

# موازنة 23/22 BUDGET

November 14, 2022

Ministry of Finance  
**State of Kuwait**



Fitch  
Ratings

**AA-**  
Stable

MOODY'S

**A1**  
Stable

STANDARD  
& POOR'S

**A+**  
Stable

في 1 نوفمبر 2022، أقر مجلس الأمة قانون ربط ميزانية الوزارات والإدارات الحكومية وقوانين ربط ميزانيات الهيئات الملحقة والمؤسسات المستقلة للسنة المالية 23/22.



# Structural changes on the 23/22 Budget

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On 19 August 2020, Kuwait National Assembly passed Law 18 /2020 that amended decree law (106) of the year 1976. The law, before the amendment, mandated the transfer of 10% of all state revenue to the Future Generations Fund (FGF, commonly known as Kuwait's Sovereign Wealth Fund). The amendment to the law makes the 10% transfer conditional on the state registering a surplus in its closing accounts. The law came into effect on September 13 retroactively, starting from FY 18/19.

# Budget Highlights

(From April 1, 2022 to March 31, 2023)

KWD billion

## Projected Revenue

23.4

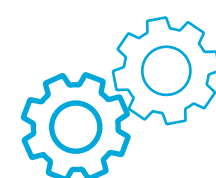


### Revenue Sources



Oil

91%



Non Oil

9%

## Expenditure

23.5

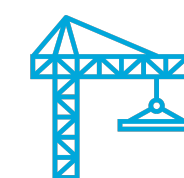


### Expenditure Breakdown



Salaries and  
Subsidies

75%



CAPEX

12%



Other  
Expenses

13%

## Forecasted Deficit

0.1



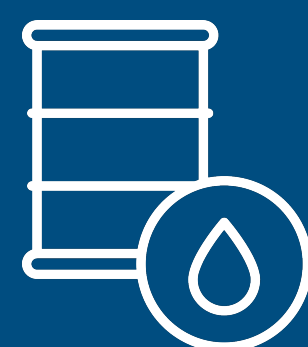
### Historical Data Surplus / Deficit from 2013/2014 to 2022/2023



