenues.

FM contacts across the GCC aviation sector tend to be long-term multi-year contracts for management of airport infrastructure. There could be a similar opportunity for experienced FM service providers to enter into long term contracts with airport authorities/ operators in Kuwait.

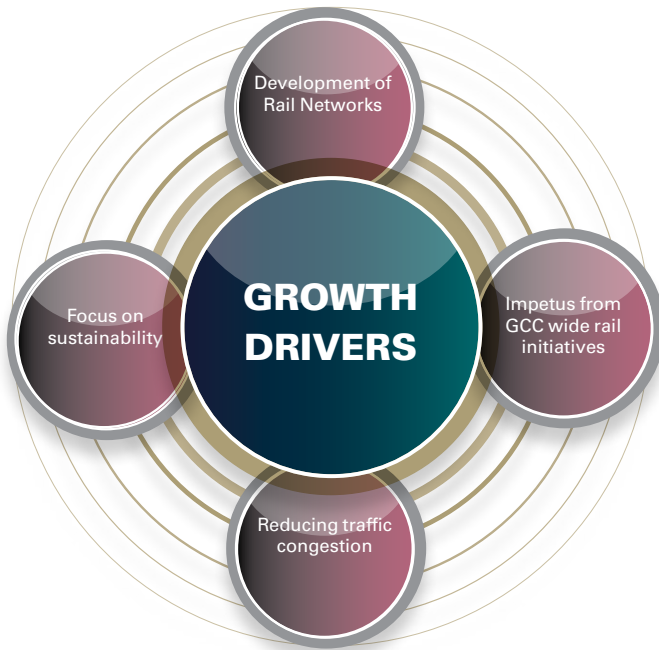
- Expansion of airport infrastructure will augment demand for FM services in Kuwait.
- There is existent demand for aviation focused FM providers as the FM services market in Kuwait is at a nascent stage.
- There is increased focus and awareness globally on environment sustainability which could potentially require new specialized FM services.



## 2.9.2: Rail Facility Management

### OPPORTUNITY OVERVIEW

The proposed rail and metro projects under the **Kuwait Transportation Masterplan** are expected to expand the market for **rail service delivery and facilities management (FM)**. Rail FM is a new segment in Kuwait and presents opportunities for specialized FM providers.



- The Kuwait National Rail Road project is of strategic interest to the Government in view of the potential trade benefits it offers the country and as part of integration with the broader GCC Railways project.
- Automobile traffic in Kuwait has outgrown the capacity of the road infrastructure, especially in the Kuwait Metropolitan Area. The Kuwait Metropolitan Rapid Transit System is planned to significantly enhance public transport in Kuwait.
- Focus on sustainability and resource optimization will lead to requirement of potentially new FM services, to build environment friendly stations and allied infrastructure.

The Rail FM market in Kuwait has the potential to generate approximately USD 90 Mn p.a. in revenues. The Kuwait National Rail Road System will be an integrated rail network with 511 km double track total length with total investment of around USD 10 Bn. The metro network seeks to cover 50 km and 28 metro stations in the first phase by the year 2020, increasing to 69 stations with a total length of 160 km. The metro project is expected to entail an investment of USD 7 Bn. The envisaged rail and metro networks offer a sizeable addressable market for FM services.

