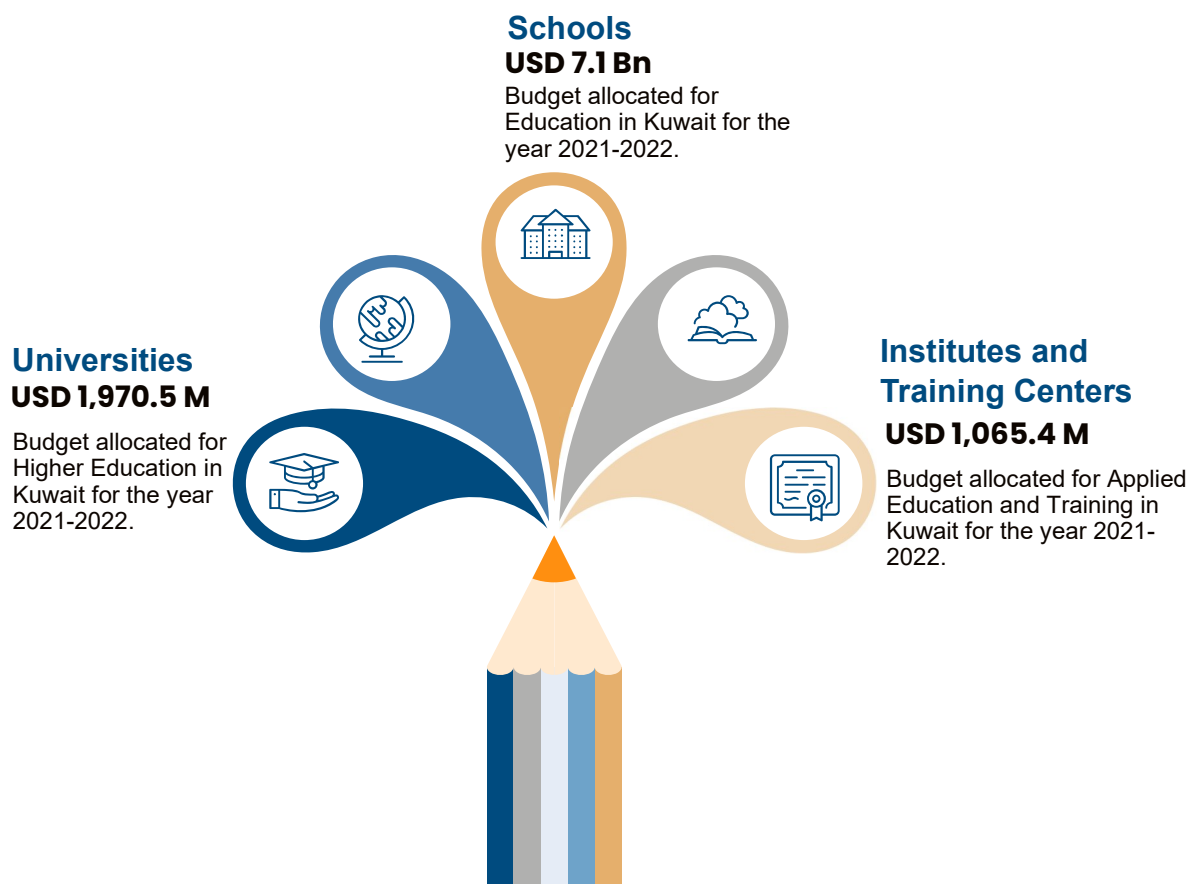


## 3.4 Education and Training Service Sector

### Sector Overview

The demand for quality education services has been increasing in Kuwait. Realizing this, the government of Kuwait intends to operate schools and universities in Kuwait that have partnerships with leading international brands. A number of educational projects have been launched by the government on a PPP basis, especially in upcoming cities. The government mandates the requirements of investors with international experience in building and operating the schools.