# Basis for Oil Revenue Projection



## BUDGET BREAK-EVEN POINT



**\$80.4**

Average price per barrel required for budget break-even

### Assumption

#### Oil Production

#### Average Oil Price

#### Exchange Rate

#### Fiscal Year

#### Natural Gas Revenue

#### Deduction of production costs

*+2.3% Increase in production costs for the 2022/2023 fiscal year*

### Budget

fiscal year, which ends on March 31  
**2023**

### Budget

fiscal year, which ends on March 31  
**2022**



2.73 mn barrels / day

2.43 mn barrels / day



USD 80

USD 45



304 fils per 1 dollar

304 fils per 1 dollar



365 Days

365 Days



KWD 326.9 mn

KWD 185.4 mn



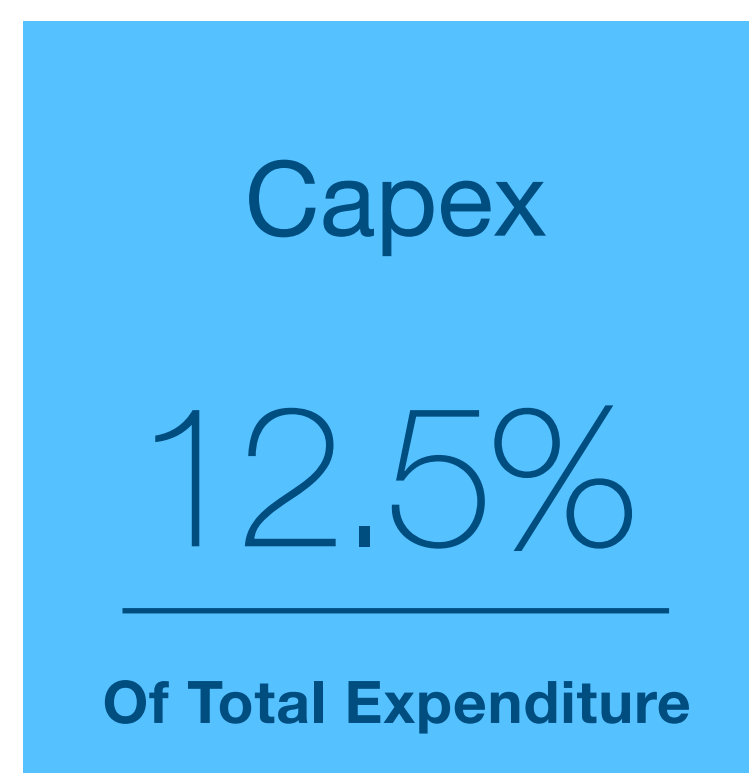
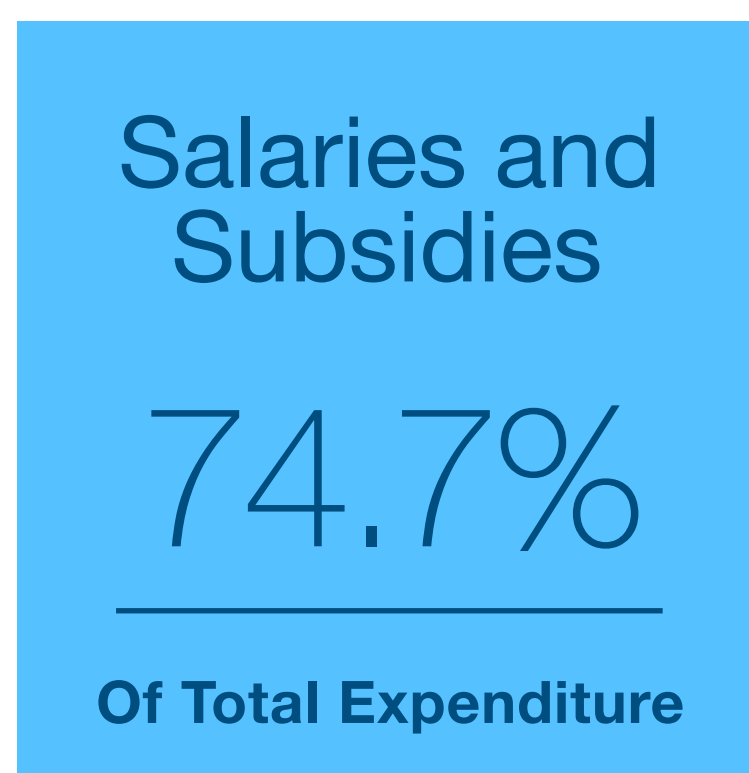
