

Kuwait IWPP – Preliminary market sounding

The State of Kuwait, through the Partnership Technical Bureau ("PTB"), is embarking on its first Independent Water and Power Producer ("IWPP") to help it manage increasing demand for electricity and water.

The successful developer will be responsible for the financing, design, procurement, construction, operation and maintenance of a new gas-fired power and desalination facility proposed to be located at a specific "greenfield" site at Az-Zour North.

It is expected that the plant will have a guaranteed capacity of approximately 1500 MW and 100 MIGD of desalinated water.

The project will be competitively bid in accordance with the laws of Kuwait on the principles of openness and transparency.

In accordance with the PPP Law (Law No. 7/2008), the project will be undertaken by a public Joint Stock Company of which 40% will be offered to the successful developer following the competitive tendering process.

Similar to deals done elsewhere in the region, the IWPP will benefit from an off-take agreement with the Ministry of Electricity and Water for a term of up to 30 years.

PTB has retained a Transaction Advisor including BNP Paribas, Chadbourne & Parke LLC and Lahmeyer International to advise PTB on the implementation of this landmark IWPP.

Interested developers/investors are required to submit indication of interest to PTB by email to AbdulAziz Al-Hedaib (ahedaib@mof.gov.kw) with a copy to Roland Kahale (roland.kahale@bnpparibas.com) by **7 June 2010**.