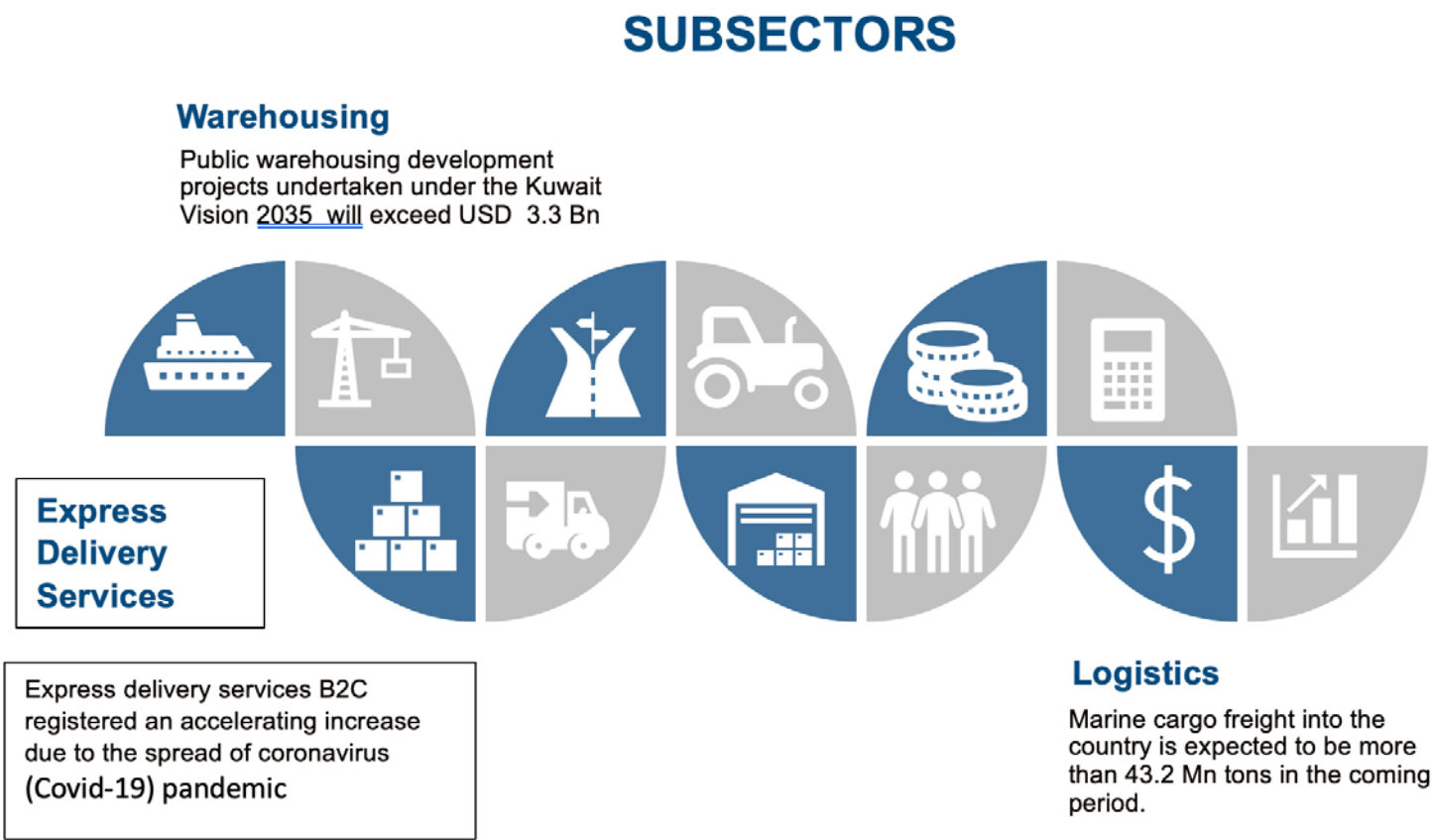


A worker in a blue uniform and cap is operating a yellow forklift to load a large, brown, cylindrical object into the back of a white truck. The truck's rear door is open, and the object is being positioned inside. The scene is set outdoors at a warehouse or industrial facility, with a large metal structure visible in the background. The text "Storage & Logistics Sector" is overlaid in white on the lower part of the image.

# Storage & Logistics Sector

Sector Overview

The development and expansion of seaports and the expansion of the airport have resulted in the development of several logistics and warehousing projects in the country.



Kuwait offers interested investors a host of mega investment opportunities in in storage and logistics support in the field of warehousing, logistics, and express delivery services to attain the goals of the National Vision 2035 and its development plans.



