

## MADINAT AL HAREER CHARTER

22 March 2006

**AL BADEIA RESORT AND PRESERVATION:** A National Wildlife Sanctuary of over 200 hectares will create one of the largest parks and research study centres anywhere in the Arabian Gulf. An Eco-Tourist Resort will open the Sanctuary to visits, study and exploration.

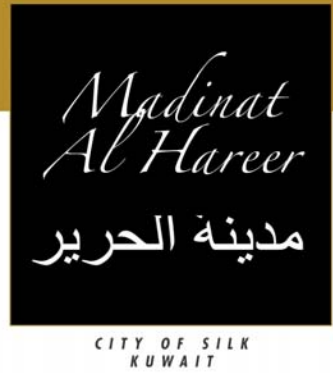
**JABER AL AHMED BRIDGE:** Spanning Kuwait Bay, this new bridge will connect the City of Silk to Kuwait City with a 17 minute drive. Half way across the Bay, the Bridge will alight onto two Islands that will contain limited, exclusive private developments.

**SILK ROAD - FREE ZONE:** An Advanced Enterprise Zone will be designated a Free Zone for trade, investment and business incubator developments. Located next to a new International Airport, it will connect to an expanded Rail, Air and Road Network extending far into Central Asia.

**BUSINESS CITY CENTRE:** As the centre for finance, trade, commerce, business and international management, the Business City will provide extensive facilities for new businesses to open international headquarters in Kuwait. It's centrepiece will become the business hub for the Arabian Gulf and a gateway into Central Asia.

**CONVENTION AND EXHIBITION:** Following the legacy of the great World's Fairs, the Convention and Exhibition Facilities in Madinat Al Hareer will celebrate and bring together the world's finest professionals, businesses, investors and clients into a Marketplace of Ideas. Here the great achievements of the world's advancing technology, products, services and research will be treated as privileged guests.

**SPORTS CITY AND SPORTS ACADEMY:** Leisure, Sport, Athletics, Physical Performance Centre and Resort will occupy the centre of the Riverside of the Madinat Al Hareer (City of Silk). Academies for Sports Medicine, Athletic Excellence and Physical Research will be part of this comprehensive recreation centre.



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## **LEGAL CONSIDERATIONS RELATING TO THE ESTABLISHMENT, DEVELOPMENT AND ADMINISTRATION OF MADINAT AL HAREER**

### **1. THE PROJECT**

- Establishing a multi-purpose, economic, commercial and residential city in the area of Subiyah in the state of Kuwait.

### **2. THE LEGAL OBJECTIVES OF THE PROJECT**

- To set up an essential and adequate legal framework (Enabling Law) for the establishment, development and administration of the Project.
- To ensure the central role of the Government as master planner and enabler.
- To maximize the participation of the Kuwaiti private sector.
- To attract and utilize international resources, both financial and experiential.
- To facilitate long-term, private sector employment opportunities.
- To provide both transparency and fairness in process and result, as well as streamlined and prompt decision-making procedures.
- To encourage development of the Project to international standards and best practices, so as to increase the recognition of Kuwait in the international markets.

### **3. THE PROPOSED LEGAL STRUCTURE**

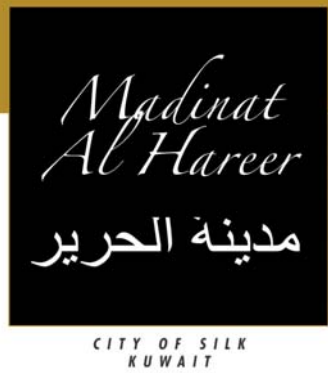
- To establish a wholly-owned Government Corporation (Madinat Al Hareer Corporation) that will be given the following:
  - Set up the Enabling Law that will govern and regulate the establishment, development and administration of the Project.
  - Prepare and adopt the master plan and guidelines of the Project.
- To divide Madinat Al Hareer into a series of phases in accordance with the master plan prepared and adopted by the Corporation.
- To establish separate shareholding companies, in which ownership sharing to be arranged between the government, the private sector and the public and to which the development of the different phases will be granted.

