

Kuwait positioning itself as a marine capital of the ME

By Brian Salter

TO read some of the figures touted on the internet regarding tourism in Kuwait, you might be forgiven for thinking that despite the worldwide economic downturn, tourism in this northern enclave of the GCC is alive and flourishing.

Last year's official passenger figures at the international airport, for instance, rose five per cent year on year compared to 2007, with a throughput of just over seven million journeys, whilst in December alone, arrivals at just over 300,000 was eight per cent higher than the same month the previous year.

But scratch the surface a little and all is not as rosy as it might at first appear. Five star hotels that put up their prices in 2008, for example, have had to reduce them again to their previous levels. "The only business at the moment that these hotels are getting is basically from the government bodies who are putting on conferences and other events," says Eddie Fernandez, director of Prime One Holidays in Kuwait. "Construction in Kuwait is still going ahead in the private sector but at a much slower pace. New hotels have just been completed such as the Cost Del-Sol Hotel located on Arabian Gulf Street, with modernised rooms and a very low rate but with five star hospitality, while others are still under



Al Manshar Rotana Kuwait, part of Al Manshar shopping & entertainment complex is the largest of its kind in Kuwait

construction and could be opened by the last quarter of the year."

The GCC makes up Kuwait's largest inbound market, attracting business for the hotels; and in common with a number of regional carriers, airlines have laid on special deals to tempt potential passengers back into the skies. Jazeera Airways, for instance, is "helping the Gulf fly again" with one way fares of KD10 (\$35) anywhere within the Gulf inclusive of all airport taxes and fees.

The roller-coaster ride in the oil price - from a high of \$147 last July to below

\$35 in recent weeks - has an obvious effect on an oil state such as Kuwait; but one of the main reasons for the price plunge has been the deepening of the financial crisis which in turn has a knock on effect on travel budgets. Yet Jazeera's CEO Marwan Boodai said at the end of January that their profit target for 2009 would be higher than 2008's KD4 million (\$13.6 million). Wataniya Airways brought forward its inaugural flight connecting Kuwait with Dubai to January 24 and announced new routes to both Beirut and Bahrain. Etihad Airways signed a new code

share agreement with Kuwait Airways on flights between Kuwait and Abu Dhabi as of last month, allowing air travellers a choice of 21 weekly flights between the two capital cities.

Business visitors apart, leisure tourism is still in its infancy, catering predominantly to a home market. Kuwait's Arab Times newspaper puts the situation quite bluntly: "Tourism activity is almost non-existent in Kuwait," it says "and the tough regulations imposed on the issue of visitor visas for friends and relatives of expats living in Kuwait means that Jazeera Airways is missing out on an opportunity for a substantial amount of inbound traffic."

Yet it is evident that strides are now being taken in developing the sector with beach and watersports activities taking the lion's share of investment money. With over 35,000 registered leisure boats, Kuwait positions itself as the marine capital of the Middle East. And all eyes will now be on the forthcoming third Annual International Kuwait Boat Show at the end of March.

Bearing in mind that Kuwait still has only a small number of hotels, the emergence of new venues this year is seen as an important development in the tourism industry. Salmiyah will see the opening of the Hotel Missoni and Staybridge Suites; and next year are scheduled the Intercontinental Kuwait, Hilton Olympia, Jumeirah Messilah Beach Resort, Golden Tulip and another Staybridge Suites in Farnawiya. ■