Warehousing

MARKET FACTORS

- Warehouses are mostly used by manufacturers, wholesalers, im-  
porters, and distributors. Trading is an important part of the  
country’s economy and vital for the day-to-day functioning of the  
society; warehousing plays a pivotal role in the chain of trading  
activities conducted in the country.
- There is several warehouses in Kuwait owned by the public sector  
most of which are located at the airports, seaports and inland in-  
cluding the following:

Location	Owner	Capacity (sqm)
Shuwaikh Port – Open Storage – Warehouse storage	Kuwait Ports Authority	450,000 <sup>1</sup> 170,000 <sup>1</sup>
Shuaiba Port	Kuwait Ports Authority	14,500 <sup>1</sup>
Doha Port	Kuwait Ports Authority	50,000 <sup>1</sup>
Kuwait International Airport	General Directorate of Civil Aviation	+ 10,000 <sup>3</sup>
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	16,606 <sup>2</sup>
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	9,650 <sup>2</sup>
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	611,543 <sup>2</sup>
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	67,620 <sup>2</sup>
Sabhan	Ministry of Health	32,500 <sup>2</sup>

- The private sector is also very active in the storage segment. Some  
of the prominent warehouses owned by the private sector include  
the following:

Commercial Storage

Location	Owner	Capacity (sqm)
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	20,000 <sup>2</sup>
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	18,000 <sup>2</sup>
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	8,420 <sup>2</sup>
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	8,420 <sup>2</sup>
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	84,142 <sup>2</sup>
Mina Abdullah	Jassim Transport & Stevedoring Company (K.S.C.P)	150,000 <sup>2</sup>
Mina Abdullah	KGL Logistics Company (K.S.C.P)	84,000 <sup>5</sup>

Cold Storage

Location	Owner	Capacity (sqm)
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	16,836 <sup>2</sup>
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	15,480 <sup>2</sup>
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	9,000 <sup>2</sup>
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	12,387 <sup>2</sup>

Mina Abdullah	Jassim Transport & Stevedoring Company (K.S.C.P)	10,000 <sup>2</sup>
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- The government has launched a number of initiatives to add in-  
crease warehousing capacity. Some of these include<sup>4</sup>:

Project	Cost	% of GDP
Development of the Mubarak Al Kabeer Port at the Boubiyan Island Port Development	USD 3,291.7 Mn	2.79%
Development of the Airport Cargo City Development for cater- ing to the air cargo of the country	USD 120 Mn	0.10%
Development of the storage areas of the Kuwait Ports Corporation	USD 664.5 Mn	0.56%
Development of gener- al warehouses and border ports at Al Abdali	USD 2,029.9 Mn	1.72%