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- to the basic governmental services, providing as well a wider role for international investments and supporting the participation of the Kuwaiti private sector.

**- Ends -**



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## **MADINAT AL HAREER WILL ADDRESS KUWAIT'S KEY SOCIO-ECONOMIC CHALLENGES**

### **1. ECONOMIC GROWTH**

- Engine for economic growth:
  - The investment of KD 25 billion in Madinat Al Hareer will lead to a contribution of KD 45 billion to Kuwait's National Income over the life of the project. The new city is also expected to contribute KD 4 billion to annual GDP by 2030.
- Reduce dependence on oil sector:
  - The economic activities in the new city will help to reduce the country's dependence on an oil based economy and will enable the diversification of the economy and focus on non-oil sectors - manufacturing, financial services, real estate, trading, logistics and hospitality.

### **2. EMPLOYMENT CREATION**

- Create new job opportunities for the Kuwait work force:
  - There are limited employment opportunities for the increasing number of Kuwaitis entering the work force (60% of the Kuwaiti population is below 25 years of age). Madinat Al Hareer will create 430,000 jobs and focus largely on knowledge based jobs in the private sector. Given that the public sector is the largest employer in the country at the moment, a prime objective of the project is to create more jobs in the private sector and reduce government expenditure on social, community and welfare benefits.

### **3. INVESTMENTS AND PRIVATE SECTOR PARTICIPATION**

- Create investment opportunities:
  - Currently there are limited opportunities for private sector investment and foreign direct investment in Kuwait and, at the same time, there are significant overseas investments by Kuwaitis. Madinat Al Hareer will create attractive investment opportunities in Kuwait for national, regional and international investors. It will encourage and enable entrepreneurial culture in Kuwait.
  - The public sector's predominance in the country's economy and capital creation will be complemented by the private sector actively participating in, and wherever possible, taking the lead in investment and management.

### **4. URBAN DEVELOPMENT**

- Integrated urban development for 700,000 people:
  - The population of Kuwait is projected to increase to over 5 million by the year 2030 and limitations on expansion of the current urban areas will necessitate the development of new towns and cities. Madinat Al Hareer will be a fully integrated urban development to accommodate 700,000 people.

### **5. STRATEGIC LOCATION**

- Gateway to the Silk Route:
  - The potential to act as the gateway to Iraq, Iran and Central Asia, when coupled with the proposed Bubiyan seaport and a new airport, will reveal a city that will underpin the revival of the traditional silk route to become a global trading and logistics hub.

**- Ends -**

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**PROJECT FACT SHEET**

<b>NAME OF PROJECT</b>	:	Madinat Al Hareer (City of Silk)
<b>LOCATION</b>	:	Subiya (Northern Kuwait)
<b>SIZE OF PROJECT</b>	:	250 sq.km
<b>TOTAL INVESTMENT</b>	:	Approx. KD 25 Billion
<b>TIME PERIOD (Full Project)</b>	:	Approx. 25 years
<b>TIME PERIOD (Phase I)</b>	:	Approx. 5-7 years

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**MADINAT AL HAREER  
ENVIRONMENT, PLANNING AND ENGINEERING DESIGN - SUSTAINABILITY**

**THE CHALLENGES**

1. The City of Silk is a development on a grand scale, unprecedented in the Gulf Region, and some impacts on the environment will be inevitable.
2. Kuwait Bay is a sensitive environment, important for fisheries and water-birds, and already suffers environmental problems.
3. Kuwait Constitution Article 21. Natural resources and all revenues there from are the property of the State. It shall ensure their preservation and proper exploitation, due regard being given to the requirements of State security and the national economy.
4. With respect to the International Index of Environmental Sustainability, Kuwait is currently ranked 138 out of 146 countries.

**THE OPPORTUNITY**

Kuwait needs to take steps to accommodate its 2030 projected population of over 5 million. This is an opportunity to create a world class city that has environmental protection and sustainability as a cornerstone – it will be designed with the help of the foremost Kuwaiti institutions and scientists, working with international engineers and specialists, who will seek the latest technologies and innovations to reduce environmental impacts and lift Kuwait to a higher position in the world league table of sustainability.