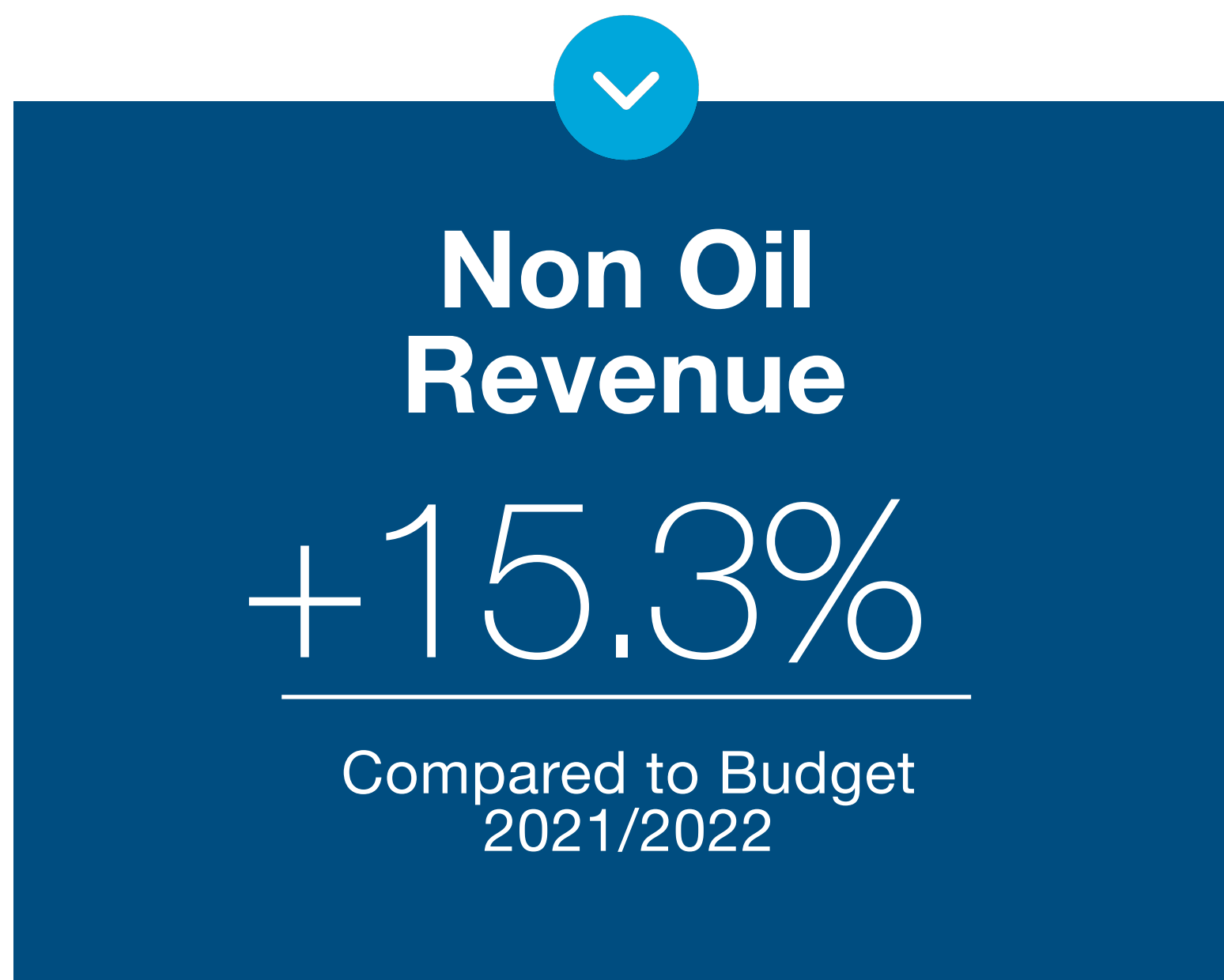
KWD 3,239.1 mn

KWD 3,166.7 mn

# Budget Components

(From April 1, 2022 to March 31, 2023)

KWD Millions



	Budget fiscal year, which ends on March 31 2023	Budget fiscal year, which ends on March 31 2022	Change%
<b>Revenues</b>			
Oil Revenue	21,321	9,127	133.6%
Non Oil Revenue	2,078	1,802	15.3%
<b>Total Revenue</b>	<b>23,399</b>	<b>10,929</b>	<b>114.1%</b>
<b>Expenditure</b>			
Salaries	(13,148)	(12,599)	4.4%
Subsidies	(4,416)	(4,057)	8.8%
Capex	(2,937)	(3,466)	(15.2%)
Other Expenses	(3,022)	(2,926)	3.3%
<b>Total Expenditure</b>	<b>(23,523)</b>	<b>(23,048)</b>	<b>2.1%</b>
(FGF) Deduction	0	0	
<b>Fiscal Balance (Deficit)</b>	<b>(124)</b>	<b>(12,119)</b>	<b>(99.0%)</b>

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