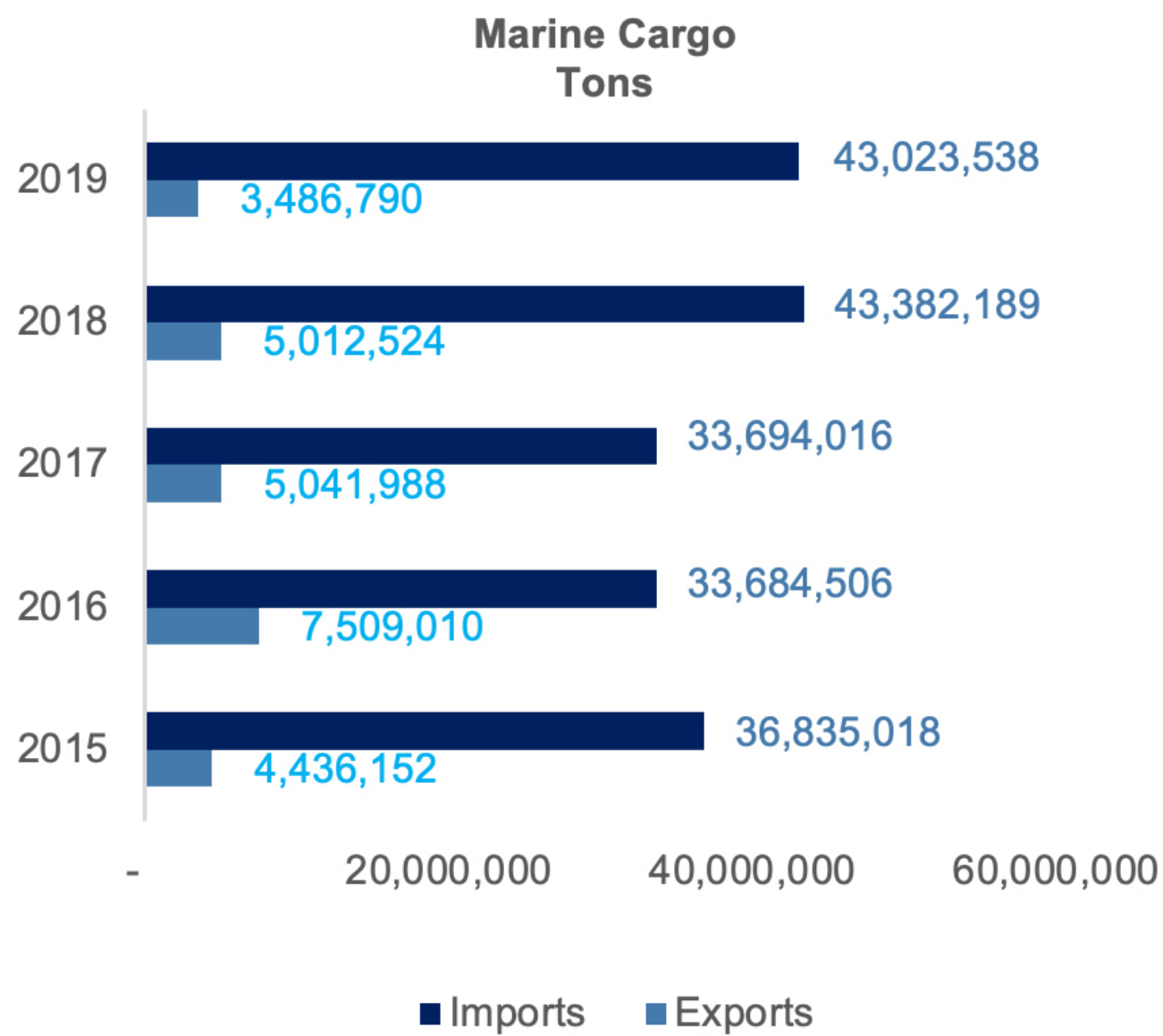
Sources: <sup>1</sup>Kuwait Ports Authority, <sup>2</sup>Logistics Capacity Assessment., <sup>3</sup>Jassim Transport &  
Stevedoring Co., <sup>4</sup>Kuwait Vision 2035, <sup>5</sup>Kuwait United Development Co.

