

January 2019

MARMORE FIRST TAKE

Sheikh Jaber Al-Ahmad Al-Sabah Causeway:

A \$3 billion mega infrastructure project in Kuwait

HIGHLIGHTS

- The Public Authority for Roads and Transportation (PART) recently announced the opening of the land section of the Doha-link of the Sheikh Jaber Al-Ahmad Al-Sabah Causeway. The bridge is one of the world's longest causeway named after the 13th Emir of Kuwait to commemorate his contribution to the development of Kuwait.
- The Sheikh Jaber Al Ahmad Al Sabah Causeway, links Kuwait City from Shuwaikh Port to the Al Subiya new town area in the northern Kuwait. The causeway is made up of two discrete elements: the 36.1 km Main Link which includes a 27 km marine bridge structure between the capital and the Al Subiya area and a 12.4 km Doha Link linking Shuwaikh Port with the Doha motorway.



Image source: Dar

- The causeway is one of the largest infrastructure projects to be constructed in the GCC region with an estimated cost of \$3billion and is expected to be completed by April 2019.
- The causeway also supports commercial traffic and a growing transportation network by connecting to Al Sabiyah highway, which leads to the Mubarak Al Kabeer Port development.

- The causeway will be a strategic link facilitating planned development of the silk city (Madinat Al Hareer) in the north. The silk city project includes developing five Islands (Failaka, Miskan, Awha, Warba and Boubyan) and a port (Mubarak Al-Kabeer port). The port's strategic location is considered vital for the international commercial exchange.
- The initiative projects to revive the country's northern region with a phased development of the 250sq Km silk city and islands zone, including major ports, airport and tourism facilities. Developing the region could potentially transform Kuwait to a financial and commercial hub in the northern Arabian Gulf.
- In addition to the major infrastructure projects, Kuwait is planning to develop new cities in the north close to the strategic islands to cater the future needs and the rapid urban growth. With the completion of the causeway and the harbor, the region aims to be converted into a commercial and investment hub, with a free trade zone planned on five islands nearby.
- Developing new cities could address the challenges in the urban development, specifically the urban issues of traffic congestion and housing shortage in Kuwait.
- According to Ministry of Public Work (MPW), the causeway will also reduce the distance from Kuwait city to Al Subiya from 104 km to 36 km bringing down the cost of travelling time.
- The development of the project's two main components were awarded on a design-build basis following the completion of the concept design.

- The main link Subbiya causeway contract was awarded to a consortium of South Korea's Hyundai Engineering & Construction with the Kuwait's Combined Group Contracting Company (CGCC) under a KD 738.75 million (around \$2.5 billion) contract in November 2013. The Doha link contract was awarded to another South Korean firm, GS Engineering & Construction, under a KD165.71 million (around \$545 million) contract in 2014. Hyundai bears 78 percent of the total construction cost.
- · The general structural designer is Systra and Dar Al Handasah (Shair & Partners) (Dar) in association with TY Lin International (TYLI) and consultant SSH, is the engineer's representative on both projects, and bears the responsibility for the design, review, construction and supervision of the project.
- Once the project is completed, the motorists Image source: Sheikhjabercauseway.com will be able to travel the distance in 30 minutes, compared to the 90 minutes via the existing land route. This will significantly reduce the traffic congestion in the surrounding major roads.

- The project aims to provide greater integration between the northern areas of the country and the central and southern districts which have a comparatively higher population density.
- As transport infrastructure is one of the important factors for the economic growth of the country, the causeway project might transform the northern region in to an economic and commercial hub.



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about **marmore**

Our vision

To be the first choice for obtaining strategic intelligence on the MENA region.

Our mission

Serving businesses and institutions with reliable information and intelligence about MENA, needed to catalyse growth, understand the larger environment and facilitate decision-making.

Our aim

Advocate intellectual research on MENA economics, businesses and financial markets and provide customized, actionable solutions.

Our foundation

- » A subsidiary of Markaz: Investment bank and asset management firm with 40+ years of history
- » Markaz research activities commenced in 2006
- » Marmore established in 2010 to intensify the research activities
- » Publishes research reports and provides consulting services

published research

Industry research

Marmore's industry reports provide information on industry structure, key players, market analysis, demand drivers, competitive analysis and regulatory requirements.

Economic research

These reports are produced as thematic discussions based on current issues in the economy. The reports aid key stakeholders such as investors, businessmen, market participants, and policy makers in understanding the impact of a particular theme on the economy.

Infrastructure research

Infrastructure research highlights bottlenecks in the sector and areas requiring urgent investments. Our infrastructure report analyses the link between economic development and infrastructure and showcases supply & demand challenges in the GCC and investment opportunities.

Capital market research

Capital market reports provide an analysis of stock & bond markets in the MENA region including outlook. These reports are strategic in nature and provides investment perspective to readers.

Policy research

Marmore has partnered with several leading thought leaders and institutions of repute to generate economic policy research studies in key areas like energy, labor, economic structure and public sector.

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Our periodic reports capture GCC stock markets' earnings, risk premium studies, and economic development & outlook.

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Our regulatory research series is an effective consolidation, analysis and summary of key business, economic, and market regulations that impact business environment.

consulting **services**

Marmore provides customized consulting services based on specific requirements of our clients. Marmore's bespoke consulting services marries the challenges of cost, time, scope and data availability to generate actionable outcomes that are specific to our clients' needs.

What type of consulting services we provide?

- » Industry market assessment (market size, competitors, regulations)
- » White label reports (industry reports, company newsletters, periodic research)
- Databases (competitors' information, target clients insights)
- » Company valuation (buy/sell side advisory)
- » Due diligence / Business evaluation
- » Feasibility studies (market and financial)
- » Business plans
- » C-Suite support to leaders with intellectual, industry related needs

How do we execute consulting engagement?

Our seven step process to execute consulting engagements:

- » Step 1: Requirement and scope analysis
- » Step 2: Proposal submission
- » Step 3: Project initiation
- » Step 4: Fieldwork / research
- » Step 5: Analysis & reporting
- » Step 6: Review & approval
- » Step 7: Report submission / presentation



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