### SUBSECTORS



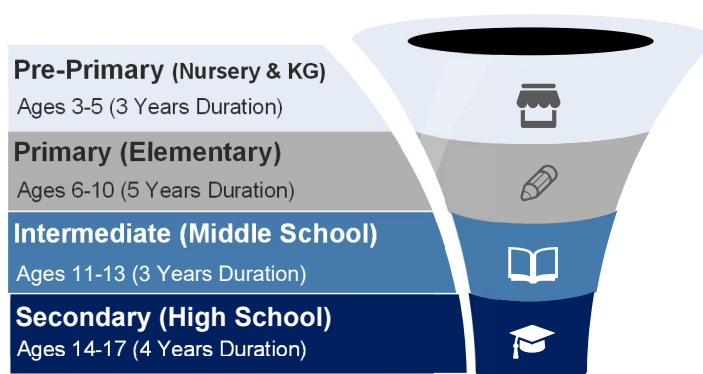
Currently, the participation of international schools in the Kuwaiti educational system is limited. This provides an opportunity for investors who operate prominent school brands and provide high quality accredited education to participate in the sector. Investors taking advantage of this requirement have a huge potential for growth in the educational services of Kuwait.

### 3.4.1 Schools (Nursery, KG, Primary, Intermediate and Secondary education)

Schools are educational institutions that impart formal education to the population aged between 3-18 years in Kuwait.

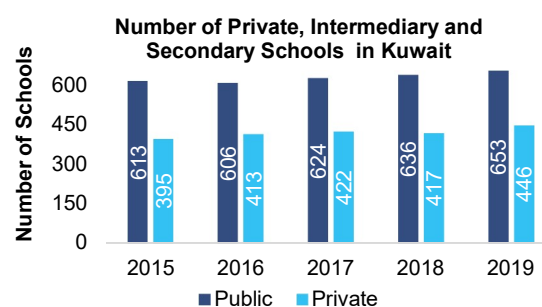
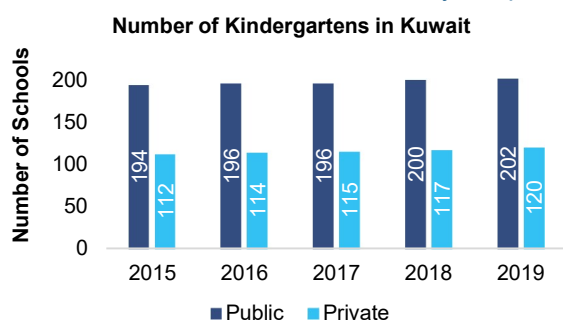
#### OVERVIEW AND FACTORS INFLUENCING THE MARKET

- Kuwait has a population of approximately 4.63 Mn people. Approximately 24% of the population is within the age group of 0-19 years.<sup>1</sup>
- The population of Kuwait is highly literate with 97% of the population having the ability to read and write.<sup>1</sup>
- The Kuwaiti government has allocated funds of nearly USD 7.11 Bn in the 2021-2022 budget towards education. This was a decrease of almost 7.53% over the previous year's budget.<sup>2</sup>
- The educational system of Kuwait includes Public Schools and Private Schools. While public schools mostly cater to the local Kuwaiti community, private schools cater to both the Kuwaiti and expatriate community in Kuwait. Private schools include American, English, French, German, Pakistani, Indian, and Philippines schools.
- The schools in Kuwait have a four-tier system including the below:

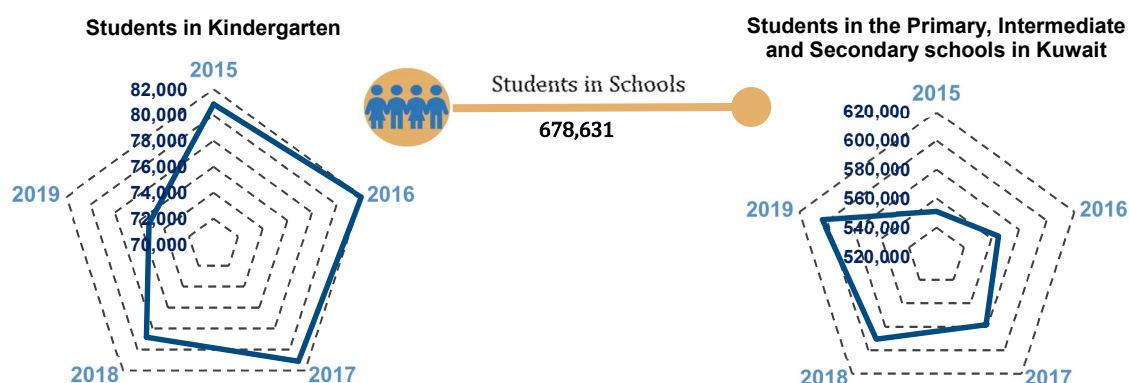


Education Levels	Public	Private
Pre-Primary	3-5 years	3-5 years
Primary	6-10 years	6-10 years
Intermediate	11-14 years	11-13 years
Secondary	15-17 years	14-17 years

- The schools are regulated by the Ministry of Education in Kuwait, which control all aspects from licensing, curriculum approvals, school student capacity and school fees.<sup>3</sup>
- The number of schools in the country are provided below<sup>4</sup>:



- The number of students enrolled in the schools are provided below<sup>4</sup>:



- The student to teacher ratio for the kindergarten was 8.04 and for the Primary, Intermediate and Secondary schools was 7.7 in Kuwait.<sup>4</sup>
- In term of fees, the American and British schools tend to be much more expensive than the Indian and Pakistani schools.<sup>5</sup>

Schools	Average Fees (USD)
American Schools	9,800 – 14,900
Canadian Schools	10,500 – 14,800
British Schools	6,600 – 12,125
Indian Schools	1,240 – 1600

A 3.0% fee hike is permitted annually for private schools and any higher increase in fees requires prior permission from the Ministry of Education.

- As part of Kuwait Vision 2035 Development Plan the following initiatives are being undertaken by the government<sup>6</sup>:

Project Name	Cost	% of GDP
Establishment of an Integrated System for Educational Reform (Includes on campus and online systems)	USD 605.6 Mn	0.51%
Establishment of National Education Standards	USD 10.3 Mn	0.01%
Conducting local and international studies to measure and evaluate the education system in the state of Kuwait	USD 10.4 Mn	0.01%
Project for application of total quality standards in schools in the country	USD 10 Mn	0.01%

- Further, a number of educational institutions are being developed on a PPP basis by the government in upcoming residential cities including Jaber Al Ahmed City and Sabah Al Ahmed City. They are included below<sup>7</sup>:

City	School	Size
Sabah Al Ahmed City	Private School	17,694 sqm
Jaber Al Ahmed City	Private School	8,891.399 sqm
Jaber Al Ahmed City	Private School	7,903.270 sqm
Jaber Al Ahmed City	Private School	9,297.380 sqm

The schools are varied and expected to cater to Arabic and Non-Arabic students. Tenders are currently being invited from investors with international experience to develop the schools.

## OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

- The population of Kuwait is growing steadily, and the rising population will increase the demand for educational services in the near future.
- The demography of Kuwait consists of a very young population. In fact, 50% of the population is less than 35 years old. This young population places a huge demand on qualitative educational infrastructure in the country.
- The development of new cities in the country is driving the need for new educational facilities within those cities to cater to its inhabitants.
- While the country has an existing educational system, importance now is being placed on the quality of educational services in the country. Hence, the government is keenly interested in having international investors to participate in this sector so that they may enrich the quality of education based on their international expertise.

Source: <sup>1</sup>PACI, <sup>2</sup>MOF, <sup>3</sup>MOE, <sup>4</sup>CSB, <sup>5</sup>Alpen Capital, <sup>6</sup>Kuwait Vision 2035 Development Plan, <sup>7</sup>PAHW



## 3.4.2 Universities (Graduate & Post-Graduate)

Universities cater to higher education also known as tertiary education, the completion of which provides a student with an academic degree.

### OVERVIEW AND FACTORS INFLUENCING THE MARKET

- Kuwait has traditionally paid lesser importance to tertiary education as the general trend of the local population was to pursue higher education outside of Kuwait.