**THE WAY FORWARD – INVESTING FOR THE LONG TERM**

1. **Kuwait is aware of the complexities of the coastal zone:** the physical environment, biological environment and people's use of the environment.
2. **Kuwait will adopt targets that exceed world benchmarks of excellence and aspire to more than best practice.** Innovative approaches and technologies will be sought so that environmental issues and sustainability approaches are identified and addressed in the

planning and design stages. By using the best scientific and engineering skills available, Kuwait can be a leader in environmental management and sustainability.

3. **Local participation and capacity building.** A significant body of scientific information on the environment of Kuwait already exists thanks to the excellent work of organisations such as the Kuwait Institute for Scientific Research (KISR) and the Environmental Protection Authority. Building on their knowledge and expertise and with the participation of these organisations, the necessary baseline surveys and planning studies will be completed to inform engineering designs and identify environmental mitigation measures. Their capability will be enhanced and the expertise will be retained within Kuwait.
4. **Examination of options.** Masterplan, Construction Methods, Clean Technologies to make life in the city a pleasurable experience. The Sabah Al-Ahmad National Park can be linked to the Ecological City at the heart of the development. The most innovative technologies, materials and building and urban designs will be explored: to maximise use of renewable energy sources (wind, wave, tidal, solar energy), to reduce waste, water and energy consumption and CO<sub>2</sub> emissions and promote a low carbon economy.
5. **Learn from history and plan for the future.** Elsewhere, where costal reclamation is taking place, hotels built on the waterfront are now up to 1 km inland. The roads of many cities are choked with cars, have inadequate parking and no shaded walkways for pedestrians – public transport systems (metros) are being “retrofitted” at great expense. For the City of Silk, high quality public transit systems can be integrated into the plans from the outset.
6. **Kuwaitis to build their own future.** Kuwaiti participation in the development of the City will be maximised – there will be a training programme for Kuwaitis to learn skills in project management, planning, design and construction. The institutions established to develop the city will be designed with this in mind. Socially and environmentally responsible construction practices will be followed.

7. **Establish nature conservation areas.** Declare and manage parts of Kuwait Bay (and neighbouring Bubiyan Island) as a Ramsar Site (an internationally important wetland) or Biosphere Reserve (a UNESCO designation).
8. **Creation of Kuwait Bay Environmental Management Committee (KBEMC).** With representatives from the main concerned groups (Environment Public Authority, Fisheries Sector, KISR etc) and a strong executive arm, this organisation will have authority and responsibility to regulate all activities that may impact on the environment of Kuwait Bay.
9. **Supply Chain.** Environmentally and socially responsible – tropical hardwoods will be from sustainably managed forests. Environmental impacts of sources of construction materials (cement, aggregates, etc) will be considered. Where domestic sources are inadequate, investment could be made in raising the capacity and environmental standards of quarries and cement factories in neighbouring countries such as Iraq.

- Ends -

**MADINAT AL HAREER – DEVELOPMENT TEAM**

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Madinat Al Hareer is the result of a collaboration between the private sector, researchers, designers, engineers and the agencies responsible for the economic development and planning for the region.

Prepared over the past eight months, this project represents one of the largest mixed-use leisure, education, entertainment, retail and cultural developments anywhere in the world.

**Local Advisor**

OHA : BADER AL-SALMAN KUWAIT

**Architects & Master Planner**

ERIC KUHNE & ASSOCIATES : ERIC KUHNE  
DAVID BEALE UK

**Economic Analysis**

KPMG : SHARAT SETH DUBAI

**Strategic Advisors**

SQ. FT. CONSULTING : SHAVAK SRIVASTAVA DUBAI

**Legal Analysis**

AL-KHEBRA : MOH'D DALLAL  
OSAMA ABDUL JALEEL  
GHINA MALIK KUWAIT

SHEARMAN & STERLING : LEE KUNTZ  
JOHN OPAR USA

**Environmental, Fisheries & Engineering**

ATKINS : ROBERT WHITCOMBE  
TERRY BRADBURY UK

**CULTURAL CITY CENTRE:** On the peninsula tip overlooking the Arabian Gulf, a new centre for diplomacy, culture and academia will be created to become the centre of international excellence. It's museums will include an archive, visual & performing arts, archaeology and crafts.