Logistics

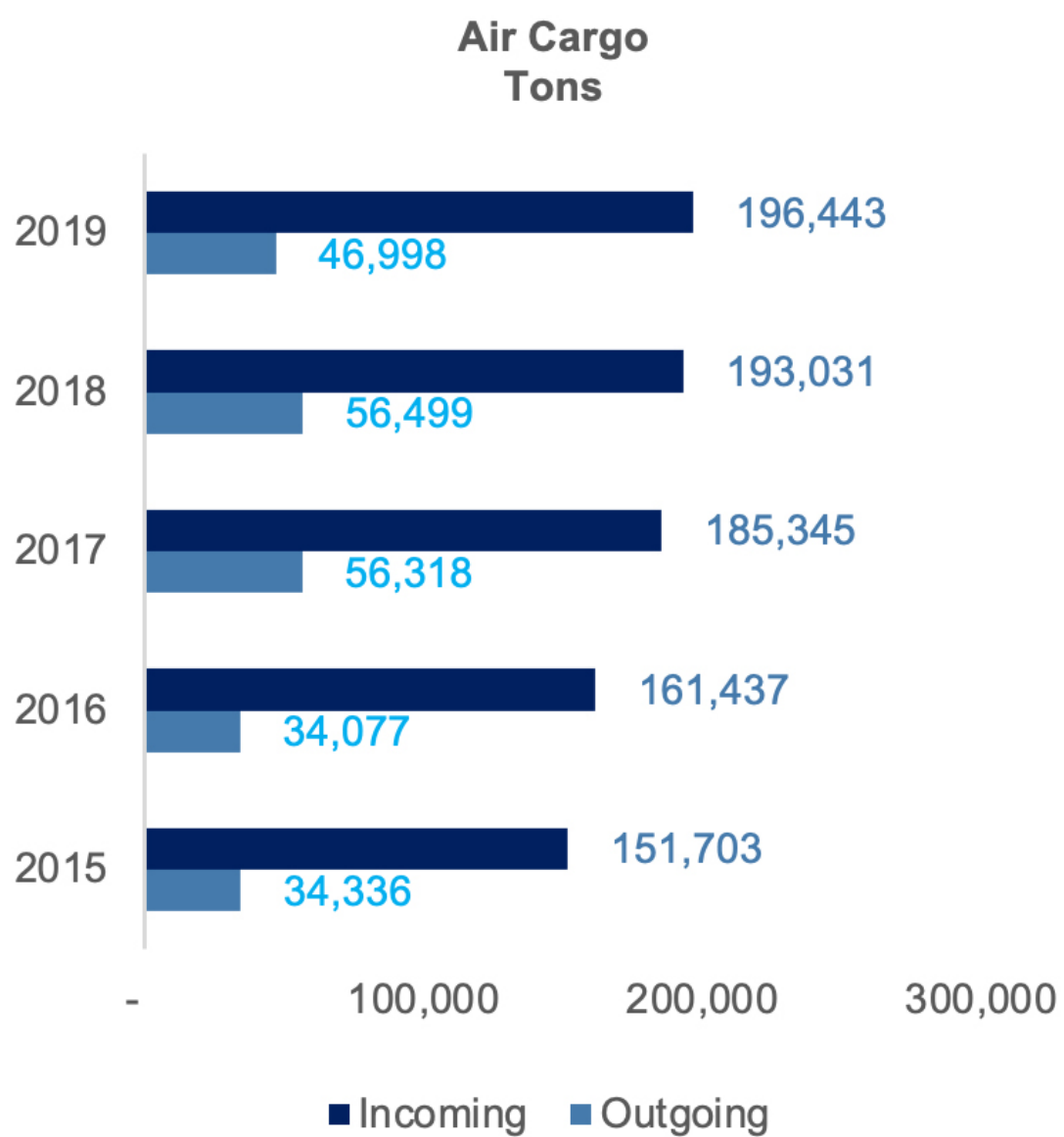
MARKET FACTORS

- Commercial freight movement in Kuwait is undertaken by marine, air, and land transportation, but marine remains the main mode of transportation. The development of new ports and the expansion of existing ones and the construction of the GCC railway system are expected to enhance the amount of regional trade, which will require further logistical support to meet the heightened momentum of trade during this time.

The import and export of marine cargo freight in 2019 reached 43 Mn tons and 3.5 Mn tons respectively. The CAGR of cargo import freight was 4% and export freight was -5.8% from a base of 2015.<sup>1</sup>



The incoming and outgoing of air cargo freight in 2019 reached 196.4 thousand tons and 46.9 thousand tons respectively. The CAGR of incoming cargo freight was 6.7% and outgoing cargo freight was 8.2% from a base of 2015.<sup>1</sup>



- Many private sector companies in Kuwait cater to the logistics sector. Some of the prominent companies include:
  - Agility Public Warehousing Company – Publicly Listed
  - Kuwait and Gulf Link Logistics Company – Publicly Listed
  - Jasim Transport & Stevedoring Company – Publicly Listed

- There are several projects being developed by the government to support the logistical infrastructure of the country. They include<sup>2</sup>:

Project	Cost (USD Mn)	% of GDP
Railway Network in the State of Kuwait (Phase 1)	60.5	0.05%
Establishment of an export, import and customs inspection zone in the western Shuaiba region	49.8	0.04%
Expansion and development of the Shuwaikh Port Development	548.2	0.46%
Expansion and development of the Shuaiba Port Development	358.8	0.30%
National Center for Ship Traffic Systems (VTS) and Search and Rescue Building	53.8	0.05%
Expansion and development of the Doha Port	265.8	0.23%
Building the Mubarak Al Kabeer Port	3,291.7	2.79%

- There are also plans for establishing four logistics cities including an area of 317,355 sqm at Shuwaikh port, 300,000 sqm at Doha port, another 270,000 sqm at Doha port and 1,000,000 sqm at Mina Abdullah Port. The engineering design tender for these locations was recently launched by Kuwait Ports Authority.

Sources: <sup>1</sup>CSB, <sup>2</sup>Kuwait Vision 2035.

## Express Delivery Services

### MARKET FACTORS

- Express delivery services are crucial for Kuwait's logistics market.
- Kuwait's e-commerce industry has witnessed a tremendous growth over the last years reaching USD 1.9 Bn in 2020 with a wide range of shipments coming into Kuwait reflecting the changing preferences of consumers and their acceptance to shop electronically.<sup>2</sup>
- The players of the express delivery services in Kuwait include local and international companies. Some of the prominent international companies include:
  - Aramex
  - DHL Express
  - UPS
  - Porter Express
  - TNT
  - Skycom
  - FedEx
- International companies play an important role in the market because of high volume of trade, shipments related to expatriates and growing business activities.

Sources: <sup>1</sup>Shipa, <sup>2</sup>Statista, <sup>3</sup>Cision.