However, the trend has been changing with many private investors establishing institutions in the country through associations with international brands in education.

- The Kuwaiti government has allocated funds of USD 1,970.5 Mn in the 2021-2022 budget towards higher education.<sup>1</sup>
- Funds for external and internal scholarships of USD 1,629.8 Mn were allocated as part of the 2021-2022 budget.<sup>1</sup>

- The private universities in Kuwait are governed and regulated by the Private Universities Council. Investors must meet all the mandates of the Council in order to obtain a license for establishing a university.

- There are currently around 15 licensed private universities and 2 public universities in Kuwait, they include:

Public <sup>2</sup>	Kuwait University
	Abdullah Al Salem University
Private <sup>3</sup>	Kuwait International Law College
	American International University
	American University of Middle East
	American University of Kuwait
	Gulf University of Science and Technology
	Kuwait Technical College
	Algonquin Canadian College in Kuwait
	Kuwait College of Science and Technology
	American College of the Middle East
	Australian College of Kuwait
	International University of Science and Technology in Kuwait
	Maastricht Business School – Kuwait
	Arab Open University - Kuwait Branch
	Box ill Kuwait College for Girls
	College of Aviation Technology

Ministry of Higher Education  
2021/2022

**USD 1,970.5 M**

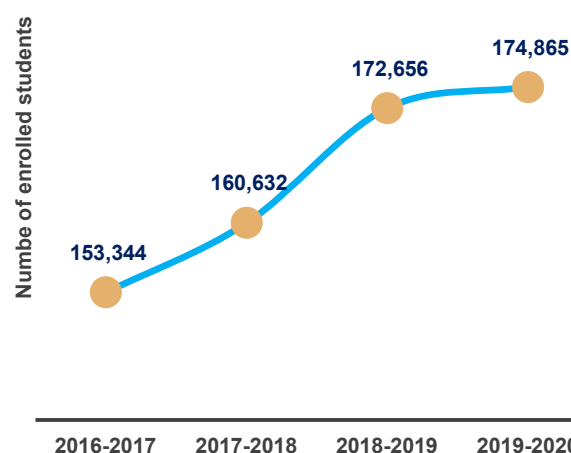
Budget expenditure

Scholarship for students  
2021/2022

**USD 1,629.8 M**

Budget expenditure

Public and Private Universities<sup>7</sup>



- There are currently 5 private universities proposed to be developed in Kuwait, they include:

Private <sup>3</sup>	Technical University of Munich in Kuwait
	University College of Management in Kuwait
	Canadian University of Kuwait
	The British College of Kuwait
	American University of Medical Sciences

- Universities in Kuwait offer diplomas, bachelor's degrees, master's degrees, and PhDs in a range of programs such as:
  - Business studies
  - Sharia and Islamic Business studies
  - Engineering
  - Medical
  - Information Technology
  - Art programs
  - Science programs
  - Law
  - Social sciences
  - Life sciences
  - Education
  - Graduate studies
- As part of Kuwait Vision 2035 Development Plan the initiatives being undertaken by the government include the Unification of the Candidate Test System in the country through the National University Admission Tests at a cost of USD 12 Mn and the development of the Sabah Al-Salem University City at a cost of USD 9.2 Bn.<sup>4</sup>
- Further, universities are also being developed on a PPP basis by the government in upcoming residential cities. One such project includes the Jaber Al Ahmed Private University expected to be developed in Jaber Al Ahmed City encompassing an area of 88,977 sqm.<sup>5</sup>

## OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

- The population of the country is growing at a steady pace with a demography that is very young, i.e., 50% of the population is less than 35 years of age.<sup>6</sup> This young population will generate a substantial demand for quality education in the tertiary education segment.
- The per capita income in Kuwait is one of the highest in the world, which provides a means for a number of families to have their children educated in the best universities in Kuwait.
- The government offers substantial subsidies (USD 2,644.5 Mn)<sup>1</sup> as well as scholarships in the educational sector which will support the demand for quality education in Kuwait.
- Universities and related projects are being established in Kuwait on a PPP basis with the support of the private sector, which provides excellent avenues for foreign investors to invest in the sector.

