

FOREWORD

It is my pleasure to present the forty-fourth Annual Report on the development activities of Kuwait Fund for Arab Economic Development for the fiscal year 2005 - 2006, ended March 31, 2006. It is the first report following the great loss felt by Kuwait and other Arab and Islamic nations and throughout the international community for the passing away of His Highness the Emir of the State of Kuwait, Sheikh Jaber Al-Ahmad Al-Jaber Al-Sabah. God bless his soul in eternity. Under his wise leadership for 28 years, Kuwait witnessed remarkable progress and development. His legacy is portrayed in every aspect of the country's achievements,



including his initiative to establish Kuwait Fund for Arab Economic Development. The Fund continues to be guided by his vision and foresight and the principles he laid down for strengthening the Fund's cooperation with the developing nations in pursuit of supporting their development objectives, while maintaining mutual respect and friendly relationship with them, which would serve our national objectives and promote the role of the State of Kuwait in the international community.

As in previous years, the Fund pursued its close cooperation with developing countries with the aim of assisting them in their efforts to achieve their development goals and improve the quality of life of their peoples.

During the fiscal year ended March 31, 2006, the Fund took all actions required to conclude the signing of 21 loan agreements with recipient countries with a total value of about KD 198 million for participating in the financing of development projects in various economic and social sectors.

In addition to the provision of loans, the Fund also extended during that year technical assistance and grants to a number of countries and institutions, with a value of about KD 3.53 million, for financing technical services and supporting development activities, in general.

Furthermore the Fund continued its support to the development operations of certain regional and international development institutions by contributing KD 8.82 million to augment their financial resources. In carrying out these activities, the Fund continued, as usual, to provide its partners in development with advice on best practices for implementing projects.

Sheikh Dr. Mohammad Sabah Al-Salim Al-Sabah
Deputy Prime Minister
Minister of Foreign Affairs
Chairman of the Board of Directors
Kuwait Fund for Arab Economic Development.