**RESORT AND HOSPITALITY:** Extensive leisure and pleasure facilities will be developed in all four city centres. Riverside development will provide for extensive leisure waterfront activities and the coastline will be developed as a new Arabian Riviera.

**LEISURE CITY CENTRE:** As a centre for Resorts, Hospitality, Leisure and Entertainment, this new City Centre on the Riverside of Madinat Al Hareer will celebrate the quality of life in the City of Silk. Gardens, marinas, parks, recreation facilities and a level of concierge service will establish a benchmark of excellence for the citizens of the City of Silk.

**ENVIRONMENTAL CITY CENTRE:** As a centre of science, research, ecology and the natural environment, this fourth City Centre will become the heart of the new National Wildlife Sanctuary and National Park. It will welcome scientists and researchers from around the world who will be part of restoring the desert as a robust habitat for all living creatures.

**MEDIA CITY:** Building on Kuwait's creative centre for Television production, an expanded Media/Internet/Communications Centre will expand the reach of all forms of media, content origination, academies of talent and support services for the Information Economy.

**FILM CITY:** Specifically targeted to create a new movie production industry for the Arabic world, Film City will become one of the finest centres of film in the world. All aspects of film production, movie making, support services and the industry surrounding all of these will be developed to cater to the Arabic speaking nations of the world as well as non-Arabic film-makers seeking to capitalize on the state-of-the-art facilities.

**INDUSTRIAL CITY:** A new Light-Industrial Centre will be developed adjacent to the Advanced Enterprise Zone and Business City Centre. This will encourage the development of extensive locally operated manufacturing enterprises

**EDUCATION CITY:** Partnerships with international educational institutions will expand the reach of Kuwait's Tertiary Education system to include Asian, European and North American places of Higher Learning.

**HEALTH CITY:** Subscribing to a new Healthy Cities Agenda, the Madinat Al Hareer (City of Silk) will include advanced treatment centres, research facilities, specialized medicine and pharmacology, prevention strategy, rehabilitation and nutrition centres. All communities will use advanced planning to bring treatment and fresh foods to within walking distance of 80% of the citizens of the Madinat Al Hareer (City of Silk).

**PARKS:** Drawing on the rich tradition of Arabic Garden design from around the world, Ribbon Parks and Gardens interlaced with lakes, ponds and canals will provide the most extensive Garden City plans of any new community in the Arabian Gulf. Connecting the New National Park, Wildlife Sanctuary, Riverside Resort Promenade and Bayside Maritime facilities, this 'emerald necklace' will rival the great greenbelts of the world and provide the most comprehensive park system in any Arabic Country.

**LIFESTYLE ZONES:** Every one of the 28 Communities of the Madinat Al Hareer (City of Silk) will be branded with a distinctive lifestyle offer that makes it a unique destination. Sport, recreation, leisure, culture, information, media, film, research, education, business, diplomacy, ecology and environment will represent just some of the diversity of offer available to the citizens and guests of the Madinat Al Hareer (City of Silk).

**HOUSING:** Expanded housing plots, diversity of housing types, compelling family amenities, easy access to health care and education, self-sustaining neighbourhoods and an extensive park system will make these residential communities the most coveted resort and hospitality planned housing developments in the Arabian Gulf.

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**MUBARAK AL KABIR TOWER TALLEST BUILDING IN THE WORLD:** Towering over 200 stories, this twisting, tapering tower will create a vertical community made up of 7 neighbourhoods stacked atop one another. Three blades will terminate at different heights and atop each one will be cultural, civic, and religious amenities for the residents, workers, and guests.

- Ends -