Source: <sup>1</sup>MOF, <sup>2</sup>MOHE, <sup>3</sup>PUC, <sup>4</sup>Kuwait Vision 2035 Development Plan, <sup>5</sup>PAHW, <sup>6</sup>PACI, <sup>7</sup>CSB



### 3.4.3 Institutes and Training Centers

Vocational Training Institutes or Professional Training Centers that provide training that helps enhance the skills of the workforce in the country. Vocational training provides technical skills required for people who want to take up jobs as technicians or artisans. Professional training is catered towards enhancing the skills of qualified professionals to increase their capability in the workplace as well as provides them opportunities for career growth.

#### OVERVIEW AND FACTORS INFLUENCING THE MARKET

- Approximately 21.5% of the population of the country is within the age group of 15-29 years.<sup>1</sup> The population within this age group are expected to enter the country's workforce and thus will be the ones that drive the demand for vocational and professional training in the country.
- The country's demography is very young, and the coming generation will lead the diversification and development of Kuwait. Hence, the government is keen to enhance the skills of the population so that they will be able meet the challenges of the work environment.
- The government of Kuwait caters to the training needs of the Kuwaitis population through the Public Authority for Applied Education and Training (PAAET). As per the budget for the year 2021-2022, the government has allocated funds to the extent of USD 1,065.4 Mn towards the needs of the PAAET.<sup>2</sup> PAAET is also the governing authority that issues licenses to the private companies for practicing training activities in the country.
- The PAAET provides training programs in a number of fields some of which are provided below<sup>3</sup>:
  - Telecommunication & Air Navigation
  - Electricity & Water Training
  - Industrial Training
  - Establishment Training
  - Nursing
  - Vocational Training
  - Secretary & Office Works
- There is also a number of players within the private sector of Kuwait that provide training in various fields.<sup>4</sup> Training programs are catered to individuals as well as institutions for enhancing skill sets, transferring knowledge, preparing for professional exams. The environment for training in Kuwait is highly competitive and hence there is a great emphasis on delivering quality training programs. Example of training courses are provided below:

Portfolio Management Programs	IT Programs	Project Management Programs	Finance Programs
<ul style="list-style-type: none"> <li>(CMSA) Capital Market &amp; Securities Analyst</li> <li>Advanced Portfolio Management Professional</li> <li>Investment and Portfolio Management</li> <li>Portfolio Management Professional</li> </ul>	<ul style="list-style-type: none"> <li>Certified Cloud Security Professional</li> <li>Certified Information System Security Professional</li> <li>Certified Data Professional</li> <li>Certified Information Security Management</li> <li>Oracle Database</li> </ul>	<ul style="list-style-type: none"> <li>Project Management Professional</li> <li>Certified Associate in Project Management</li> <li>Certified ScrumMaster</li> <li>Certified Project Management Partitioner</li> <li>Master Project Manager</li> <li>Certified Project Director</li> </ul>	<ul style="list-style-type: none"> <li>Certified Financial Planner</li> <li>Chartered Financial Analyst</li> <li>Chartered Financial Consultant</li> <li>Certified Fund Specialist</li> <li>Certified Government Financial Manager</li> <li>Certified International Investment Analyst</li> </ul>

## OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

- The young demographic make up of the country will drive the need for vocational and professional training in the country. A number of individuals will enter into the workforce of the country in the coming years and will need to be skilled and adapt to the job market needs.
- Recruitment in the country for large companies is driven by the technical skills and professional qualifications candidates possess. Prospective candidates understand the highly competitive job environment prevailing in the country and the need to have the latest qualifications to capture the best opportunities. International training companies can cater to the rising need of such professionals in Kuwait.

Source: <sup>1</sup>PACI, <sup>2</sup>MOF, <sup>3</sup>PAAET, <sup>4</sup>CSB

